NEWS FROM **The Hoyt Group**

Homer Hoyt Institute

Weimer School of the Maury Seldin Advanced Studies Institute

VOLUME XXXI, ISSUE II (Fall 2014)

Hoyt Fellows Meeting Speakers L-R: Tad Philipp, Merrie Frankel, Gary Ralston, Brian Nottage, David Geltner, Norm Miller, Rick Gold and Jim O'Keefe.

The May programs of Hoyt Fellows and the Weimer School focused on the topic of risk in real estate and investment. More than 50 participants attended the sessions coordinated by Michael Hudgins (JP Morgan Asset Management) for the Hoyt Fellows, and session chairs Bob Edelstein (University of California at Berkeley), John Clapp (University of Connecticut), Norm Miller, (University of San Diego), Jim Follain (Collateral Analytics and Rockefeller Institute of Government) and Susan Wachter (University of Pennsylvania) for the Weimer School. The organization of the sessions, the presentations, and discussion were excellent.

"Risk - What You Don't Know Can Hurt You"
May 2014 Hoyt Fellows Meeting

Topics and presenters at the Hoyt Fellows meeting on Thursday, May 15th, included: **"Measuring and Managing Risk for Real Estate Equity,"** presented by Rick Gold (Northfield Information Services) and Jim O'Keefe (REIS Board and NCREIF Ambassador); **"Credit Risk Pre- and Post-Crisis,"** with presenters Merrie Frankel and Tad Philipp (both of Moody's Investor Service); **"A Bigger Picture: Risks from Macro Sources,"** with Brian Nottage (JP Morgan Asset Management) and David Geltner (Massachusetts Institute of Technology); and **"A Closer Look at Sectors: New Trends and Risks to Old Strategies,"** with Norm Miller (University of San Diego) and Gary Ralston (CBC Saunders Ralston Dantzler Realty).

"Measuring and Managing Commercial and Residential Real Estate Risk"
May 2014 Weimer School Session

The Weimer School session began on Friday, May 16th, leading off with a session on "Aspects of Real Estate Risk." After introductory comments by session chair, Bob Edelstein, Dr. Eva Steiner (University of Cambridge) gave her presentation on **"Macro-risk Factors & the Role of Mispriced Credit in Returns from Real Estate Securities,"** followed by Dr. Konstantin Magin (University of California-Berkeley) with **"Measuring Risk Premiums for Real Estate Securities,"** and Dr. Jeffrey D. Fisher (Homer Hoyt Institute) with his presentation on **"Measuring Risk Capital Using NCREIF Data."**

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May 2014 Weimer School Session *Continued*

Weimer School Presenters L-R: Eva Steiner, Konstantin Magin, Mark Hansen, Thomas Showalter, Michael Sklarz, Michael Lea and Tyler Yang

Following a break for lunch, Dr. Andy Naranjo (University of Florida) spoke on **"The Impacts of Leverage for Real Estate Risk: A Study of International Securities Markets."** Friday afternoon concluded with a panel hosted by Dr. John Clapp (University of Connecticut) on **"The Release of Fannie and Freddie Data: Opportunitites for Research."** Panelists were Mr. Mark D. Hanson (Freddie Mac), Dr. Xudong An (San Diego State University) and Dr. Anthony Pennington-Cross (Marquette University).

Saturday morning began with a panel discussion on "**Automated Valuation Models, Price Trend Analysis, and Big Data Mining,**" chaired by Dr. Norm Miller (University of San Diego). Panelists were Mr. Thomas W. Showalter (Digital Risk) and Dr. Michael Sklarz (Collateral Analytics). After a mid-morning break, the session on "**Lessons Learned, Risk Analysis and Counter-Cyclical Capital Policies**" began with introductory comments by Session Chair, Dr. Jim Follain (Collateral Analytics and Rockefeller Institute of Government). Dr. Follain started off the session with his presentation on "**Preventing House Price Bubbles: Lessons from the 2006-2012 Bust,**" followed by Dr. Michael Lea (San Diego State University and Cardiff Economic Consulting) speaking on "**Housing Finance in the Aftermath of the Crisis,**" and Dr. Tyler Yang (Integrated Financial Engineering) with his presentation entitled "**Re-default Risk of Modified Mortgages.**"

