

CENTER FOR REAL ESTATE DEVELOPMENT



Fall 2008 Newsletter

Letter from the Director

by Elaine Worzala

Greetings to everyone—our students, faculty, alumni and friends of the program!!

Fall is in the air and the band is out in the field practicing even now as I type this message. Returning to a university where football clearly matters is very exciting for me! Having grown up listening to the marching band practice at Wisconsin—the sounds of the Tiger Band practicing today bring back a lot of fantastic memories. Growing up amongst the Badger tailgaters was also an unforgettable experience. This was complete with breaking an arm at age 10 as I was counting the cars parked in our lot in order to divvy up the proceeds between Dad and the kids. I guess I learned very early on about the premium land in real estate that has great linkages, as we could park cars for \$5.00! I am finding out very quickly that the premium is even higher for properties within close proximity to Death Valley. Joining the Clemson team feels a bit like returning to my roots...although the weather is not exactly crisp and cool yet!!



Dr. Elaine Worzala


As you will discover in this newsletter, the Center and the MRED program have been extremely busy over the summer getting ready for the beginning of the academic year. We have welcomed back the Class of 2009 along with introducing to the Clemson family the Class of 2010. We are also welcoming additional staff, Carolyn Clayton—the first EVER student coordinator for the MRED program, Carol Williams who has come out of retirement to help the Center on a part time basis through the end of the year, and Tyler Lesley who will be with us for the next year as he prepares for graduate school. He is exploring alternative majors and we hope he seriously considers the MRED program!

There is one more staff change as far as the coordination of the Center. I will be “on loan” to the Department of Planning and Landscape Architecture for the year. Dan Nadenicek, who has been instrumental in helping us initiate the real estate programs here at Clemson, has taken a position as Dean of the School of Landscape Architecture at the University of Georgia. We will miss him greatly and want to take this opportunity to thank him for all his support and assistance to the program over the years. He has been incredibly supportive of all our endeavors, and his absence will be noticed! If you would like to get in touch with him, his new email address is dnadeni@uga.edu.

We realize my work in the Department may limit the growth of the Center for the year, but we feel it will be a win-win situation as I will be able to interact and network with more faculty and administration across the university, as well as within our industry. In the long-run it will set up the Center to really take off with the right relationships in place. Academia, like real estate and most businesses, is dependent on relationships and networking—thus my goal for the year will be to connect to as many people as possible both inside and outside of Clemson. Our plan is to keep the Center active in working with the academic programs here in Lee Hall, along with providing support where we have faculty willing/able to take on research or teaching grants. For example, we have submitted a proposal with the South Carolina Association of Realtors to assist with analyzing and reporting their data. We are hopeful an arrangement will be approved, and Dr. Tom Springer will have an opportunity to spearhead the effort.

I will end this note by encouraging you to read the complete newsletter. It is full of exciting news and events, including a short interview with our fearless leader, Russ Campbell, of the Advancement Board, the growth of the Student Real Estate Society, the foundation of the Real Estate Alumni Society designed to attract all Clemson alumni engaged in the real estate industry, as well as the more formal organization of the Emerging Green Buildings student chapter that is being set up to boost the commitment of Clemson University to enhancing teaching and research on sustainable development. We have also included a short description of research recently completed by one of our research associates, Dr. Tom Springer. Finally, we have provided information on the Capital Campaign along with the efforts of the Clemson Architectural Foundation to ensure we will have a new home within the next 3 years—which is essential to the growth of our programs as well as other programs housed in Lee Hall. We hope you will choose to become involved with the Center, and I look forward to working with you as we continue to build our national reputation within graduate real estate education.

All the best,



Elaine Worzala

Director of the Center for Real Estate Development

Interim Chair of the Department of Planning and Landscape Architecture

Masters of Real Estate Development Graduates the Class of 2008, Grooms the Class of 2009 and Welcomes the Class of 2010

By Carolyn Clayton

The MRED program is close to full occupancy with 39 students enrolled. This fall we welcomed another 20 MRED candidates that will make up the class of 2010. These students are from all over the country with the bulk coming from South Carolina. Their undergraduate institutions range from Miami University of Ohio to Harvard, from Chapel Hill to Auburn, and we even have 6 students who already are proud to wear the orange with undergraduate degrees from Clemson. Their majors range from Entrepreneurial studies to Urban & Environmental Planning, from Journalism to

Political Science with most of them having studying some form of business/finance, design or construction. They are excited about this program and are anxiously awaiting the field trip to Miami for the Fall ULI conference.

