

Introduction

Innovative Thought Leadership and the Community of Real Estate Scholars

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This special issue of *The Journal of Real Estate Research* celebrates innovation and community by honoring the winners of manuscript prizes for the outstanding papers presented at the 1996 meeting of the American Real Estate Society, held March 27–30, 1996, at Lake Tahoe, California. This issue celebrates innovation in that the research presented here materially advances the thought leadership of the real estate discipline. This issue celebrates community in that this issue is the result of the combined contributions of many who share the common commitment of selfless devotion of resources to advance the quality of real estate decisions and thereby society and its environments.

This celebration of innovation and community is strong testimony to the status of the real estate discipline. No longer does comedian Rodney Dangerfield's plaintive lament, "I just can't get no respect"—once such an apt summation of the status of the real estate discipline within the academy—apply. Until relatively recently, real estate as a discipline was undernourished in three ways: publishing opportunities were minimal, recognition for outstanding scholarship was unavailable and research funding was nonexistent. But all of that is in the past. For the real estate discipline, the past is past and the future is now in terms of publication opportunities, scholarly recognition and research funding.

The American Real Estate Society has been in the vanguard of promoting publication opportunities and scholarly recognition. Since its founding in 1985, the organization has sponsored the publication of some forty-seven issues of three journals: *The Journal of Real Estate Research*, the *Journal of Real Estate Literature*, and *The Journal of Real Estate Portfolio Management*, as well as three volumes of the *Real Estate Research Issues Monograph Series*. In total, these scholarly volumes have made available some 451 articles authored by 793 scholars.

Those individuals who created, built and lead the American Real Estate Society have chosen to make their contribution to society by advancing the thought leadership of the real estate discipline. Advancing the thought leadership of the real estate discipline ranks high in society's needs, for real estate is the stage upon which the drama of life is played. Real estate represents the prison of constraint, the platform of the possible. The multidisciplinary designs, the intellectual, emotional, physical, artistic, spiritual, strategic dimensions of structures and their environments are so important to individual life experience, to family, to community, to commerce, to society and its institutions. As Winston Churchill so aptly observed, "We first design our structures, then they design our lives"

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It has been said by Christopher Day (1994) that every building started with what were first the thoughts of an architect. If the architect is influenced by the culture, concerns and constraints of society, as well as by client insight, what thought influences the architect's thought? Who identifies the issues? Who frames the problems? Who provides the strategic concepts? Who provides the analytic tools? Who suggests the financial discipline? Who advances the solutions? Ultimately, the answers to these questions are found in the thoughts of the leaders of the real estate discipline.

The role of the American Real Estate Society (ARES) to advance thought leadership is integrally linked to much if not all of what is most important in life, relationships, community, and business. Today, with a renaissance of place and space underway, the thought leadership of the real estate discipline provides a foundation for the application of thought to decisions that result in environments that enhance the experience of life.

The American Real Estate Society's contribution to advancing thought leadership is manifested through a forum that promotes innovation and creates community. This thought leadership forum promotes innovation as it provides the means for exchange of research ideas on micro real estate decisions. This thought leadership forum takes many forms, including the journals mentioned above, as well as the annual meeting of the American Real Estate Society. These journals, the annual meeting, and the connectedness of the membership of the American Real Estate Society represent the community of the thought leaders of the real estate discipline. At the Lake Tahoe ARES annual meeting some 156 papers representing the best of the research under way in this country, and in many other countries as well, were presented.

While the American Real Estate Society has provided publication opportunities to real estate scholars, the recognition of outstanding research is supported by a number of sponsoring organizations, each of whom makes available a manuscript prize of \$1,000 to recognize the outstanding paper presented at the American Real Estate Society annual meeting (for ten distinct categories of research in 1996). Those organizations that have visibly and meaningfully communicated their support of advancing the thought leadership of the real estate discipline through sponsorship of the American Real Estate Society manuscript competitions include:

Sponsor	Category
Appraisal Institute	Real Estate Valuation
ARES Foundation	Best Paper by a Practicing Professional
BOMI Institute	Asset/Property Management
Center for the Study of Real Estate Brokerage and Markets at Cleveland State University	Real Estate Brokerage/Agency
Federal National Mortgage Association (Fannie Mae)	Real Estate Finance
International Council of Shopping Centers (ICSC)	Retail Real Estate
International Development Research Council (IDRC)	Corporate Real Estate
MIG Realty Advisors	Apartments
National Association of Real Estate Investment Trusts (NAREIT)	Real Estate Investment Trusts
The RREEF Funds	Real Estate Investment/Portfolio Management

The leadership and the support of these organizations make possible the continued impact, outreach and influence of the American Real Estate Society. The leadership of these organizations and their stakeholders deserve the thanks of all for their contributions to advancing the real estate discipline.