The session on real estate risk concluded on Saturday afternoon with a panel discussion. **"The Outlook for Housing Reform"** was the panel topic, chaired by Dr. Susan Wachter (University of Pennsylvania). Panelists included Mr. Michael Berman, JD (Michael Berman Consulting, LLC), Dr. Laurie Goodman (Urban Institute) and Dr. Joseph S. Tracy (Federal Reserve Bank of New York.) *Summaries of many of the presentations can be found on pp. 4-10 of this newsletter.*

Weimer School speaker, Michael Berman

Weimer School speaker, Laurie Goodman

Weimer School speaker, Joseph Tracy

2014 Hoyt Fellows

2014 Hoyt Fellows L-R: Michael Lea, Beth Mace and Tad Philipp

The three newest Hoyt Fellows were inducted at the May 2014 Hoyt Fellows meeting! They are: Michael Lea (San Diego State University), Beth Burnham Mace (National Investment Center for the Seniors Housing and Care Industry (NIC), and Tad Philipp (Moody's Investors Service). In addition, 2013 Hoyt Fellow, Merrie Frankel (Moody's Investors Service) also received her memento as she was unable to attend the meeting in 2013.

Michael Lea is currently affiliated with San Diego State University. He has taught at several universities, including Cornell University and the Wharton International Housing Finance Program at the University of Pennsylvania. He is an internationally known authority on housing and mortgage finance and received his Ph.D. in economics from the University of North Carolina, Chapel Hill. Michael was the Senior and Chief Economist at the Federal Home Loan Mortgage Corporation (Freddie Mac) from 1983 to 1987, and served as a staff member for the President's Commission on Housing in 1980-81.

Beth Burnham Mace is the Chief Economist and Director of Capital Markets Research at the National Investment Center for the Seniors Housing & Care Industry (NIC). Beth had been on the board of directors for the NIC for 7 years before this and chaired the NIC's Research Committee. She was a Director at AEW Capital Management in the AEW Research Group for 17 years before her current position at NIC. Beth received her B.A. from Mount Holyoke College and her M.S. from the University of California.

Tad Philipp is the Director of Commercial Real Estate Research at Moody's Investors Service. Prior to that he was Chief Risk Officer of CW Financial Services, as well as head of its CW Risk Management Solutions advisory unit. Tad had prior tenure at Moody's from 1991-2008 during which he held several analytical and management positions related to commercial real estate backed securities, which included the development of quantitative tools to track and analyze credit risk. Tad has a Bachelor of Arts from Pennsylvania State University and a Master of Business Administration from Columbia University.

First Picture: 2013 Hoyt Fellow, Merrie Frankel (on the right) receiving her Hoyt Fellow memento. Chairman of the Membership Committee and Hoyt Fellow, Rick Wincott, is the presenter and seated is the President of Hoyt Fellows LLC, Jeff Fisher. Seated in the two pictures on the right are (L-R) Hoyt Fellows Jim O'Keefe, Steve Laposa and Beth Mace.

May 2014 Postdoctoral Honorees

L-R: Itzhak (Zahi) Ben-David, Stephanie Moulton and Peng (Peter) Liu

Each year at the May session of the Weimer School, the faculty invites three or four researchers who are in the early stages of their careers to present their research. These individuals are notable for the contributions that they are making and for the promise of future productivity. Postdoctoral Honorees in 2014 are Dr. Itzhak (Zahi) Ben-David (The Ohio State University), Dr. Peng (Peter) Liu (Cornell University) and Dr. Stephanie Moulton (The Ohio State University). Zahi Ben-David's presentation focused on **"Model Stability and the Subprime Mortgage Crisis."** Stephanie Moulton presented her research on **"An Analysis of Default Risk in the Home Equity Conversion Mortgage (HECM) Program."** Peng Liu presented **"Sponsor-Underwriter Affiliation and the Performance of Non-Agency Mortgage-Backed Solutions."** *Summaries of their presentations can be found on pages 8-9 of this newsletter.*

May 2014 Weimer School Session Presentations in Summary

"Macro-Risk Factors & the Role of Mispriced Credit in Returns from Real Estate Securities"

Eva Steiner

(University of Cambridge)

We examine the canonical influence of global market, currency and inflation risks on the returns from international real estate securities. In addition, we study how mispricing of credit in the local banking systems is related to the returns from these securities. We analyze a global sample of real estate securities over the period 1999 to 2011 to test our hypotheses. We find support for the anticipated relationships between macroeconomic risk factors and the returns from international real estate securities. Our evidence also supports the expected link between local credit market conditions and the performance of international real estate securities.