The class of 2010's average GPA was 3.21, they came from 13 different undergraduate institutions and were our largest class of applicants to date. We anticipate another record class of applicants for the Class of 2011 and appreciate your help in identifying future developers to be a part of our program. We look for students with a passion for the field, pertinent experience, the desire to commit to a two-year full-time experience, and appropriate GPA, GRE or GMAT scores and excellent recommendations. Visit us online at: www.clemson.edu/mred for more information.

In May, we graduated the class of 2008 as they completed their final year at Clemson. After a long semester and two major practicum experiences they were happy to celebrate the end of their academic experience. Many of them have gone on to obtain excellent permanent positions with quality mid-sized and national firms including Forest City Enterprises, CBL & Associates Inc., Toll Brothers, Grubb and Ellis, Struever Brothers Eccles and Rouse, and Essex Property Trust. However, some of them are still looking for jobs given the current slowdown in the real estate market so if you have any leads on positions for aspiring developers, please contact either Dr. Terry Farris or me immediately!!



Maymester—MRED Class of 2009

Finally, the second year MRED students are bracing for their practicum in the Spring. They all had a wonderful time completing the 8th annual Maymester tour of the South Carolina Coast from Myrtle Beach through Charleston to Hilton Head. This is a 12-day tour of 40 developments and meeting over 100 developers, designers, engineers, planners, lenders realtors, builders, and public officials that is taught and organized by Dr. Farris. These students went directly to their summer internships (just barely passing GO) and for many of them they went to exotic places such as Vail, CO; Baltimore, MD, Jackson, MS while others stayed more local in Clemson, Greenville, Columbia and Charleston, South Carolina.

New Staff Members Are Added to the Center

The Master of Real Estate Development Program (MRED) at Clemson University is pleased to announce Carolyn Clayton has been hired as the Graduate Program Coordinator. Carolyn's duties as Graduate Program Coordinator include assisting the Program Director, Dr. Terry Farris, in building the national reputation of this program; marketing and branding the Program throughout the real estate development community and coordinating the strategic recruitment of graduate students.



Carolyn’s career in higher education has allowed her to explore the admissions recruitment process, the intentional holistic development of student leaders, and the coordination of a comprehensive fundraising program. Most recently, Carolyn served as a Director of Development for the Division of Student Affairs at Clemson University. She earned her Bachelor of Arts in Communication from Messiah College in Grantham, PA and her Master of Arts in Higher Education from Geneva College in Beaver Falls, PA. She is an active participant in local and regional triathlons. She and her husband Jason reside in Clemson with their coonhound Trail, and lab Casey.



Carol Williams has come out of retirement to support the Center faculty and staff. She is a lifelong resident of the upstate, and she has been employed with Clemson University for 30+ years.

Tyler Lesley joined the Center for Real Estate Development in August 2008. Tyler graduated from Clemson University in 2006 with a Bachelor of Arts in Secondary Education with an emphasis in History & Geography. He will be developing and maintaining the CRED website and newsletters, along with supporting the faculty and graduate students in the Center. His background in teaching coupled with three years experience working in the Office of the Vice President for Academic Affairs & Provost at Clemson has given him a unique familiarity with higher education. Tyler is from Summerville, SC and is an avid cyclist and autocross enthusiast.

Get-to-Know one of the Advancement Board Members

W. Russell Campbell, current chair of the CRED Advancement Board

Interviewed by Tyler Lesley

Current Employment: W. Russell Campbell Co., Inc.
President and Broker-in-Charge

Education: Bachelor of Science, Arts & Sciences
Clemson University 1960



What factors led you on your career path?

While working in Greensboro, NC, our organization pushed for a downtown revitalization plan—at a time when most businesses had moved to the suburbs. This was followed by a move to Charleston where I joined an architectural firm. My mentor was a successful real estate broker who was involved in the sales and marketing of Seabrook Island. With his coaching, I moved from developing plans on paper to developing land itself.

What are a few of your greatest accomplishments?

Personally: being a husband and a father. Professionally: creating communities from dirt that I am proud to return to after completion, and see the residents and visitors enjoying life and the property appreciating in value.

What is your formula for success?

Be yourself. Be reliable. Be a team player.

What is your philosophy toward life?

My philosophy can be captured in a couple of sayings: “You can have everything in life you want if you just help enough people get what they want” and “Faith is not that God can, but that God will.”

What are your hobbies?

Nothing in particular—everything in general. I enjoy wood carving when I have time to pick up a knife. Otherwise, reading.