One of the important recommendations of the Strategic Planning Task Force of the American Real Estate Society is to make more broadly available the research of the meetings. Not every person can attend every session, so scholars participating in the meetings know that some important, outstanding research is not readily available to them, due to the multiplicity of contemporaneous sessions.

One step towards meeting this need to make more accessible the outstanding research presented at the ARES meetings is the decision by the Board of Directors of the American Real Estate Society to collect the outstanding research presented to the annual meeting in a special issue of *The Journal of Real Estate Research*. The collection of the winning manuscript prize papers is edited by the immediate past president of the American Real Estate Society. Dr. Steven D. Kapplin of the University of South Florida inaugurated this special issue program and in so doing had the distinction of being the first of a long line of editors to advance the thought leadership of the real estate discipline.

Mounting a manuscript competition of the magnitude and scope of that initiated by the American Real Estate Society is no trivial undertaking. In addition to the efforts of those who contribute research to be judged, the considerable contributions by those who participate in reviewing papers represents a very important, and often all too little recognized, contribution to advancing real estate thought leadership. The process of selecting the outstanding papers involves evaluation of each paper by five reviewers, providing the basis for selecting the winners of each of the categories. Based on the comments received by the panel of judges, winning authors revise their papers for further review. Then, each of the winning papers is subjected to a second review, comparable to that which applies to the assessment of papers submitted to publication in *The Journal of Real Estate Research*. The researchers again revise their papers to incorporate comments of reviewers for final publication.

The articles that comprise this special issue reflect the culmination and implementation of five distinct, sequential and important decisions:

- First, the *initiative* by the researchers *to identify* from all of those topics that engage their attention that small set of particular *research topics that commands their concentration of resources*. Every issue that is investigated by researchers is investigated at the expense of all those issues that that particular researcher might have investigated, but chose not to investigate. Although not necessarily considered frequently or explicitly, these choices do indeed carry with them burdens of responsibility, heavy responsibility for selecting which issues merit study, consideration, and ultimately, advocacy. The papers that appear in this issue of *The Journal of Real Estate Research*, as well as in other professional journals, reflect the ideas that won out in the competition of all ideas for attention and research resources.
 - Second, the *research ideas* that actually are *implemented* to the point of chronicling data, theories, frameworks, experimental results, and conclusions and their implications, in papers presented at professional meetings, reflect the interaction of decisions made by the individual researchers and their
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sponsoring institution as to which research ideas merit the dedication of their immediate research resources. This primacy selection is underscored by the consideration that academics generally are often allocated financial support for only one meeting per year. Thus, academics must consider carefully the distinction of their research so that it merits the support of their employing institution's association and support.

- Third, the program chair responsible for calling researchers to present their research is charged with the important undertaking of choosing, from those research proposals submitted, the *papers that merit presentation* to the community of thought leaders that gather for the annual ARES meeting.
- Fourth, the panel of reviewers, charged with the serious undertaking of selecting among all the papers presented for consideration in the different research categories, chooses those manuscripts deemed to represent the *most outstanding contributions to the discipline*.
- Fifth, a separate panel of reviewers provides an *independent assessment* of the papers to confirm publication appropriateness and to suggest refinements so as to enhance the overall quality, integrity and readability of the research presentation.

So, what you are reading here represents the culmination of five significant, sequential and important choices that lead to *the survival of the fittest* of research ideas that merit your consideration.

As editor of this special issue of *The Journal of Real Estate Research* devoted to the research papers selected as winners of the manuscript prizes at the 1996 American Real Estate Society annual meeting, it is my honor to acknowledge the outstanding contributions of many of the community of real estate thought leaders who made this issue possible. First, the 300-some individuals who prepared papers for the Lake Tahoe meeting deserve recognition for the contributions their research represents to advancing the thought leadership of the real estate discipline. Many strong papers presented at the Lake Tahoe meetings enjoyed widespread support, even though those papers were not rated by the panel as most significant in the particular category. A number of other papers were not appropriate for the categories that are represented here. Numerous papers presented at Lake Tahoe will be published in other journals. Some of the papers present materials that are to be included in textbooks and employed in classrooms and seminars, and still others represent initial drafts of research that will be refined, extended and revised for publication in other settings.

