



# BURNHAM-MOORES

CENTER FOR REAL ESTATE  
UNIVERSITY OF SAN DIEGO



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## Burnham-Moores Center Staff

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## Latest News

### Letter from the Executive Director



Mark Riedy, Ph.D.

The more I read of doom and gloom in America's real estate and mortgage markets, debt markets, and consumer/business spending and investing plans, the more concerned I am that these are becoming self-fulfilling prophecies. Granted, much of what has and is transpiring in Washington, D.C., and across the globe is beyond our control. Being frozen out of access to debt markets because lenders will not lend to anyone at virtually any price, for example, or because commercial mortgage backed securities markets effectively have shut down, is a harsh economic reality hurting many real estate

professionals today. Moreover, weakening demand for retail and office space and investment properties threaten to exacerbate our already troubled real estate and mortgage capital markets.

Recognizing as such those factors that are out of one's control, but then moving on to implement strategies that minimize damage or create new opportunities, is critical in times like these. The most fatal reaction to today's conditions and near-term prospects is to become the deer in the headlights, frozen into inaction.

While it may be next to impossible to create major new revenue streams in the near future, it might be productive to take a fresh look at squeezing more revenue, or accelerating the timing of revenues received, through better communication with clients, or enhanced collection efforts on receivables, restructuring leases, and other initiatives that in better times did not appear to be worth the effort. On the expense side, I suspect that most firms long ago tightened expenses and short of painful additional staff layoffs, see little opportunity to reduce costs further. To avoid expense reductions that are so severe they damage the long-term viability of the business, perhaps shortened work hours, or four-day paid workweeks for all hourly employees, job sharing, or deferral of long-term incentive compensation payouts — earned years ago and vesting now — could and should be considered.

Experience suggests that my ideas are ones that most executives already have considered and discussed at the highest levels. In that many firms with heavy concentrations in real estate are facing serious threats to their viability, however, I would encourage senior executives to invite many more employees into their revenue generation/cost-cutting conversations. There are few secrets in this environment, so the more inclusive these discussions become, the better the solutions will be. Involving lower-level

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employees encourages ideas from those closer to where the rubber meets the road, conveys the importance of each employee to the organization and its senior executives, and will produce buy-in because the changes implemented will be owned by more employees. Conversely, engaging more employees in the dialogue of a company's circumstances and prospects reduces demoralizing uncertainty and helps everyone understand more fully why extra effort, or more painful cost cuts, are necessary for the long-term survival of the company and their jobs.

The most important point, I think, is not to become frozen into inaction. These are times without precedent. How real estate and mortgage capital markets function for decades to come are being changed materially from past practices. As portfolio advisers so often declare, "Past experience should not be relied upon as a predictor of future results." Short-term survival strategies are absolutely essential and demand action, not inaction. Voraciously reading reports on how the rules are changing in Washington and New York can help guide your thinking. Trade association meetings and university-based education can help keep you up to speed and make you more fully aware of how others are managing their way through this crisis. While there are no best practices in this environment, there are some that will work better than others.

### Newsletter Info

Suggestions? Comments?  
Contact us:  
Jeryldine Tully  
(619) 260-4786

Dr. Mark J. Riedy  
Executive Director

**New Continuing  
Education Certificate  
Program in Land Use  
and Sustainable  
Community  
Development**

**Next class:  
Community and  
Building Design . . .  
An Architectural  
Perspective**

**Starts Jan. 8, 2009**

**Register Now**

For more information about  
this class and the new  
Certificate in Land Use and  
Sustainable Community  
Development,  
go [here](#)

**Continuing Education  
Certificate Program in  
Real Estate Finance,  
Investments and**

### Norm Miller Presents at 2008 Greenbuild International Conference [^back to top](#)



Norm Miller, Ph.D.

Norm Miller, professor and director of academic programs, presented his co-authored study, "Does Green Pay Off?" to some 900 attendees at the 2008 Greenbuild International Conference and Expo, held Nov. 19-21 in Boston; the session was standing-room only. Close to 27,000 people attended the annual conference — an increase of 7,000 from the previous year. Center representatives plan to attend the next Greenbuild, scheduled for Nov. 11-13, 2009 in Phoenix.

### Mark Riedy Named San Diego Top Influential [^back to top](#)

Executive Director Mark Riedy has been selected as one of San Diego's Top Influentials. The award, which is conferred by *The Daily Transcript*, recognizes those whose actions and opinions strongly influence their respective industry, as well as the greater San Diego business community.

Riedy, along with his fellow honorees, will be profiled in a Dec. 31 special section of the *Transcript* and feted at a Top Influentials reception in February.

### Alumni Profile [^back to top](#)

#### 2008 MSRE Grad Follows Unique Path Into Real Estate

By Meghan Bokath, Communications Coordinator

Five months after earning the Master of Science in

## Development

### Next class: Urban Development

Starts Jan. 8, 2009

[Register Now](#)

For more information about this class and the Certificate in Real Estate Finance, Investments and Development, go [here](#)



Joel Foust

Real Estate (MSRE) degree, 2008 grad Joel Foust isn't the typical "fresh out of the program" graduate. In his downtown office at the Wells Fargo Real Estate Group, Foust keeps his real estate textbooks on his bookcase, near a photo of his wife and kids. Sporting a cropped haircut indicative of his military past, Foust, 37, may be one of the oldest financial analysts at his company, but probably has the most colorful past.