"The Impacts of Leverage for Real Estate Risk: A Study of International Securities Markets"

Andy Naranjo

(University of Florida)

The paper examines leverage effects in public real estate markets across eight countries over the 2002 to 2011 time period. We find that levered public market real estate returns are significantly higher and more volatile than unlevered returns over the 2002-2011 sample period, suggesting a positive unconditional relation between leverage and REIT returns. The results from our panel regressions provide strong empirical support that leverage amplifies REIT returns. Outside of the crisis period and market risk premium effects, leverage has the largest standardized effect on the returns. In addition, greater use of leverage during the 2007-2008 REIT crisis period is associated with larger share price declines. "..Presentations in Summary" *Continued on page 5*

From Panel:

"Automated Valuation Models (AVMs), Price Trend Analysis, and Big Data Mining"

Norm Miller
(University of San Diego)
and
Michael Sklarz
(Collateral Analytics)

This presentation focused on the state of the art methods behind AVMs, automated valuation models, how new data is being integrated into AVMs and how some of the data is being mined for better analytics on price trends, price uncertainty, forecast turning points, default and risk analysis. Today there is a wide range of data beyond the public records being used by the frontier vendors like Collateral Analytics. For example, the MLS data often contains more updated property attributes and also contains comparable property list prices that might be used to set an upper limit of value. Market condition information (sales volume, sale to list price, time on market, and more) can also be used in liquidity algorithms to generate estimates of time to sale or how pricing must be adjusted in order to facilitate a quick sale. The newest models capture a variety of sources including data from past BPOs, appraisals and loan docs that provide property condition which can soon be integrated into the AVM. AVMs provide objective values with even distributions of estimates around a sale price. Traditional appraisals from the 2003-2007 period were at or above the purchase price 97 percent of the time and so did little to mitigate mortgage loss risk. Why AVMs are not used more in the lending process is a mystery given that they provide objective information and can be used on over 95% of all mortgage applications. Some time was spent on how localized price trends differ from metro price trends and yet appraisers use outdated metro price trends like those from Case Shiller to adjust for time since the sale date of a comp. Time was also spent on commercial AVMs which is the next wave of applications we will see.

Housing Finance in the Aftermath of the Crisis

Michael Lea
(San Diego State University
and Cardiff Economic Consulting)

In the aftermath of the crisis there have been a multitude of legislative and regulatory initiatives addressing the perceived causes of the crisis. However, despite record levels of distress and taxpayer bailouts of major housing finance institutions it is surprising how little has changed in the US. The government sponsored enterprises and guarantee providers still dominate the market. The long-term fixed rate mortgage is still the overwhelming mortgage instrument provided to consumers. Sub-prime lending is creeping back on the fringes of the market. The Dodd-Frank financial regulation and reform legislation has created a massive increase in compliance costs for lenders but has not significantly changed the housing finance system. Important aspects of the legislation such as risk retention have yet to be implemented. There have been a number of policy initiatives dealing with mortgage defaults – some successful and others not. Importantly, legislative and judicial action to deal with mortgage distress may have weakened the collateral value of housing.

From Panel:

"The Release of Fannie and Freddie Data: Opportunities for Research"

Xudong An

(San Diego State University)

The release of the single-family loan-level data by Fannie Mae and Freddie Mac (the GSEs) provides new opportunities of research. However, there are certain limitations in the data and we hope to see broader coverage in GSEs' future releases. These are massive datasets on loan performance that provide researchers the opportunity to better study issues such as mortgage prepayment and default, and mortgage market dynamics. Freddie Mac data covers over 16 million loans originated from 1999 to 2012 and tracked through 2012. There are a number of limitations in the data. For example, the loan product type is only 30-year FRM with full documentation, and thus the more interesting low-doc loans and ARM loans are not covered by the current release. Borrower information is very limited (FICO score is the only available variable) and the suppression of the last two digits of property zip code makes the match between the GSE data and other datasets such as the HMDA data almost impossible. In addition, there is no further performance information if a loan passed 180-days delinquency. The GSEs should be persuaded that they can benefit from high-quality academic research based on their data and that the academic community are willing to honor data confidentiality agreements. The CoreLogic model of giving data grants can be a viable solution to provide data access to researchers while preserving data confidentiality of the GSEs.