The opportunity for you to read this special issue of *The Journal of Real Estate Research* could not exist without the strong publishing program of the American Real Estate Society, which is made possible by the extraordinary selfless efforts of those who provide editorial leadership to the journals, serve on the editorial boards of the journals, and contribute reviews of papers considered for publication in the journals. Those individuals serving as editors of ARES journals who particularly deserve the appreciation of the community of real estate thought leaders include G. Donald Jud, John T. Emery, C. F. Sirmans, and James B. Kau.

Reviewers who serve professional journals largely labor in anonymity, their contributions seldom recognized, let alone acknowledged. Yet, the professional journals

cannot be published without the contributions of independent reviewers. Certainly, the opportunity to preview new research before it is widely disseminated is a benefit of reviewing for professional journals. But for most, the primary motivation is a commitment to uphold the standards of scholarship and to advance the research process.

Individuals who have contributed to this special issue through reviewing multiple papers include:

Joseph D. Albert	Yougou Liang
John D. Benjamin	David Ling
Roy T. Black	Joseph B. Lipscomb
Waldo L. Born	Emil E. Malizia
Terrence M. Clauretie	Christopher A. Manning
Peter F. Colwell	Isaac Megbolugbe
Glenn E. Crellin	Norman G. Miller
Deborah Jo Cunningham	Dowell Myers
Mark G. Dotzour	Theron R. Nelson
Donald R. Epley	Stephen A. Pyhrr
John L. Glascock	Stephen E. Roulac
Jacques Gordon	Ronald G. Rutherford
Gaylon Greer	Arthur L. Schwartz
Richard L. Haney	G. Stacy Sirmans
David J. Hartzell	James R. Webb
Steven D. Kapplin	John E. Williams
Karen Lahey	Michael S. Young

The individuals listed above, as well as all reviewers who contributed to other ARES journals, deserve the appreciation of the community of real estate leaders.

The caliber and creativity of the papers presented at Lake Tahoe generally, and those highlighted in this issue specifically, are eloquent testimony to how scholarship in the academy of the real estate discipline continues to deepen and elevate. As a consequence, selection of outstanding research is an ever more daunting process. Those researchers who authored the prize-winning papers of the 1996 American Real Estate Society manuscript competition are:

- **Stephen E. Roulac** (The Roulac Group), *The Strategic Real Estate Framework: Processes, Linkages, Decisions*—The American Real Estate Society Foundation prize for the best paper presented by a Practicing Real Estate Professional.
- **Jim Clayton** (Saint Mary's University), *Market Fundamentals, Risk and the Canadian Property Cycle: Implications for Property Valuation and Investment Decisions*—The Appraisal Institute prize for best paper presented on Real Estate Valuation.
- **Michael S. Young** (The RREEF Funds) and **Richard A. Graff** (Electrum Partners), *Systematic Behavior in Real Estate Investment Risk: Performance Persistence in NCREIF Returns*—The RREEF Funds prize for the best paper presented on Real Estate Investment/Portfolio Management.
- **Christopher A. Manning** (Loyola-Marymount University) and **Stephen E. Roulac** (The Roulac Group), *Structuring the Corporate Real Property Function for Greater 'Bottom Line' Impact*—International Development

Research Council prize for the best paper presented on Corporate Real Estate.

- **Scott D. Below** and **Joseph K. Kiely** (both of East Carolina University) and **Willard McIntosh** (Prudential Real Estate Investors), *REIT Pricing Efficiency: Should Investors Still Be Concerned?*—National Association of Real Estate Investment Trusts prize for best paper presented on Real Estate Investment Trusts.
- **Leon Shilton** (Fordham University) and **Craig Stanley** (California State University, Sacramento), *Spatial Concentration of Institutional Property Ownership: New Wave Atomistic or Traditional Urban Clustering*—BOMI Institute prize for the best paper presented on Asset/Property Management.
- **Richard W. Hoyt** and **Robert J. Aalberts** (both of University of Nevada), *Appraisers and the Fair Housing Law: Accessibility Requirements for the Disabled*—MIG Realty Advisors prize for the best paper presented on Apartments.
- **G. Donald Jud**, **Terry G. Seaks** and **Daniel T. Winkler** (all of University of North Carolina at Greensboro), *Time on the Market: The Impact of Residential Brokerage*—Center for the Study of Real Estate Brokerage and Markets at Cleveland State University prize for the best paper presented on Real Estate Brokerage/Agency.
- **Mark Eppli** and **James D. Shilling** (both of University of Wisconsin-Madison), *How Critical is a Good Location to a Regional Shopping Center?*—International Council of Shopping Centers prize for best paper presented on Retail Real Estate.
- **Jacques Gordon**, **Paige Mosbaugh** and **Todd Canter** (all of LaSalle Advisors, Ltd), *Integrating Regional Economic Indicators with the Real Estate Cycle*—Federal National Mortgage Association prize for the best paper presented on Real Estate Finance.

