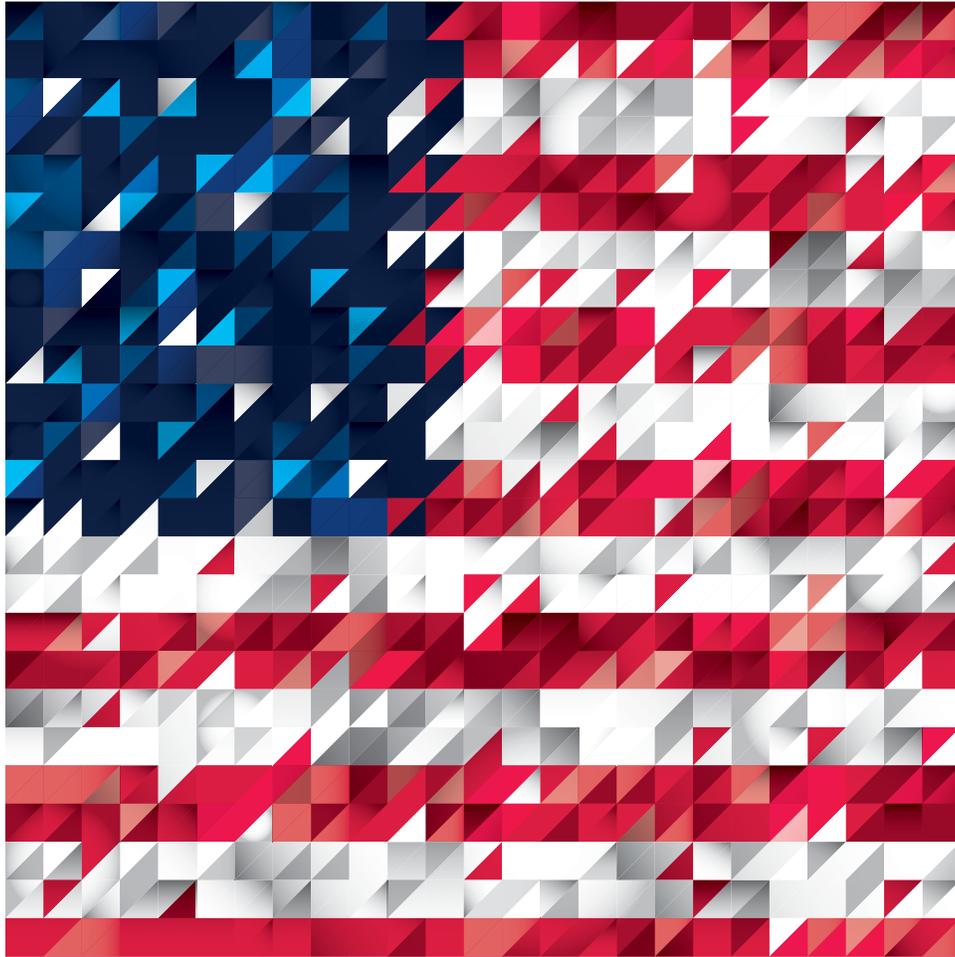


SPECIAL EDITION / SUMMER 2016

COMMERCIAL CONNECTIONS

A PUBLICATION BY THE NATIONAL ASSOCIATION OF REALTORS®



SPECIAL EDITION

COMMERCIAL RECAP

FROM THE REALTORS® LEGISLATIVE MEETINGS IN D.C.

COMMERCIAL
Real Estate



NATIONAL
ASSOCIATION *of*
REALTORS®

COMMERCIAL CONNECTIONS

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WELCOME

Welcome to this special edition of *Commercial Connections*, with highlights from the commercial perspective and activities during the REALTORS® Legislative Meetings & Trade Expo. While it's a condensed glimpse of what happened during the week, the important conversations had by your commercial real estate colleagues involved at the national level has great importance and long-lasting impact. Thanks to the many members and staff who contributed photos and quotes used in this publication.



JEAN MADAY

We encourage you to dig deeper, attend future meetings and help continue to influence and shape the commercial real estate industry. Your team of staff focused on Commercial is here to help you – feel free to contact any of us at NARCommercial@realtors.org.

As always, thank you for being a member of NAR.