"Measuring Commercial Real Estate Risk Using NCREIF Data"

Jeffrey D. Fisher

(Homer Hoyt Institute)

This presentation dealt with the use of data from the National Council of Real Estate Investment Fiduciaries (NCREIF) to analyze the risk of commercial real estate. In the first part of the presentation a model was shown that was used to analyze the risk based capital (RBC) requirements for the insurance industry that was done for ACLI. The model tracked each individual property in the NCREIF database to determine if it would have become impaired under the regulatory rules for RBC. A bootstrapping technique was used to generate probability distributions for the probability of losses over different historical time periods from 1978 through 2014. The second part of the presentation also used the history of internal rates of return (IRRs) from individual properties in the NCREIF database to determine the distribution of returns over different time periods for different property types.

from Panel:

"The Outlook for Housing Reform"

"Johnson-Crapo Senate Bill on GSE Reform - Policy, Politics and People"

Michael Berman, JD

(Michael Berman Consulting, LLC)

With the goals of eliminating Fannie Mae and Freddie Mac and replacing them with a new housing finance system, Senators Corker (R-TN) and Warner (D-VA), both moderate members of the Senate Banking Committee ("SBC"), created a complex, bipartisan bill and convinced 4 Republican members of the SBC and 4 Democratic members of the SBC to join them as cosponsors of the bill. *Continued on page 7*

Michael Berman's presentation summary Continued:
Known as the Corker-Warner Bill, it was introduced in June, 2013. The foundational principles of the bill were to put 10% private capital in a first loss position at the core of this $5 Trillion mortgage system and to provide a US government catastrophic insurance wrap to provide liquidity in the mortgage credit secondary markets at all times of the economic cycle. Key goals include protecting taxpayers with a mortgage insurance fund, providing access to low income and minority borrowers through lenders – large and small, urban and rural - in all markets at all times, as well as capitalizing housing trusts funds to help the most vulnerable households - both homeowners and renters. On May 15, 2014, the new bipartisan Johnson-Crapo Bill passed the SBC 13-9 in a unique political way with 7 Republicans and 6 Democrats supporting it (including all 10 Corker- Warner co-sponsors). However, none of the six "progressive Democrats" on the SBC supported it. The bill is a significant bipartisan marker for future legislative efforts. Although it is unlikely to be brought to the full Senate this year by Democratic Majority Leader Harry Reid, it is likely to be an important influence on future legislation.

from Panel:
"The Release of Fannie and Freddie Data: Opportunities for Research"

Mark Hansen
(Freddie Mac)

With the introduction of credit risk transfer transactions in 2013, Freddie Mac and Fannie Mae issued vast amounts of historical data on borrowers' delinquency and default performance. Historical data sets and updated monthly disclosures are now available to qualified investors. The panel discussion identified various borrower privacy concerns and the preservation of the multi-trillion dollar To-Be-Announced (TBA) market as constraints limiting further release of borrower credit data and performance.

"Re-default Risk of Modified Mortgages"

Tyler Yang
(Integrated Financial Engineering)

In this paper, we use FHA modified loans to analyze their re-default risk. We use loan-level data to trace the performance of loans with heavy modifications. We have three major empirical findings. First, the empirical model shows that modified loans tend to have much higher re-default risk than otherwise identical never-defaulted loans. Second, the re-default model shows that re-default hazard is less sensitive to traditional risk drivers, compared with non-modified loans. Third, the re-default risk declines initially with the magnitude of the payment reduction associated with the modification received. However, as the payment reduction becomes substantial, the re-default probability increases. *"...Presentations in Summary" Continued on page 8*

