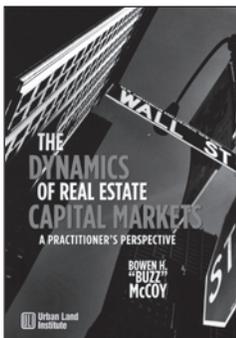


## RECOMMENDED READING

# The Dynamics of Real Estate Capital Markets—A Practitioner's Perspective

By Bowen H. "Buzz" McCoy (2006, Urban Land Institute, Washington, D.C., 262 pages)

REVIEWED BY BRENT A. PALMER, CRE, FRICS



THIS UNIQUELY ORGANIZED TEXT comprises 36 of Bowen H. "Buzz" McCoy's articles and symposia summaries. McCoy is a "real estate icon" of the 20th century, according to *National Real Estate Investor* magazine, and this compilation of works provides tremendous insight into the evolution of transaction

structure, market dynamics and analytical trends through the past 35 years.

During this time period, significant and critical changes occurred with regard to perception, perspective and practice for participants, counselors and investors as commercial real estate transformed into the much more transparent, liquid and sought-after asset class that it is today. And McCoy was one of the catalysts of this evolution. He worked at Morgan Stanley & Co. from 1962 to 1990 and held the roles of general partner, managing director and president of Morgan Stanley Realty. McCoy is "a pioneer and a legend in commercial real estate circles ... one of the first people to bring Wall Street's mind-set into real estate," the Brookings Institution's Anthony Downs writes in the forward.

The first part of the book—An Overview and Thoughts on the Future—not only summarizes McCoy's extensive real estate experience, but also offers a detailed abstract of each article followed by his personal observations about the fundamental values essential to being a committed and successful practitioner.

Part two contains four articles focusing on the capital markets' evolving integration of real estate during the 1970s and 1980s, and the 15 articles comprising part three address the complex period of globalization in real estate markets concurrent with the turmoil and restructuring that affected the U.S. real estate capital markets in the 1990s. This section also highlights the progression of valuation methodologies, pricing and investment structure, and investment analysis. Part four, which contains nine articles, covers the years 2000–2005 and examines the issues of investment uncertainty, disconnected markets, demands for enhanced transparency and unrestrained capital flow.

Following the decade-by-decade story of real estate capital markets covered in parts two through four; the author



## About the Reviewer

**Brent Palmer, CRE, FRICS**, is senior vice president with NewTower Trust Co. in Bethesda, Md., as well as executive director of Seattle-based NewTower Valuation Services LLC. He provides consultation on numerous issues including pension fund investments, acquisitions, divestitures, market and asset performance metrics, lease analytics, risk assessment, adaptive re-use, infrastructure and sustainable development. His clients include commercial real estate investment, development, and capital placement professionals across North America.

## The Dynamics of Real Estate Capital Markets—A Practitioner's Perspective

provides eight articles in the concluding fifth part that discuss values-based leadership. This last series of writings is timely and thought-provoking, covering several topics—including assessment of personal responsibility and character, public and private trust, global business ethics and social obligations—that are particularly applicable and essential to real estate practitioners today.

In summary, every real estate practitioner seeking greater perspective and increased understanding should consider *The Dynamics of Real Estate Capital Markets* to be required reading. The book reveals the myriad lessons learned and strategies created by the author through the past 35 years of real estate investment and capital markets integration. Readers will gain further insight about

contemporary real estate issues as well as expected—and unexpected—market changes in the coming years.

This resource text is well-organized and includes abstracts that provide sufficient article summaries so readers who may not have time to delve into the entire book can efficiently navigate through pertinent topics. In addition, the scope and content of each article reflects the experiential authenticity of a true front-line thinker and leader in real estate finance and investment. ■

*The Dynamics of Real Estate Capital Markets—A Practitioner's Perspective* is available for purchase through the Urban Land Institute. Order online at [www.uli.org/bookstore](http://www.uli.org/bookstore) or call 800.321.5011.