What is your favorite vacation spot?

Since I reside at the beach and can see the breakers of the Atlantic Ocean from my office desk, the mountains offer a welcome change of pace.

Do you have any favorite books or authors?

My favorite books and authors are whatever I am reading at the moment. Currently, I have just finished Savannah native Bruce Feiler’s “Walking the Bible” and Jim Nantz’s “Always By My Side.” I am halfway through “Stonewall” by John J. Dwyer. I have a C. S. Lewis collection of short essays pending, and “The Restoration Economy” by Storm Cunningham is also pending. Past books are varied such as “Run With the Horsemen” by Ferrol Sams, and “In Search of Excellence” by Tom Peters. Three periodicals I read consistently are TIME magazine, Sports Illustrated, and Biblical Archeology.

What are you passionate about?

I am a pretty steady personality. Fortunately, I have many interests and am curious about most of life. Professionally, I derive the most energy from starting something new—especially putting together a team to create a new project from a piece of dirt.

What are your favorite memories as a Clemson student?

Being part of the transition from the Corps of Cadets to a civilian college, along with soaking up the Clemson spirit academically, athletically and socially.

Any other memorable life experiences?

A couple of things come to mind: Flying in command of the rear cockpit of a U. S. Navy jet with the Blue Angels; Being part of the Executive Committee that organized and produced the first performance of “Porgy and Bess” in Charleston with a local cast; Serving Holy Communion to my family; Sleeping on the banks of the Colorado River under the stars at the bottom of the Grand Canyon in an extremely remote location—and fishing for trout; Clemson athletics are always a thrill.

Clemson University Student Real Estate Association: Organized and Active!

By Kyle Evans

Since April, the Clemson University Student Real Estate Association (CUSREA) has been hard at work planning for the '08 – '09 academic year. Serving as this year's officers are the following:

President:	Kyle Evans
VP – Alumni & Professional Development:	Leila Blackmon
VP – Communications & Marketing:	Matt Summers
VP – Finance:	Helen Hughes
VP – Social Events:	Trip Reed

All MRED students belong to the organization, whose mission is to enrich the MRED student experience. This year's leadership team has planned a number of events and programs, described briefly below:

"People Helping People" – Before 1st year MRED students arrived for class, CUSREA mailed out a welcome packet, and 1st year students received a summer phone call from a 2nd year student.

Fall Cookout – A popular tradition since the MRED program was founded—this was held at Jessica and Whit's house.

Fall Internship Workshop – 2nd year students discussed recent summer internships and offered resume and job search advice to 1st year students – especially important in today's job market!

Real Estate Panels – For the first time, CUSREA is excited to co-sponsor, along with the Center for Real Estate Development, two industry panels bringing leading real estate professionals to the Madren Center to discuss current real estate issues as well as "lessons learned" while in the field. The events are open to all Clemson students and friends of the Center for Real Estate Development. This year's panelists include the following Clemson alumni:

Friday, September 26th

Robert M. Mundy, Jr. (Bob), President, Estates Inc.
 E. Mitchell Norville (Mitch), Executive Vice President & Chief Operating Officer, Boston Properties, Inc
 Christopher C. Pearce, IV, Sr. Vice-President – Carolinas Manager, Wells Fargo Bank
 John S. Whitaker, Managing Director, AIG Global Real Estate Investment Corp, AIG Investments

Friday, November 14th

Gary B. Frederick, Senior Vice President, Development, Hillwood Investment Properties
 Douglas S. Gray (Doug), Director – Assets Management, Jamestown Properties
 Daniel B. Pattillo, Jr. (Dan), President, Rooker Real Estate, LLC

Neil C. Robinson, Jr., Managing Member and Real Estate Practice Group Leader, Nexsen Pruet, LLC
Stuart D. Whiteside, P.E., Seamon, Whiteside & Associates, Inc.

These are just a few of the events and programs that have been planned for the '08 – '09 year. Others include an MRED community service day, several MRED intramural sports teams, and active participation in local events organized by the Urban Land Institute's Young Leaders Group. CUSREA maintains close contact with MRED alumni and hopes to see many of them during the Clemson University Real Estate Alumni Society events planned for the weekend of September 12th!