"Sponsor-Underwriter Affiliation & The Performance of Non-Agency Mortgage-Backed Securities"

Peng (Peter) Liu
(Cornell University)
with Lan Shi (Enterprise Risk Analysis Division, Office of the Comptroller of the Currency)

Securitization of mortgage loans involves multiple financial intermediaries. Among them, loan originators, deal sponsors, and security underwriters are the key economic players. Using data on non-agency mortgage-backed securities (MBS), we find that i) deals in which underwriters and sponsors are affiliated have higher delinquency rates than those in which they are unaffiliated, and ii) the poorer performance of MBS sponsor-underwriter affiliation is true both when investment banks act as sponsors and when sponsors/lenders act as underwriters. The effect is robust to controlling for security level characteristics, suggesting that the poorer performance is beyond what is observable or priced in the deal. The results are also robust to the inclusion of underwriter or sponsor fixed effect, suggesting it is the incentive effect that drives the result. This evidence is inconsistent with the information advantage associated with vertical integration and points to poorer incentives associated with vertical integration. Our findings suggest that an important factor affecting the performance of mortgage backed securities is the moral hazard on the part of sponsors and underwriters.

"An Analysis of Default in the Home Equity Conversion (HECM) Program"

Stephanie Moulton
(The Ohio State University)

While reverse mortgages are intended as a tool to enable financial security for older homeowners, in 2012, nearly 10 percent of reverse mortgage borrowers in the federally insured Home Equity Conversion Mortgage (HECM) program were in default on their property taxes or homeowners insurance. A variety of policy responses were implemented in 2013, including establishing underwriting guidelines for the first time in the program's history. However, there is a lack of data and analysis to inform such criteria. Our analysis follows 30,000 seniors counseled for reverse mortgages between 2006 and 2011. The data includes comprehensive financial and credit report attributes, not typically available in analyses of reverse mortgage borrowers. Using a truncated bivariate probit model, we estimate the likelihood of tax and insurance default. Financial characteristics that increase default risk include the percentage of funds withdrawn in the first month of the loan, a lower credit score, higher property tax to income ratio, low or no unused revolving credit, and history of being past due on mortgage payments or having a tax lien on the property. We simulate the effects of alternative underwriting criteria and policy changes on the probability of take-up and default. *Continued on page 9*

Stephanie Moulton's Presentation Summary Continued:
While a simple limit on the initial withdrawal percentage substantially reduces default, it also substantially reduces participation in the program. A greater reduction in the default rate with less effect on participation can be achieved by setting thresholds based on credit score or derogatory credit indicators.

"Preventing House Price Bubbles: Lessons from the 2006-2012 Bust"

James Follain
(Collateral Analytics and Rockefeller Institute of Government)
with Seth Giertz
(University of Nebraska - Lincoln)

This report examines the results of extensive econometric research exploring the interrelationships of local house price patterns and their drivers and applies them to two timely policies— the Home Affordable Modification Program (HAMP), launched in mid-crisis in an effort to stem the flood of foreclosures; and countercyclical capital buffers, currently under debate as an option for limiting the formation of bubbles in the future. We believe that both policies can be improved by incorporating more focus upon specific housing markets most affected by the threat of bubbles or the after effects of a bubble. Although difficult to implement, this approach would potentially ensure against another bubble bust of the magnitude just experienced.

"Do Loan Officers' Incentives Lead to Lax Lending Standards?"

Itzhak (Zahi) Ben-David
(The Ohio State University)

We study a controlled corporate experiment in which loan officers were compensated to engage in loan prospecting in addition to the traditional loan screening. Loan prospecting led to larger loan sizes (+15%) and higher origination rates (+31%) while keeping the traditional credit quality threshold and interest rate intact. Loan officers attempt to influence the decision making process: loan officers report better opinions for loans with moderate approval probability based on their fundamentals. Furthermore, approval decisions rely heavier on loan officers' opinions, especially for more established loan officers.

