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*The professional organization for the most trusted advisors in real estate*

***August 2016***

*Please note: not all features of this Newsletter are available in the PDF version. For all features, links, and images, please visit our website, [www.cre.org](http://www.cre.org).*

# Table of Contents

---

Editor’s Message.....3

Chair’s Message .....4

Member News .....5

Chapter News .....7

# Editor's Message

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Richard Tannenbaum, CRE



What is a comp ?

This is not an existential cry but rather a fundamental question that impacts Counselors every day as we price, underwrite, finance and value real property. Of all the variables that affect the relevance of a comp, I want to focus on one that is troubling me today – buyer motivation.

Like many of you, I am shaking my head at some of the asset prices today and wondering how to apply these to my own analysis. A client was recently very fortunate to sell a very high quality asset at a record price to a buyer faced with a huge capital gain from a prior sale. But does this transaction's price set a comp for everyone else in the marketplace? How can we, as Counselors, acquire that level of transaction insight to interpret and then give good advice?

I've posted this question on The Counselors' LinkedIn group page and hope that, by the time you read this publication, there will be many Counselor comments and opinions waiting there for you – and that you will add your own thoughts. These on-line forums can be a great tool for Counselor discussions on important topics. What question are you dying to ask your fellow Counselors?

Our new-look web site is up and running, with the input of many Counselors and thanks to our exceptional staff – please check it out if you haven't already. And the Counselor Annual Convention is coming up September 25-28 in Washington D.C. – please take a look at the Schedule of Events to see the great topics and speakers for the event.

Rick Tannenbaum, CRE  
2016 Editor in Chief

# Chair's Message

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James S. Lee, CRE



Back in the day, I was a distance runner, and in track, my main event was the mile. Four laps. The most challenging and always the slowest lap was the third one. Fatigue sets in. Your mental game might lag a bit and you cannot yet see the finish line. Well, we just finished that third lap of our administration and I am happy to say we were able to keep the pace and set ourselves up well for the bell lap.

One of the things that I have really enjoyed this year has been getting around to a number of chapters to make new acquaintances, renew existing ones, bring them up to speed on our strategic plan implementation and, most importantly, listen. The feedback is crucial to making adjustments. Most recently I have been able to visit the Minnesota and Dallas/Fort Worth chapters. They were gracious hosts and we were able to accomplish all of the above.

We were able to promote the CRE brand internally through our participation at the National NAR Conference and externally when I presented the new 2016-2017 Top Ten Issues Affecting Real Estate at the National Association of Real Estate Editors (NAREE) Conference. This included numerous interviews arranged deftly by Alice Muncaster. The press we received from this was immediate and tremendous. So immediate, in fact, that reporters were tweeting the story out as I was speaking. (Whatever that means!) A number of CREs have already used our Top Ten PR template as a more personal promotional tool and I would encourage anyone else that would like to use it to contact Alice at the CRE office.

The highlight of this lap was the CRE Berlin International Conference in June. Our international conferences are so enlightening, and especially so for those of us in the States because we really do not get much of a world perspective from our news/entertainment media. The host team did a great job in putting together the program, not only the educational sessions, but also the receptions and activities. Our organization is very unique in providing robust spouse programs, and this contributes to the "Counselor Culture." One of our focuses is on diversification, which means that we are trying to make these programs appealing to the spouses of both male and female members. In this case, that meant participation in a bus and walking tour of the "Challenging Architectural and Urban Developments of Berlin," a beautiful reception at the Summer Gardens of the Westin Grand Berlin, a bus tour of the historical highlights of Berlin and a 3+ hour dinner cruise on the Spree River.

The program featured presentations and discussions on challenges Europe is facing relative to investment, financial markets and urban projects among others. All of this immediately preceded the Brexit vote, so there were many what-ifs. The most stimulating and lively conversation of all centered around the issue of migration, with panelists from France, Turkey, Greece and Austria. Attendees thought this was such an important topic that we are including it in our upcoming annual meeting in D.C. as well as expanding on it to include the repercussions following the Brexit vote with a focus on the impact on real estate in the United States (commentary by Moody's Chief Economist, Mark Zandi) as well as Europe.