Foust's unusual path into the real estate industry started his senior year of college when he was accepted into the Navy's Pilot Training Program. He received his bachelor's degree in aerospace engineering from Notre Dame, and then began flight training as a helicopter pilot — an experience that proved one of the most challenging and rewarding of his life.

"It pushed me to the limit of my abilities, and challenged my confidence in myself," he says. "At the same time I found that pressing through those difficulties was a real confidence builder. It was very satisfying to make it through and realize, 'Hey I can do this. I can manage a \$27 million helicopter, a four-man crew, the mission at hand, and return home safely.'"

Foust's "missions" included search and rescue operations, anti-submarine warfare and special warfare support, among others. On deployment in the western Pacific Ocean, Foust's helicopter squadron and airwing patrolled the north Arabian Gulf — supporting U.N. trade embargo restrictions against Iraq, enforcing Iraq's southern no-fly zone, and tracking down suspected oil-smugglers.

Upon his return from deployment, Foust was made a flight instructor at Coronado's North Island Naval Air Station. After a year of being an instructor, Foust was diagnosed with Addison's disease, an auto-immune condition that left him with no adrenaline.

"That created a problem because you can't go flying without adrenaline," he says. Foust was immediately grounded and barred from flying. While Addison's disease is fully treatable with medication, he was still ruled unable to fly, and was "forced to confront a career change."

As a flight instructor, Foust found that he liked the instructional aspect of the job. While waiting for the Navy to formally discharge him for his medical condition, he began taking evening classes to earn a teaching credential, and became a high school teacher. After four years of teaching earth science and physics at Chula Vista High School, Foust found he couldn't shake a peripheral interest in real estate he had had since college. While reading the *San Diego Union-Tribune* one day, Foust came across an article about the MSRE program at USD, which immediately piqued his interest.

At 36, Foust took the GMAT, performing well enough to garner USD's \$10,000 Dean's Graduate Merit Scholarship. A year later, Foust graduated and found himself starting yet another chapter of his career — as a financial analyst at Wells Fargo.

These days, Foust is engrossed in learning the ins and outs of his new career path in the real estate industry. While his office is abuzz with talk of the Wachovia merger, Foust is keeping busy analyzing new deals, performing appraisal reviews, financial reviews, loan modifications and supporting his new boss, office manager John Wickenhiser, in a variety of ways. Foust has found the culture of the banking industry to be a great fit for his personality and his need for a balance between work and family life.

While his career path has been somewhat unconventional, Foust says he has been able to use his experiences as a pilot and school teacher in his current position. "My experiences gave me both confidence and the

understanding that building experience, expertise and credibility in any field is a long-term process," he says. A self-described "lifelong learner," Foust says he loves the fact that he is still "learning something new every day."

#### Continuing Education Graduation

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Lisa Stempka receives congratulations from (l. to r.) John Ferber, Mark Riedy and Highland Partnership's Ian Gill, following her graduation from the Certificate in Real Estate Finance Investments and Development program Nov. 12. Stempka was one of 17 in this year's graduating class; 12 students attended the ceremony at USD's Manchester Executive Conference Center Auditorium, at which Ian Gill delivered the keynote address. Since the program's inception in 2006, over 260 companies have sent students to the program.

#### Burnham-Moores Center To Co-Host Wealth Legacy Seminar Jan. 21

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On Jan. 21, the Burnham-Moores Center for Real Estate will co-host, along with USD's Family Business Forum, a seminar: "Wealth and Real Estate in the Local Economy." This is the second in a series of seminars offered by The Center for Wealth & Legacy Studies. Alan Nevin, director of economic research at Marketpointe Realty Advisors and a member of the Center's Residential Real Estate Committee, will be one of the featured speakers at the event. Nevin will address the place of real estate in the economy and provide 2009 economic projections for the San Diego region.

The event will be held Wednesday, Jan. 21, 2009 from 7:30 a.m. to 10:30 a.m. at USD's Joan P. Kroc Institute for Peace and Justice. For more information and to register online, go to [www.wealthlegacycenter.org](http://www.wealthlegacycenter.org).

For questions, contact Julia Chemers at [juliarose@sandiego.edu](mailto:juliarose@sandiego.edu) or (619) 260-7699.

#### MSRE Students Take Fieldtrip to Westfield UTC Mall

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Shopping is a serious affair for MSRE students as Professor Norm Miller speaks to the class during a fieldtrip to Westfield University Towne Centre (UTC) Mall Nov. 7. Students met with Sherry Jones, senior general manager at Westfield UTC, to get an inside look at retail management from a real estate perspective. The trip marked the conclusion of the MSRE program's Asset Management Roundtable, which is one of three one-credit classes offered throughout the year.