From Panel:
"The Outlook for Housing Reform"

Joseph S. Tracy
(Federal Reserve Bank of New York)

We explore the capital structure and governance of a mortgage-insuring securitization utility operating with government reinsurance for systemic or "tail" risk. We present the justification and mechanics of a vintage-based capital structure, and argue why this structure will help maintain lending even in stressed markets. We assess the components of the mortgage guarantee fee charged to borrowers. Finally, we explore how mutualization of credit losses within the securitization utility could address incentive misalignments arising out of securitization and government insurance, as well as how the governance structure for such a financial market utility could be designed.

From Topic:
"Credit Risk
Pre- and Post-Crisis"

Tad Philipp
(Moody's Investors Service)

Tad demonstrated how Moody's LTV, based on cyclically adjusted cap rates, is far more effective than appraisal based LTV in differentiating credit risk.

He showed the relationship between the Moody's/ RCA price series and credit by illustrating how 75% LTV loans from the well performing 2002 vintage never exceeded 100% LTV adjusted by the CPPI, while 75% LTV loans from the poorly performing 2007 vintage quickly headed above 115%.

Tad compared the CMBS market to a frog failing to react to gradual temperature increases until it boils. He showed that CMBS is on a path toward 2007 underwriting quality by 2017.

From Topic
"Credit Risk
Pre- and Post- Crisis"

Merrie Frankel
(Moody's Investors Service)

Risk in REITs has been attenuated by two factors – REIT structure and bond covenants. Merrie reviewed the history of REITs since 1960, composition, growth, debt/equity issuances, and performance of sub-sectors. The rating drivers that helped REITs throughout the recession include sector leadership; steady earnings growth; portfolio diversification by tenant, industry and geography; moderate financial leverage; and maintenance of a robust unencumbered asset pool. The four standard REIT bond covenants (including debt, secured debt, unencumbered assets and coverage metrics) are a governor, as exemplified by a 0% 20-year running default rate for REITs that have issued debt with this covenant package.

From Topic:
"Measuring and Managing
Risk for Real Estate Equity"

Rick Gold
(Northfield Information Services)

Even when corrected for serial correlation, appraisal-based indices such as NCREIF have a host of shortcomings and cannot be seamlessly integrated into multi-asset risk model. Northfield's approach operates without the use of appraisal-based indices but remains firmly based in both real estate and modern portfolio theory fundamentals. Northfield transforms a property into a series of exposures to a set of common economic, financial, and currency factors. Using Northfield's model investors can hedge their illiquid property risks by taking positions in other instruments. Not surprisingly, factors such as yield curve changes (shift, slope, and curvature), tenant credit, lease duration, leverage, and industry mix all contribute to a property and portfolio's risk profile.

Please remember to register ASAP! Rooms at the Hilton Singer Island are always limited in "season."

Preview of the January 2015 Weimer School Session
Friday, January 16 through Sunday, January 18

The Hoyt Center, North Palm Beach, FL

The January 16-18, 2015 session of the Weimer School will be held at our North Palm Beach, Florida campus. When you receive your registration request, please return it as soon as possible. The Hoyt Group has a number of rooms reserved at the Hilton Singer Island Resort, but demand is strong during the season and an early guarantee is required by the hotel. Please register when your invitation to attend arrives. **Contact Carol Reynolds at weimer@hoyt.org or (561) 694-7621, if you have not received your registration materials.** A tentative agenda is included with the registration materials.

The session begins with a welcoming reception at the Hilton Resort - Singer Island, Thursday evening, January 14, with presentations starting on Friday morning and continuing until adjournment at noon on Sunday. A continental breakfast and lunch for participants will be provided each day at the Hoyt Center. A banquet will be held Saturday evening, January 16, at the Hilton, honoring the Class of 2015 Fellows.

The 2015 Class of Weimer School Fellow candidates returning to complete their requirements for Fellow status will discuss their research on Friday and Saturday morning. Returning candidates are: Dr. Xudong An (San Diego State University), Dr. Thomas Davidoff (University of British Columbia), Dr. Morris Davis (University of Wisconsin-Madison), Dr. Fernando Ferreira (University of Pennsylvania), Dr. Christian Hilber (London School of Economics), Dr. Michael J. Seiler (Old Dominion University) and Dr. Yildiray Yildirim (Syracuse University). The new class of Weimer School Fellow candidates will also be here to present their research proposals. The 2015-16 candidates are: Dr. Paul Carrillo (The George Washington University), Dr. Andra Ghent (Arizona State University), Dr. Jay Hartzell (The University of Texas at Austin), Dr. Andy Naranjo (University of Florida), Dr. Tomasz Piskorski (Columbia Business School), and Dr. Paul Willen (Federal Reserve Bank of Boston).