*****The Masses are Mingling in Lee and Sirrine Hall!*****

On Wednesday, Oct 3, graduate students from the MRED, MSLA, MRCP, and MBA joined forces to commence the first annual mixer. Sponsored by CUSREA, about 70 graduate students and faculty from all programs converged at the community clubhouse at Country Walk Estates. Graduate students, new and old, mingled with the faculty and began to cement relationships that we hope will continue far beyond the student's years at Clemson. One of the major goals of both the student associations and the Department of Planning and Landscape Architecture is to provide students with the opportunity to live, work and play together (mantra of new urbanism.) In this case like any good TIGER, we started with the play!! Everyone is looking forward to more of these social events, but also to working alongside each other as the year progresses. Fun was had by all!

Clemson University Real Estate Alumni Society

Recently, a couple members of the Clemson University Student Real Estate Association, in conjunction with various alumni from the Master of Real Estate Development Program (MRED), Dr. J. Farris, director of MRED program, and Elizabeth Milhous from Clemson's Alumni Association, have come together to help create the Clemson University Real Estate Alumni Society (REAS). This society will be comprised of alumni from the MRED program and other real estate professionals who are alumnus of Clemson University. Membership will also be permitted for those professionals that have shown support for the Master of Real Estate Development program in its formative years, whether by participating in speaking events, serving on the advancement board, or by contributing in some other similar capacity. Founded by Clemson University's Center for Real Estate Development (CRED) and graduates of Clemson University's Master of Real Estate Development program, REAS is a member-driven organization that provides an important connection between alumni, the university, students, and real estate markets. With a diverse membership spanning multiple fields within the real estate industry, REAS maintains the following mission:

- Keep alumni and friends connected with the school, the Center for Real Estate Development, the Master of Real Estate Development program, and current students through professional and educational events, activities, and programs.
- Create a forum in which members can enhance professional and personal networks as well as interact for employment and social activities.

- Provide financial support to the Center for Real Estate Development, the Master of Real Estate Development program, and graduate students to ensure that Clemson's real estate programs continue to thrive and attract the highest quality students.

The first kickoff event will be held on September 12, 2008, from 6 – 8 PM at the Harris Terrace in the Madren Center. The event will consist of a brief presentation of the new alumni society, and will follow with cocktails, hors d'oeuvres, and dessert. A tailgating "kick-off" party will follow the next day for the Clemson vs. NC State football game.

Emerging Green Builders

By Whit Johnson

The Emerging Green Builders (EGB) is a USGBC affiliated organization for students and young professionals interested in sustainability. The chapter here at Clemson is fairly new and small, and this year its members are making a special effort to expand its membership base and promote interest throughout the Clemson student body, particularly in the fields of architecture, landscape architecture, construction science, planning, and real estate development, both at the graduate and undergraduate levels. In the works for this fall are a LEED for New Commercial Buildings Exam workshop, site visits of green buildings on Clemson's campus as well as the Cliffs Cottage on Furman's campus, presentations by professionals on green building and financing, and much more. An interest meeting for the EGB was held on Friday September 5. There were over 50 students in attendance from most of the colleges on campus, and we had emails from close to another 50 students that could not attend the meeting. We are excited about the turnout, and look forward to building the organization next year.

Plans for the semester include regular meetings on the first Tuesday of every month in Lee 171 at 7:00 PM. EGB is working with the USGBC to offer the LEED AP Exam Workshop on October 7, 9, 14, 16, and 21 from 6:00 PM until 9:00 PM. The venue is still being decided upon. If you have any questions regarding the workshop please contact James Bakker at james.bakker@yahoo.com.

Innovative Research from CRED Research Associates

The Effect of Development Impact Fees on Housing Values

A recent study, co-authored by Thomas M. Springer of the CU CRED and several colleagues from Texas Christian University, University of Texas – San Antonio and Ohio State, looks at Texas property markets to assess whether the legislated fees affect residential property values. The study uses Texas data for 46,420 properties in 63 Texas cities, some of which have enacted impact fees and others that do not use impact fees as a revenue generator. The results show that a \$1000 increase in impact fees results in a 1.4% increase in the price of new homes and a 6.5% increase in the price of existing homes. In the case of new homes, the results suggest that, on average, developers recoup the \$1000 increase in the impact fee through higher prices for houses priced above \$69,000. For existing homes, the homeowners receive price appreciation in conjunction with the increased price of new houses. In general, impact fees increase local government revenues, make housing less affordable, and benefit existing homeowners.