#### Mark Riedy Speaks at Home-Buying Workshop

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Executive Director Mark Riedy spoke to over 30 USD employees Nov. 13 at the "State of the Mortgage Market Workshop" hosted by the University's Human Resources Department. Riedy offered insight into the current financial crisis, as well as tips on buying a home, getting a mortgage and refinancing. Paul Thomas, principal of Hallmark Mortgage, joined Riedy as a workshop presenter.

#### In the News

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Norm Miller's co-authored study, "Does Green Pay Off?" was featured in the print and online editions of [San Diego Metropolitan Magazine](#).

Norm Miller was interviewed by Roger Showley of the *San Diego Union-Tribune* on the housing slump. The [article](#) appeared in the Nov. 2 edition of the paper.

Norm Miller was interviewed by Carrie Kahn of *National Public Radio* on Nov. 7 on Gov. Schwarzenegger's proposed foreclosure freeze. The [segment](#) appeared on the "All Things Considered" program. Miller was interviewed on the same topic for the Nov. 12 edition of *Foreclosure Homes Information*.

The Burnham-Moores Center for Real Estate's Ninth Annual Residential Real Estate Conference: Outlook 2009 was

mentioned in *San Diego Metropolitan Magazine's* [Daily Business Report](#) Nov. 12.

Mark Riedy and the Burnham-Moores Center for Real Estate were featured in [Schooling a Real Estate Town](#), an article that appeared in the *Voice of San Diego* Nov. 12.

Norm Miller was interviewed by Ned Randolph of the *San Diego Business Journal* on falling home prices. The [article](#) appeared in the Nov. 13 edition of the paper.

Alan Gin was interviewed by Greg Bledsoe of NBC San Diego on unemployment trends. The [segment](#) aired Nov 13. Gin was interviewed on the same topic by Dean Calbreath of the *San Diego Union-Tribune*. The [article](#) appeared in the Nov. 22 edition of the paper.

Alan Gin was interviewed by Roger Showley of the *Union-Tribune* on job losses. The [article](#) appeared in the Nov. 17 edition of the paper.

MSRE student Artin Panossian was mentioned in the *San Diego Business Journal* for the \$10,000 Majestic Realty/Society of Industrial and Office Realtors educational scholarship he was recently awarded. Panossian was one of just six students awarded the national scholarship. The [article](#) appeared in the Nov. 17 edition of the paper.

Alan Gin and Mark Riedy were mentioned in *San Diego Metropolitan Magazine's* [Daily Business Report](#) Nov. 17 for their participation on a panel of financial experts who helped shed light on the financial crisis at a Nov. 18 forum at the University of San Diego.

Alan Gin was quoted in a Nov. 22 [article](#) in the *San Diego Union-Tribune* on the number of Californians who are out of work.

Alan Gin was interviewed by Mike Allen of the *San Diego Business Journal* on the future of the economy. The [article](#) appeared in the Nov. 24 issue of the paper.

Norm Miller's co-authored study, "Does Green Pay Off?" was [featured](#) in the Nov. 26 edition of the *Seattle Daily Journal of Commerce*.

Norm Miller was quoted in a Nov. 26 *San Diego Union-Tribune* article, "[SD Home Prices Still Have Not Hit Rock Bottom](#)."

Mark Riedy was featured in a front -page [article](#) in *The Daily Transcript* Nov. 28 titled, "Former Fannie Mae president explains mortgage collapse as inevitable." In the article, Riedy provided insight into the collapse of the U.S. mortgage system based on his 40 years of experience in the field.

#### Calendar

## SAVE THE DATES . . .

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**Ninth Annual Residential Real Estate Conference** Dec. 9, 2008

· Hahn University Center, University of San Diego Campus. [Full conference agenda](#).

**13th Annual Real Estate Conference** Feb. 18, 2009

· San Diego Marriott Hotel & Marina

For sponsorship opportunities, contact [Jeryldine Tully](#).

## Continuing Education

### Upcoming Continuing Education Classes

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New Land Use and Sustainable Community Development Certificate

#### **Next class: Community and Building Design . . . An Architectural Perspective**

· Starts **Jan. 8, 2009**

· To register, contact [Julia Chemers](#), or [register online](#)

For more information about this class or the new certificate program, go [here](#).

This class is a core course for the Land Use and Sustainable Community Development Certificate and an elective class for the Real Estate Finance, Investments and Development Certificate.

Real Estate Finance, Investments and Development Certificate

#### **Next class: Urban Development**

· Starts **Jan. 8, 2009**

· To register, contact [Monica Phelps-Zambrano](#), or [register online](#)

For more information about this class or the certificate program, go [here](#).

This class is a core course for the Real Estate Finance, Investments and Development Certificate and an elective class for the Land Use and Sustainable Community Development Certificate.

Visit us online at [www.USDRealEstate.com](http://www.USDRealEstate.com)

The Burnham-Moores Center for Real Estate is committed to delivering outstanding education, industry outreach, career and research services to advance socially responsible leadership in real estate.

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