My warm congratulations to these scholars for the innovation, initiative and intellectual discipline represented by research that blends relevance and rigor. This volume represents an eclectic, stimulating, at times pioneering, and at other times provocative collection of the best research in the real estate discipline.

“A classic contribution to the literature, reflecting really, really good work” was one reviewer’s assessment of Roulac’s *The Strategic Real Estate Framework: Processes, Linkages, Decisions*. Another reviewer observed, “This Graaskampian paper’s comprehensive and detailed approach, particularly in contrast to the old-boy groups and quant/tax groups, addresses the major failure of the industry to weave disparate threads into a uniform piece.” Other reviewer comments included, “The section on system interdependency was particularly interesting,” and the paper “reflects a lot of thought.”

Calyton’s *Market Fundamentals, Risk and the Canadian Property Cycle: Implications for Property Valuation and Investment Decisions* was praised by reviewers for its “competence and logical consistency,” as well as for “addressing broad issues with fresh insights and data.”

Among the reviewers' commentary on Young and Graff's *Systematic Behavior in Real Estate Investment Risk: Performance Persistence in NCREIF Returns* was the observation that "this is good work . . . their evidence is compelling, and these results are particularly intriguing in light of the recent evaluation of investment managers by CalPERS."

Comments on *Structuring the Corporate Real Property Function for Greater 'Bottom Line' Impact* by Manning and Roulac included, "Represents an original contribution to organizational structure questions concerning the corporate real estate function, an important, but too little addressed, topic," and "extremely timely and cogent—deserves a wide audience among leaders in management and corporate real estate."

Reviewer comments on Below, Kiely, and McIntosh's *REIT Pricing Efficiency: Should Investors Still Be Concerned?* included, "interesting . . . provides several insights into market behavior for REITs," and "empirical analysis is well executed . . . the paper is well written."

The Shilton and Stanley *Spatial Concentration of Institutional Property Ownership: New Wave Atomistic or Traditional Urban Clustering* paper was described as "timely" and "a strong piece of work," that "hopefully will spur additional research interest in this area of the real estate discipline." One reviewer observed, "I am very impressed with this manuscript. Empirical tests on the theories of urban growth and situs are infrequent, and in my opinion, very useful. Useful not only to academics but also to practitioners and other educators. Cities are evolving constantly, and academic scrutiny of the factors that influence economic location are very valuable."

"Extremely interesting, thorough and relevant" was the assessment of a reviewer of Hoyt and Aalberts' *Appraisers and the Fair Housing Law: Accessibility Requirements for the Disabled*. Another reviewer described the paper as "A thorough review of the laws that apply to the physical characteristics of properties to be in compliance with the Fair Housing Act of 1986. It should be an excellent reference for appraisers concerned with appraising properties that may not be in compliance with the law."

The Jud, Seaks and Winkler *Time on the Market: The Impact of Residential Brokerage* paper was highly rated by reviewers for its "competence, logical consistency, and astute reflection of the literature."

"Excellent research" and "well written" reflected the synthesis of reviewer commentary on Eppli and Shilling's *How Critical Is a Good Location to a Regional Shopping Center?* paper.

"Intriguing . . . important contribution of introducing some new supply-side variables," and "thoroughness with which the problem of multicollinearity is handled . . ." are reviewers' summary assessments of *Integrating Regional Economic Indicators with the Real Estate Cycle*, by Gordon, Mosbaugh and Canter.

Again, this special issue of *The Journal of Real Estate Research* celebrates not just the winning research contributions, but also innovation and community. Every researcher by the intentionality that she or he brings to identifying an issue of concern and undertaking the tasks of designing a research program, implementing the research, writing up the results, preparing a paper for presentation at a professional meeting and then revising it for publication, contributes to the advancement of the real estate discipline. These researchers advance the knowledge of the real estate discipline and promote community by presenting their papers to meetings, such as those of the American Real Estate Society, and then through the process of publication involving the interaction with numerous other scholars and sponsoring organizations.

The papers collected here share the common theme of representing important contributions that advance the real estate discipline. I commend for your reading, study and action this collection of the *best and brightest* of thought on the real estate discipline.

Reference

Day, C., *Places of the Soul*, New York: Harper Collins, 1994.