CRED Advancement Board Activities:

By LeRoy Adams

We have been extremely busy this year as we gear up for the Capital Campaign and, in particular, for the Lee Hall expansion. This was fantastic news for the Center as we are literally bulging at the seams!! In July, the CU Board of Trustees approved the proposed Lee Hall Expansion project for \$31 million. This budget will be used for new building construction, the renovation of the existing Lee Hall and site improvements. The 60,000 ft² Lee Hall expansion will house landscape architecture, city & regional planning, real estate development and the PhD program in environmental design and planning. The existing Lee Hall will be renovated to house architecture and construction science and management. Art will remain in Lee Hall until the new Visual Art Center is built between Lee and the Brooks Center. A more detailed project description is available upon request but we are extremely excited to be one of the top two new academic building priorities on campus. An RFP for design services will be issued shortly and our target completion date for the new building is fall 2011.



In addition, this summer we accepted three gifts-in-kind that will enhance our classroom experience as well as improve our research capabilities. ARGUS software has agreed to provide up to 50 users at one time access to both DCF Valuation and DEVELOPER, two commercial software packages that are used by many of the largest real estate development, investment, management and financial companies. This gift is valued at almost \$500,000. The software will be available to all MRED students as well as business students that are interested in using the product. Dr. Tom Springer was able to negotiate the contract for a CoStar license on campus. This access is valued at \$72,000 and Dr. Farris is working to get access for all of the MRED students. We also accepted the private journal library of Dr. Marc Louargand. He is a friend of the Center and recently retired from Cornerstone Advisors. The appraiser that valued the collection at \$31,000 states that professionals in the field felt that this was one of the most extensive holdings of real estate journals in the country because most major universities with long established programs in real estate have curriculums that favor certain journals. Few hold the variety of different titles that are part of this collection. At this point, the journals are on display in the Chair of the Department's office but we are looking forward to providing them a nice home in the new building!

All three of the above are examples of ways you can help without giving Clemson cold, hard cash (which we are happy to take as well). The software and data are crucial to insure our students and are research is cutting edge. Access to this impressive set of journals builds our reputation as one of the top Centers in the country because we have unique resources. These three gifts alone add almost \$600,000 to our ultimate capital campaign goal of \$500 million. Please be sure to keep this in mind as you work with the Center, the MRED program as well as the university to make sure we count all these types of gifts. Thank you in advance for your generous contributions and support of our real estate programs. If you have questions or ideas please contact me at ladams@clemson.edu

Accolades for the Tigers

Clemson Ranked No. 22 by U.S. News

By Teresa C. Hopkins

“Clemson University is the 22nd best national public university in the country, according to the annual ranking by U.S. News & World Report. In a new category Clemson also received recognition as a school to watch. Clemson is No. 2 among national public universities in the “up and coming” category as “a college that has recently made striking improvements or innovations — a school everyone should be watching,” according to the magazine.

“It is truly great news for Clemson that we are now ranked No. 22 among national public universities and second on a new list of ‘up and coming’ institutions,” said Clemson President James F. Barker. “What this means to our students and alumni is that their Clemson degree is more valuable now than ever. For faculty and staff it means we will continue to recruit great students and be even more competitive for grants and so forth.

U.S. News & World Report rankings are based on statistical measures, such as student SAT scores, graduation rates and faculty salaries, as well as a subjective measure of academic reputation. The list of public doctoral-granting institutions ranks universities across the country that offer a wide range of undergraduate majors, as well as master's and doctoral degrees.”

Clemson ranked “a great place to work”

Clemson University is a fantastic place to work! This is not news to us, but it comes as yet another unexpected pat-on-the-back from the people outside looking in. According to The Chronicle for Higher Education, our peers have chosen Clemson University as “a great place to work.” “Collaborative Governance” is a category we at Clemson University excel in—and should be particularly proud of. The Faculty at Clemson University involve themselves in decision-making processes that are usually reserved primarily for the Administration. Opportunity is given to the Faculty at Clemson to influence the institution’s academic programs. Dr. Debra Jackson, Vice Provost and Assistant to the President states, “The Clemson administration is not setting policy then dictating it to the Clemson campus—University faculty play a key role in setting the university on its path for success.” The involvement of the faculty in academic decision-making processes exemplifies how supportive and cooperative the Clemson Family is. One Clemson.

“Clemson has happiest students”

According to The Princeton Review, Clemson is ranked first in the Happiest Students category among all other institutions included in The Best 368 Colleges report.

Along with fostering happy students, the university also maintains a healthy relationship with its host city. In the same report, Clemson University is ranked second in town-gown relations. We have a lot to be proud of at Clemson University. The close social bonds created in the Clemson family speak for themselves.



edited by Tyler Lesley