So we are heading into our final lap and it will be sprint to the finish. Several of us will be attending and presenting at MIPIM Japan in early September as we promote the CRE brand in the Asian and Asia-Pacific areas with hopes of expanding our membership there to mirror our successes in Europe. Now the finish line is in sight and it is called the 2016 Annual Convention in Washington, D.C. Late September, right before the election, in D.C. – do you think we can come up with anything to talk about?! For the answer, take a look at the Schedule of Events on our brand new web site (thanks Christy et al.!) and I think you will be impressed. Hopefully enough so to join us.

I look forward to seeing you in D.C. It's going to be **yuge!**

A handwritten signature in black ink, appearing to read "James S. Lee". The signature is fluid and cursive, written over a light-colored background.

James S. Lee, CRE  
2016 Chair

# Member News

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## JUST IN

**Paul Massey, CRE**, CEO, Cushman & Wakefield, New York, N.Y., has officially entered the 2017 race for Mayor of New York City. According to a statement on his campaign's Facebook Page, Paul said, "I firmly believe New York City's best days are ahead. This is not a tale of two cities, this is the world's greatest city and diversity is our strength." Paul founded Massey Knakal in 1998, which he later sold to Cushman & Wakefield in 2014. He has been a member of The Counselors for 10 years.

## ON THE MOVE

**Cynthia Shelton, CRE**, Orlando, Fla., has joined LandQwest in Orlando as Senior Managing Director of Investments. In this new role, Cynthia will be working across Florida to head up the Investment/Capital Markets division for the company. She will not only work with clients, but will also hire investment brokers and agents in the Office, Industrial, Retail and Multi-Family specialties.

**Marilee Utter, CRE**, Denver, Colo., has returned to national advisory work through her role as President of Citiventure. In this role, she will be focusing on development services to both the public and private sectors with concentrations in Transit Oriented Development, urban regeneration, Public/Private Partnerships, and transformational real estate.

## NEWS BRIEFS

**Jon Yamaguchi, CRE**, President & CEO, Yamaguchi & Yamaguchi, Inc., Honolulu, Hawaii and **Nicholas Captain, CRE**, President, Captain & Associates, Hagatna, Guam, will be representing CRE as Chief Delegate and Alternate Chief Delegate respectively at the 28th Pan Pacific Congress for Real Estate Appraisers, Valuers and Counselors hosted by the Japan Association of Real Estate Appraisers.

**Hiroiyuki Isobe, CRE**, Chairman, Japan Valuers Co., Ltd., Tokyo, Japan, is the Alternate Chief Delegate representing Japan. The three CREs intend to spread goodwill from their countries and enlighten participants about The Counselors of Real Estate in hopes of establishing meaningful relationships. The Conference will be held in Kyoto September 26-29.

**Robert Nahigian, CRE**, Principal, Auburndale Realty Company, Newton, Mass., has been reappointed to the Massachusetts Real Estate Licensing Board Education Subcommittee. His duties during his one-year term will include reviewing continuing education courses, as well as rewriting and upgrading new courses. Nahigian also spoke at several events including those for the Greenville

Association of Realtors, The Seattle Commercial Association of Realtors/SIOR Washington Chapter and the Houston Association of Realtors/SIOR Houston Gulf Coast, and taught courses for Boston University, the Central Massachusetts Association of Realtors and the SIOR National Designation courses.

**Bill Brownfield, CRE**, Principal, Brownfield & Associates, LLC, Houston, Texas, was recently awarded the prestigious 'Top Producer Award' for 2015 by the Argus Self Storage Sales Network, an affiliation of 40 brokers nationwide who specialize in self storage consulting and brokerage. