

# Evaluating the Real Estate Journals: The Mainstream Finance Perspective

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*Abstract.* This study examines the real estate journals and discipline from the unique perspective of mainstream finance faculty. The entire academic membership of the Financial Management Association (FMA) is surveyed resulting in a 29.6% response rate. They were queried on their personal characteristics (enrollment, number of tenure track faculty, department, rank, area of expertise, number of articles published, and real estate courses offered). But more importantly, they were asked to rank real estate journals by perceived quality and to compare the quality of the real estate journals to five mainstream finance journals. Lastly, they were asked about the support for including real estate courses in the curriculum of the finance department.

## Introduction

Over 85% of the full-time tenured and tenure-track real estate faculty in U.S. colleges and universities are housed in College of Business departments of finance. Even those real estate faculty not housed in the department of finance are usually affiliated with it in some ways and compete with it for resources.

Since real estate faculty are always a minority of the faculty in these departments, potential conflicts exist. All departmental faculty, as a group, usually help decide critical matters such as tenure, promotion, evaluation for salary adjustments, and other resource allocations (travel funds, research funds, release time, grants, etc.). Given this situation, the perception of mainstream finance faculty about the quality of real estate journals, vis-à-vis finance journals, becomes very important for most tenured and tenure-track real estate faculty. While other studies have ranked real estate journals (Benjamin and Brenner, 1974; Coe and Weinstock, 1983; Nielson and Wilson, 1978; Smith and Greenwade, 1987), none have done so from the perspective of another related discipline.

The main purpose of this study is to ascertain the perceptions of finance faculty about the quality of real estate journals, in relation to mainstream finance journals. In addition, attitudes of finance faculty about real estate within their department are also reported. All full academic members of the Financial Management Association (FMA) were surveyed. Section two of this paper contains a profile of the surveyed population. In the third section, the relative rankings of real estate journals are presented with respect to themselves and in relation to mainstream finance journals. The fourth section examines the support of real estate from the finance faculty and attempts to profile finance faculty who hold differing views of real estate. In the final section, the implications of the paper are reviewed and discussed.

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## Survey and Background

The methodology used in this study is a questionnaire that was sent to all full academic members (no students or practicing professionals) of the Financial Management Association (FMA). A complete copy of the questionnaire is available from the authors. The initial mailing was followed about thirty days later by a reminder letter. Of a total of 2,129 individuals surveyed, 636 usable responses were received, representing a 29.6% response rate. Though 636 questionnaires were returned, many respondents left some questions unanswered. Therefore the number of responses does not always total 636 in the exhibits.

To help insure that responses were representative of mainstream finance faculty as a group, questions that related to the respondents institution were included, in addition to questions that requested personal information. Unfortunately, this can only be done in a normative sense, since neither the American Finance Association nor the Financial Management Association have a profile of the mainstream finance faculty member.

Exhibits 1, 2 and 3 relate to the size of the educational institution and the department, and where respondents were housed within the institution. As Exhibits 1 and 2 show, the respondents were well distributed with respect to size of the institution and their department. Expectations were that FMA members were housed primarily in finance departments and Exhibit 3 confirms this expectation. A total of 89.2% of the respondents were housed either in the expected finance department or in a combination department

**Exhibit 1**  
**Enrollment at Respondent Institutions**

Enrollment	Number of Responses	Percentage of Total Responses
Less than 10,000	190	30.0
10,000–15,000	137	21.6
15,001–20,000	75	11.8
20,001–25,000	88	13.9
More than 25,000	144	22.7

**Exhibit 2**  
**Number of Full-Time Tenure-Track Faculty in Department**

Number of Faculty	Number of Responses	Percentage of Total Responses
Less than 10	280	44.2
11 to 15	172	27.2
16 to 20	87	13.7
More than 20	94	14.8

**Exhibit 3**  
**Academic Department of Respondents**

Department	Number of Responses	Percentage of Total Responses
Finance	509	80.0
Business Administration	28	4.4
Economics	23	3.6
Economics & Finance	15	2.4
Accounting & Finance	13	2.0
Other	48	7.6

that included finance. There were seventeen different departmental affiliations listed on the responses, with the most noteworthy being one respondent who was housed in a department of nursing.

Exhibits 4, 5 and 6 provide personal information on the respondents as to rank, scholarship and area of expertise. The respondents were approximately evenly distributed across academic ranks with the highest number of respondents being full professors.

The respondents were asked, *How many refereed journal articles have you published in the previous ten years?*, and the responses are presented in Exhibit 5 as an approximate measure of the scholarly achievements of the respondents. The question examines only quantity with no consideration of quality. By this measure, slightly over half of the respondents (53.7%) would be considered scholarly and active, averaging one article (or more) every two years. Almost a third (31.7%) are very active, averaging more than one article a year. Since this measure does not adjust for the fact that some of the respondents have been active in academia less than ten years, the average number of articles is probably slightly biased downward.

Exhibit 6 identifies the area of expertise of the respondents within the broader finance discipline. A number of respondents indicated more than one area of expertise which accounts for the percentage of responses totaling more than 100%. It is interesting to note that real estate was listed more frequently than international finance and option pricing/futures as an area of expertise. Real estate was identified as an area of expertise by 14% of the respondents, which was not too far behind the 20% who listed institutions/banking.

Exhibit 7 indicates the frequency at which various real estate courses appear in the departmental curriculum. Note that real estate finance is offered at more institutions than real estate principles. At institutions where only one real estate course is offered, it is more frequently real estate finance than any other course. In addition, real estate investments is included in the real estate curriculum more frequently than appraisal.

Of the 636 responses, 336 or 52.8%, indicated a full-time tenure-track faculty member taught the real estate classes and 80 of the respondents indicated that they were that faculty member. A total of 286, or 45%, also indicated that a "real estate program" (as opposed to just an elective course or two) was housed in their department.

When the respondents were asked if they belonged to either of the two academic real estate organizations, fifty-six indicated that they belonged to both the American Real

**Exhibit 4**  
**Rank of Respondents**

Rank	Number of Responses	Percentage Total Responses
Assistant Professor	192	30.3
Associate Professor	185	29.2
Professor	215	34.0
Other	41	6.5

**Exhibit 5**  
**Number of Articles Published in Previous Ten Years**

Number	Number of Responses	Percentage of Total Responses
0 to 5	294	46.3
6 to 10	140	22.0
11 to 15	84	13.2
16 to 20	41	6.5
21 to 25	34	5.4
More than 25	42	6.6

**Exhibit 6**  
**Area of Expertise**

Area	Number of Responses*	Percentage of Total Responses**
Corporate Finance	331	52.0
Investments	210	33.0
Institutions/Banking	127	20.0
Real Estate	89	14.0
International Finance	57	9.0
Option Pricing/Futures	53	8.3
Insurance	16	2.5
Other	64	10.1

\*more than one response allowed

\*\*percentage of the 636 responses received

### Exhibit 7 Real Estate Courses Offered

Course	Number Offering Course	Percentage of Total Responses
Real Estate Finance	360	56.6
Real Estate Principles	347	54.6
Real Estate Investments	236	37.1
Real Estate Appraisal	201	31.6
Real Estate Market Analysis	94	14.8
Other	103	16.2
None	164	25.8

Estate and Urban Economics Association (AREUEA) and the American Real Estate Society (ARES). An additional nineteen respondents belonged only to ARES and sixteen only to AREUEA.

### Journal Rankings

This section examines various rankings of real estate journals. The approach used in this study is somewhat unique, because real estate journals are ranked relative to each other and then relative to finance journals. Exhibit 8 presents the relative rankings of twelve real estate journals. While the *Journal of Urban Economics (JUE)* and *Land Economics (LE)* are not considered primarily real estate journals by some researchers, they are outlets for some real estate research. The weighted average rankings of each journal indicates the average relative score of the journal, with one being the best possible score and twelve being the worst. The score considers only those respondents who ranked the journal.

The results indicate that the academic journals are, as a group, clearly preferred to the professional journals. The one exception being the *Journal of Real Estate Literature (JREL)* whose first issue was published in February 1993, after this survey was completed. It is puzzling that eleven respondents were confident enough to rank it. The leading real estate journal was the *AREUEA Journal* followed by the *Journal of Urban Economics*, *Land Economics*, the *Journal of Real Estate Finance and Economics* and *The Journal of Real Estate Research*, respectively.

In Exhibit 9, journal rankings are broken out by area of expertise. The number of respondents who ranked the journal is shown in parenthesis under the average ranking. These rankings are very consistent with the overall rankings shown in Exhibit 8, with one major exception. A reordering of the academic journals results, if only the responses of those who listed real estate as an area of expertise are considered. While *AREUEA* remains number one, *The Journal of Real Estate Research* moves to second place with the *Journal of Real Estate Finance and Economics* in third, followed by the two economic journals (*JUE* and *LE*). There is also a distinct difference in the choice of professional journals between the real estate respondents and other respondents. While the *Appraisal Journal (AJ)* is considered the leading professional journal by the real estate respondents, *Real Estate Finance (REF)* is generally viewed as number one by the non-real estate respondents.

**Exhibit 8**  
**FMA Membership**  
**Ranking of Real Estate Journals**

Journal	Weighted Average Ranking	Number of Respondents Ranking	Number of Respondents Familiar with
<i>AREUEA Journal</i>	1.79	275	320
<i>Journal of Urban Economics (JUE)</i>	2.57*	180	212
<i>Land Economics (LE)</i>	2.70	195	227
<i>Journal of Real Estate Finance and Economics (JREFE)</i>	2.74	160	183
<i>Journal of Real Estate Research (JRER)</i>	3.21*	134	143
<i>Housing Finance Review (HFR)</i>	3.66*	149	175
<i>Appraisal Journal (AJ)</i>	4.76*	107	195
<i>Real Estate Finance (REF)</i>	5.61*	67	79
<i>Real Estate Appraiser and Analyst (REAA)</i>	5.92	90	97
<i>Real Estate Review (RER)</i>	5.93	103	123
<i>Real Estate Issues (REI)</i>	6.18	69	78
<i>Journal of Real Estate Literature (JREL)</i>	7.91*	11	9

\*significant difference with journal listed immediately above at the 95% level of confidence

**Exhibit 9**  
**Ranking of Real Estate Journals by Areas of Expertise**

	Corporate Finance	Investments and Options	Institutions and Banking	Real Estate	Other
<i>AREUEA</i>	1.68 (111)*	1.85 (95)	1.78 (59)	1.88 (74)	1.76 (49)
<i>JUE</i>	2.07 (70)	1.90 (58)	2.33 (40)	3.69 (48)	2.37 (41)
<i>LE</i>	2.27 (89)	2.46 (63)	2.39 (38)	4.05 (58)	2.49 (45)
<i>JREFE</i>	2.26 (61)	2.35 (43)	2.10 (31)	3.59 (63)	2.39 (33)
<i>JRER</i>	3.03 (39)	2.93 (40)	3.83 (25)	3.23 (73)	2.90 (21)
<i>HFR</i>	3.22 (51)	2.91 (34)	3.05 (42)	4.71 (56)	3.50 (30)
<i>REI</i>	5.26 (23)	4.43 (14)	5.09 (11)	6.86 (44)	5.73 (15)
<i>AJ</i>	3.91 (64)	4.02 (48)	4.75 (24)	5.94 (67)	5.17 (24)
<i>REF</i>	3.86 (21)	4.21 (14)	2.63 (8)	7.58 (38)	4.12 (17)
<i>REAA</i>	5.18 (28)	3.95 (19)	6.33 (9)	6.39 (62)	7.55 (11)
<i>RER</i>	5.23 (39)	4.71 (21)	5.79 (14)	6.95 (58)	5.67 (18)
<i>JREL</i>	5.00 (3)	6.25 (4)	5.50 (2)	8.78 (9)	6.75 (4)

\*number in parenthesis is the number of respondents ranking the journal

While 183 of the total respondents indicated familiarity with the *JREFE* and 143 indicated familiarity with *JRER*, this situation was reversed when only real estate respondents were considered. *JRER* was essentially tied for most familiar with the *AREUEA Journal* (84 and 85 respectively) while the *JREFE* was familiar to only 74 of those listing real estate as an area of expertise. It is also interesting that the *AREUEA Journal* and *JRER* were familiar to a significantly higher number of these respondents than were any of the professional journals, including the well-known *Appraisal Journal* which was familiar to 76 real estate respondents.

In Exhibit 10, seven real estate journals are ranked relative to five well-known finance journals. For each of the real estate journals the question was asked, *How does the quality and depth of research compare with the (one of five finance journals)?* The available responses were *much better*, *a little better*, *about the same*, *somewhat worse*, and *much worse*. These responses were assigned values of 1.00 through 5.00 with *much better* being assigned a value of 1.00 and *much worse* being assigned a value of 5.00. An average score of 3.00 would indicate that a real estate journal is viewed to be about the same quality as the subject finance journal, with scores significantly less than 3.00 indicating it was viewed as superior to the finance journal, and scores significantly greater than 3.00 indicating it was viewed as inferior. Once again the parenthetical number reflects the number of respondents ranking a particular journal.

None of the real estate journals were viewed by the respondents to be equal to, or better than, either the *Journal of Finance (JF)* or the *Journal of Financial and Quantitative Analysis (JFQA)*. However, all five of the academic real estate journals were generally viewed to be equal to or better than *Financial Management (FM)*, *Financial Review (FR)* and the *Journal of Financial Research (JFR)*.

Earlier, when real estate journals were compared to each other, the *AREUEA Journal* was clearly number one. However, when real estate journals are compared with finance journals, both the *JUE* and *LE* receive better relative scores than does the *AREUEA Journal* from those who ranked these journals.

**Exhibit 10**  
**Comparative Quality of Leading Finance and Real Estate Journals**

	<i>JF</i>	<i>FM</i>	<i>JFQA</i>	<i>FR</i>	<i>JFR</i>
<i>AREUEA</i>	3.98 (296)	2.78 (294)	3.69 (285)	2.57 (246)	2.79 (263)
<i>JRER</i>	4.04 (147)	3.10* (145)	3.93 (136)	2.85 (112)	3.10* (124)
<i>HFR</i>	4.18 (173)	3.15 (172)	3.92 (165)	2.85 (144)	3.13* (151)
<i>LE</i>	3.74 (214)	2.65 (211)	3.46 (204)	2.44 (179)	2.66 (189)
<i>JUE</i>	3.64 (195)	2.48 (190)	3.35 (183)	2.24 (162)	2.40 (170)
<i>AJ</i>	4.53 (187)	3.97 (184)	4.43 (175)	3.81 (147)	3.99 (162)
<i>REAA</i>	4.61 (113)	3.43 (110)	4.40 (105)	3.96 (82)	4.14 (91)

\*not significantly different from 3.00 at the 95% level of confidence

## Real Estate Support

As previously indicated, since mainstream finance faculty tend to have substantial influence over both personnel decisions and resource allocations concerning real estate faculty, it is crucial that the real estate discipline have the support of the mainstream finance faculty. The survey posed the question, *What is your opinion about the inclusion of real estate classes in the curriculum of your department?* As shown in Exhibit 11, almost two-thirds (63.7%) were in favor of inclusion with 34.9% highly in favor. An additional 20.2% were indifferent, while 16.1%, or less than one in five, were either slightly or strongly opposed.

Exhibit 11 indicates that the greatest support for real estate is likely to be found from faculty at larger institutions and in departments where several real estate courses are already taught. The very small number of real estate courses offered (.46) in the departments of those respondents who were strongly opposed indicates that, in the majority of cases, no real estate courses are currently offered. As the opinion for inclusion improved, so did the average number of real estate courses taught, which suggests that familiarity with real estate curriculum may tend to bring a favorable opinion. However, some slight bias may be included in Exhibit 11, since the eighty-nine real estate people's responses (see Exhibit 6) could not be eliminated from the totals.

While Exhibit 11 examined where favorable opinion to include real estate in the curriculum may be found, Exhibit 12 tries to identify among whom the most support may be found. The first column of Exhibit 12 indicates that support is greatest among

**Exhibit 11**  
**Opinion of Real Estate Curriculum in Department**

	Number of Responses	Percentage of Total Responses	Current No. of R.E. Courses	Average Institutional Enrollment
Strongly Opposed	48	7.5	.46	15,938
Slightly Opposed	55	8.6	1.36	15,502
Indifferent	128	20.2	1.66	15,730
Slightly in Favor	183	28.8	1.98	15,971
Highly in Favor	222	34.9	2.96	17,038

**Exhibit 12**  
**Profile of Respondents Relative to Opinion of Real Estate Curriculum**

	Percentage in Finance Dept.	Real Estate Journals	No. of Articles Published	Academic Rank
Strongly Opposed	49.7	1.48	8.135	2.958
Slightly Opposed	75.6	1.40	8.88	2.945
Indifferent	81.3	1.95	7.95	2.735
Slightly in Favor	82.1	2.47	9.20	2.928
Highly in Favor	86.3	4.28	9.42	2.941



individuals who are housed in finance departments. Half of those who were strongly opposed to real estate in their departments were housed in departments other than finance. In many cases these respondents indicated in the comments section of the questionnaire that their opposition to real estate in their departments was due strictly to the feeling that real estate would be better housed in the finance department.

The second column of Exhibit 12 indicates the number of the twelve real estate journals used in this study with which the respondents were, on average, familiar. Once again familiarity would seem to encourage a favorable opinion. Respondents who highly favor real estate in the curriculum are familiar with almost three times as many real estate journals as those who are strongly opposed.

Column three of the exhibit shows that a favorable opinion is also likely to be found among the more scholarly active finance faculty. Those highly in favor had published an average of 9.42 articles in the previous ten years while those strongly opposed had published an average of 8.13 articles. The level of scholarly activity increases consistently with opinion, except among those who are indifferent. The explanation for the lower number of publications of the indifferent respondents is likely to be found in the last column of the exhibit. There is no significant difference in the average rank of the respondents with respect to opinion except for the indifferent group. This group was more weighted toward the assistant professor end of the rank scale than the other groups. The average rank was computed by assigning scores of two, three and four to assistant, associate and full professors respectively. The greater the score, the higher the average rank. The clustering of scores around 2.9 indicates the average rank of FMA members is that of associate professor, which seems reasonable.

At many institutions, particularly smaller institutions, real estate classes are taught by adjunct faculty who frequently lack the scholarly credentials of the full-time faculty members in the department. In those situations, the real estate curriculum may be viewed much less favorably than at schools where a full-time tenure-track faculty member teaches the real estate classes. Exhibit 13 presents the difference in opinion of those respondents who are housed in a department where a full-time tenure-track faculty member teaches real estate versus those who are not. Clearly, the presence of a full-time

### Exhibit 13 Opinion of Real Estate with Full-Time Real Estate Faculty

	Dept.'s with Full-Time R.E. Faculty		Dept.'s without Full-Time R.E. Faculty	
	No. of Responses	Total %	No. of Responses	Total %
Strongly Opposed	6	1.7	42	14.0
Slightly Opposed	19	5.7	36	12.0
Indifferent	57	17.0	70	23.5
Slightly in Favor	92	27.4	91	30.4
Highly in Favor	162	48.2	60	20.1
<b>TOTAL</b>	<b>336</b>	<b>100.0</b>	<b>299</b>	<b>100.0</b>

real estate instructor would seem to have a substantial impact on the finance faculty's opinion of real estate in the departmental curriculum.

## Summary and Conclusions

This study presents the perception of real estate journals and real estate curriculum held by mainstream finance faculty. The results clearly indicate that both the real estate journals and curriculum are favorably perceived by this group. All five of the academic real estate journals included in the study were considered to be equal to or better than *Financial Management*, *The Journal of Financial Research* and *Financial Review*, by mainstream finance faculty, and a substantial majority of the respondents were favorable to the inclusion of the real estate curriculum in their departments. These results generally indicate that real estate has become a generally accepted and respected area within the broader finance discipline.

Now, real estate faculty within departments of finance at colleges and universities have empirical evidence as to the ranking of academic real estate journals, vis-à-vis mainstream finance journals. This should assist them in defining their relative position in publications when competing for departmental resources, promotion and tenure.

In addition, this study provides a benchmark for academic real estate journals in relation to academic finance journals which are familiar to mainstream finance faculty. Real estate journals wishing to better their relative rankings will now have a "before" study to use when future related studies are published. This, and similar studies in the future, will help define the trendline for the improvement or demise of these academic real estate and finance journals relative to each other.

The next related research should probably be an evaluation of how real estate practicing professionals view this same set of journals. Communication from academia to industry is generally thought to be very low. However, this is a concern that some finance (the FMA, especially) and real estate (the American Real Estate Society, especially) associations are attempting to address.

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