THE LATEST

Committee Meeting Reports

Want to dig deeper into what happened at all of the various committee and advisory board meetings during the REALTORS® Legislative Meetings & Trade Expo in May? Peruse the minutes from all of the governance meetings and find out how you can get involved in a leadership role at the National level.

www.realtor.org/national-leadership

Fall Governance Meetings in Orlando

Make a note in your calendar of these dates, November 2-7th, 2016, and join your colleagues in Orlando to attend the next set of meetings. Combined with the annual REALTORS® Conference & Expo, this makes for a great week in Florida!

www.realtor.org/conference

Mobile App for Calls for Action

Be prepared wherever you are when you get the call to ACT on behalf of your colleagues and the industry. Download the REALTOR® Action Center mobile app today! You'll be able to respond to any Call for Action, review your REALTOR® Party engagement level and learn how your state and local associations are using tools and programs NAR is providing.

Text "App" to 30644 to download

COMMERCIAL GOVERNANCE MEETINGS SUMMARY



The Commercial Economic Issues & Trends Forum

featured Lawrence Yun, NAR Chief Economist and Mark Vitner, Senior Economist with Wells Fargo Securities. The economic updates focused on the slow growth in GDP, as well as the global impact upon U.S. economic activity—especially China and the European Union. Yun and Vitner both underscored the solid and improving fundamentals and investment sales, while cautioning about the outlook for prices, especially at the upper end of the market. Yun also shared the results of the NAR *Commercial Real Estate Lending Trends 2016* report, which showed a tightening in bank lending conditions for commercial projects, mostly due to increased regulatory burdens and scrutiny.

Commercial Leadership Forum had a packed agenda - showcasing new education on the topic of sustainability & leasing, as well as new courses from CCIM Institute, now being offered with a REALTOR® discount. Xceligent presented an overview of their national expansion and the addition of their latest tool, PropertyTourPro. Attendees heard from a panel of local leaders & staff on ways to better engage commercial practitioners, an overview of NAR programs related to Smart Growth and community development and a discussion on how members can take advantage of international business opportunities.

The Property Management Forum brought together a panel of experts from the Department of Energy, the Environmental Protection Agency and the Institute for Market Transformation to discuss the environmental and green mandates that are currently in effect or on the horizon impacting property managers and what they need to know to stay in compliance. An introduction to the NAR REach® Program was made by highlighting an exciting new venture, Trust Stamp, an id verification app that can add another layer of security when working with clients or tenants.

During the **Commercial Legislation & Regulatory Advisory Board**, Evan Liddiard, NAR Senior Tax Policy Representative gave a presentation on federal issue affecting commercial real estate tax provisions including taxing extender (179D), 1031 Like-Kind Exchanges and depreciation. A highlight of the meeting was guest speaker Grant Wilson, Director of Commercial Credit Risk in the Commercial Credit Policy office of the OCC. Grant provided data on how much money banks are lending to commercial real estate, how much financing is provided by banks, as well as areas that have seen growth in recent years.

CONTINUED ON NEXT PAGE

COMMERCIAL GOVERNANCE MEETINGS SUMMARY CONTINUED

At the **Commercial Real Estate Research Advisory Board**, NAR's Research staff provided a presentation on the trends in REALTOR® commercial lending markets and the results of the 2016 NAR Commercial Lending survey. Members and guests engaged in a discussion about issues surrounding bank underwriting, particularly in regards to upcoming CMBS maturing debt. Michael Griffin, President and CEO of ClientLook provided a presentation of the company's customer relationship management (CRM) system, now an integrated option with REALTORS® Property Resource (RPR).

The **Commercial Committee** navigated a full agenda including guest speaker Felix Carles, the Panamanian bilateral partner's Liaison with NAR, who gave a presentation on the development of the Panama Canal and the impact on the local economy and commercial real estate development opportunities forthcoming in this area of the world. Members were updated on NAR's increased presence at MIPIM, one of the largest commercial property events in the world. NAR hosts the United States pavilion, providing greater visibility for properties and commercial brokers on a world stage. Committee members also heard a presentation on the preliminary direction of the commercial consumer advertising campaign currently in development, an Xceligent update on property research in markets around the country and the rollout of the all-new CommercialSearch.com listings website.



AROUND THE TABLE AT THE COMMERCIAL COMMITTEE MEETING



COMMERCIAL COMMITTEE MEETING



COMMERCIAL COMMITTEE MEMBERS



COMMERCIAL RESEARCH ADVISORY BOARD MEETING



NAR'S HUGH MORRIS, CHAIR LEIL KOCH (HI), VICE CHAIR LINDA ST. PETER (CT)
AT COMMERCIAL LEADERSHIP FORUM



COMMERCIAL LEADERSHIP FORUM

“These meetings were well organized and allowed commercial members to truly understand the value of NAR regarding commercial real estate issues. When I went to the Hill and talked to Congress they understood the need to retain 1031 Tax Deferred Exchanges. They realized valuable business transactions would be lost if 1031s were eliminated. NAR has carried our water regarding this issue.”

JAMES L. HELSEL, JR. CCIM, SIOR, CPM, CRE, CRB (PA)



COMMERCIAL LEGISLATION & REGULATORY ADVISORY BOARD



NAR COMMERCIAL LIAISON DAN WAGNER (IL) AND COMMERCIAL COMMITTEE VICE CHAIR BATES (TX)



LAWRENCE YUN SPEAKING AT THE COMMERCIAL ECONOMIC ISSUES AND TRENDS FORUM



LYNNORE FETYKO, PRESIDENT AND CEO OF THE GREATER SYRACUSE ASSOCIATION OF REALTORS® AND AMANDA WILSON, PROFESSIONAL DEVELOPMENT DIRECTOR OF THE CINCINNATI BOARD OF REALTORS®



VIEW FROM JIM TAYLOR'S (CA) SEAT AT THE COMMERCIAL LEGISLATION & REGULATORY ADVISORY BOARD MEETING



STANDING ROOM ONLY AT THE COMMERCIAL COMMITTEE MEETING

CONVERSATIONS ON THE HILL



WASHINGTON STATE COMMERCIAL ASSOCIATION OF REALTORS®
AT THE CAPITOL

“Along with members of the Ohio Association of REALTORS®, Columbus REALTORS®, and Cincinnati REALTORS®, I was able to meet with a number of our legislators and discuss in detail with them the 1031 Like Kind Exchange concerns. I would personally like to thank the NAR staff for their efforts and including this Commercial issue in the talking points. Every legislator I had an opportunity to discuss 1031’s with supported our movement to keep them a viable option for consumers. Our meetings included Congressman Tiberi, Congressman Steve Stivers, Congresswoman Beatty, Senator Portman and Senator Brown. We were able to discuss all the NAR Talking Points with them in detail, but again appreciate support of Commercial issues.”

GREG J. HRABCAK, CCIM (OH)



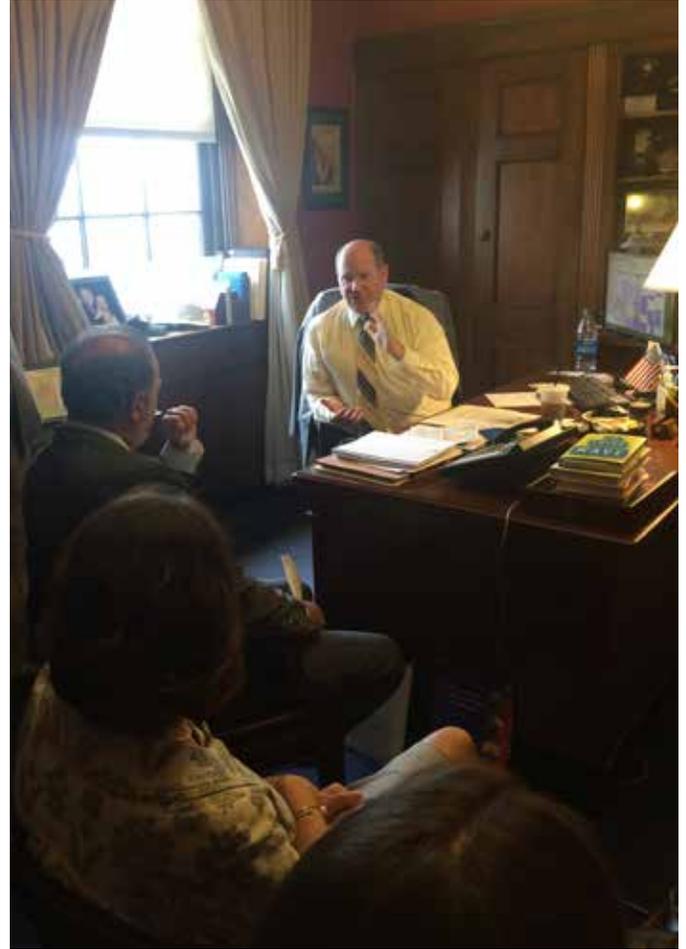
OKLAHOMA REALTORS® DISCUSSING ISSUES WITH SENATOR INHOFE



WASHINGTON STATE COMMERCIAL ASSOCIATION MEMBERS WITH REPRESENTATIVE HECK



PAUL GALBRAITH, TOM SHEPHERD, AND JEFF HOFFMAN WITH OTHER WISCONSIN REALTORS® DISCUSSING EB-5 & 1031 ISSUES WITH SENATOR RON JOHNSON.



WISCONSIN REALTORS® IN A CONVERSATION WITH REPRESENTATIVE REID RIBBLE



LOUISIANA MEMBERS WITH U.S. CONGRESSMAN CHARLES W. BOUSTANY, JR. MD



NEVADA DELEGATION ON THE HILL

“Anytime you can sit across the table with a U.S. Senator widely considered on the Hill as the expert for property financing legislation, and have a thorough discussion about the issues REALTORS® are concerned with, that is the ultimate!”

RAPHAEL BARTA (ID)



THE COMMERCIAL ASSOCIATION OF REALTORS(R) WISCONSIN'S JEFF HOFFMAN SPEAKING TO IMPORTANT TAX ISSUES.



SEN REID AND FPC MARV RUBIN WITH DAVE TINA, PRESIDENT OF THE NEVADA ASSOCIATION OF REALTORS®



MICHIGAN REALTORS® DISCUSSING REAL ESTATE ISSUES WITH REPRESENTATIVE MOOLENAAR



RAPHAEL BARTA WITH SENATOR MIKE CRAPO OF IDAHO

“Without the first class operations by NAR we could not have these meetings, without these meetings our conversations with the members of the US Congress and Senate would never happen at this level. Crawling the Hill with 8,000 other REALTORS® allows us a real voice with the power to influence decisions that affect our business of commercial real estate. You could never buy the experience of attending one of the Capitol Hill meetings, to understand the way the process works, to understand the way business and politics play major roles in establishing the way we conduct daily business and to understand in the end it’s the people that you meet in the halls are the ones that make the system work.”

CHAD GLEASON (WA)

NETWORKING NIGHT



AFFILIATE ORGANIZATION LEADERSHIP - DAVID WILSON (IA), DAN WAGNER (IL), JAMES LEE (IL), BOB TURNER (TN), STEVE MOREIRA (FL), ALLEN GUMP(TX)



BOB TURNER (TN) AND DAVID LOCKWOOD (SC)



CHUCK ROBERTSON (AL) NETWORKS WITH AUGUSTUS RYER (CT) AND BYRAN ATHERTON (CT)



CYNTHIA SHELTON (FL), LINDA ST. PETER (CT) WITH NAR'S 2015 PRESIDENT CHRIS POLYCHRON (AR) AND HIS WIFE JANIS



DON WILKERSON (NV) AND LORI BURGER (CA) WITH IREM'S BETH WANLESS



HAROLD HUGGINS (MD) AND DEENA ZIMMERMAN (IL)



IREM'S RUSS SALZMAN

“I always look forward to our annual NAR meetings in Washington, D.C. I always appreciate the quality of our staff and the work NAR does to represent Commercial members. The meetings allow us to network with other members from around the country, and to bring back up to date information to our local boards & members.”

KENNETH VIDAR, CCIM (MT)



O. RANDALL WOODBURY (UT), BEN MCGREW (CA), AND KEITH KELLEY (AL)

“For me, this is the most important REALTOR® meeting we have each year. It is an opportunity for thousands of REALTORS® to go to Capitol Hill, and share important perspectives that Legislators otherwise don’t hear, about issues affecting commercial real estate professionals and property owners, and private property right advocates.”

LOU NIMKOFF, CCIM, CPM (FL)



MIKE VACHANI (CA), KELVIN WONG (CA) AND AHMED BADAT (IL)



RAY AULT (VT), CARLA RAYMAN (FL) AND FELIX CARLES (PANAMA)



PART OF NAR'S COMMERCIAL STAFF TEAM FROM THE D.C. OFFICE -
GEORGE RATIU, ERIN STACKLEY AND STEPHANIE SPEAR



RANDY HERTZ (IA) AND HIS WIFE LIZ ALONG WITH MIKE SCHOONOVER (WA) AND HIS WIFE CHERYL



“I am always struck by the level of dedication shown at these meetings by so many volunteers and staff who are willing to tackle head on the challenges that face our industry. My week in D.C. showed there was a looming threat in the tax reform process to the 1031 Like-Kind Exchange, but it was equally apparent the REALTOR® community was focused on saving this important real estate investment tool.”

DAN WAGNER (IL)

“When enthusiastic leaders meet at the NAR meetings in D.C. to share their thoughts, it’s natural to bring valuable ideas and insights back home. It might be a new product at the trade show to elevate business, it might be an answer to a local market business challenge, or an idea to engage local commercial practitioners at the association level. I’ve been attending for years and I always learn at least one new thing.”

LINDA ST. PETER, CCIM (CT)