Hoyt Group Events and Awards

2014 AREUEA Breakfast

The Hoyt Group sponsored its annual breakfast on Saturday, January 4th, for invited guests at the 49th annual AREUEA-ASSA conference. This year's conference was held January 3-5, 2014, at the Loews Hotel in Philadelphia, Pennsylvania. The breakfast was attended by 28 people.

2014 ARES Breakfast

The Hoyt Group hosted its annual breakfast on Friday, April 4th, at the April 2014 Annual ARES meeting held at the Coronado Island Marriott Resort in San Diego, CA. 33 people attended.

2015 AREUEA Breakfast

The Hoyt Group will sponsor its annual breakfast during the 50th annual AREUEA-ASSA Conference being held January 3-5, 2015, in Boston, Massachusetts. The breakfast will be held on Saturday, January 3rd. Invitations containing particulars will be sent this Fall and a prompt reply will be appreciated.

2015 ARES Breakfast

The Hoyt Group will sponsor its annual breakfast at the ARES yearly meeting being held April 14-18, 2015 at the waterfront Sanibel Harbour Marriott in Fort Myers, Florida.

AREUEA Dissertation Awards

The Homer Hoyt Institute (HHI) provides AREUEA dissertation awards annually in honor of Dr. Maury Seldin. Recipients are chosen by an AREUEA committee and announced at the AREUEA Presidential luncheon. Award recipient in 2013 was Cindy K. Soo (University of Michigan).

ARES Awards

The two "Best Paper" awards sponsored by The Hoyt Group were presented at the April 2014 ARES meetings. The "Best" Paper on Innovative Thinking, better known as the "Thinking Out of the Box" award for 2013 was presented to Scott Wentland and Xun Bian (both from Longwood University) and Raymond Barstow (Federal Reserve Bank of Richmond) for their paper entitled *"Neighborhood Tipping and Sorting Dynamics in Real Estate: Evidence from the Virginia Sex Offender Registry."* *Continued on page 12*

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ARES Awards *Continued from page 11*

The research paper award, sponsored by The Hoyt Group, for the "Best" paper published in JRER in 2013, was awarded to two winners: Kimberly R. Goodwin (The University of Southern Mississippi) for her paper entitled *"Discounting and Underpricing of REIT Seasoned Equity Offers,"* and Michael LaCour-Little and Jing Yang (both of California State University) for their paper entitled *"Taking the Lie Out of Liar Loans: The Effect of Reduced Documentation on the Performance and Pricing of Alt-A and Subprime Mortgages."*

Asian Real Estate Society (AsRES) Awards

The "Best Paper" award sponsored by The Hoyt Group was presented at the 19th Annual AsRES International Conference, held in Gold Coast, Australia. The winning paper was *"An Overlapping-Generations Model of Housing Price Bubbles"* by William Lim of York University.

Fall 2014 - Spring 2015 Events

OCTOBER 2014

Urban Land Institute
2014 Fall Meeting
October 21-23
Javits Center
New York, NY

PREA
24th Annual Investor Real Estate Conference
September 30-October 2
The Hyatt Regency Century Plaza
Los Angeles, CA

Counselors of Real Estate (CRE)
2014 Annual Convention
October 26-29
Fairmont Copley Plaza
Boston, MA

NAIOP
Development '14: The Annual Meeting for Commercial Real Estate
October 27-29
Sheraton Denver
Denver, CO

NCREIF
Fall Conference 2014
October 28-30
Don Cesar
St. Pete Beach, FL

NOVEMBER 2014

NAREIT
Annual Convention for All Things REIT®
REITWorld®
November 5-7
Atlanta Marriott Marquis
Atlanta, GA

JANUARY 2015

The Hoyt Group (Homer Hoyt Institute)
January Weimer School Session
January 16-18
Hoyt Center
North Palm Beach, FL

AREUEA
50th AREUEA-ASSA Conference
January 3-5
Boston, MA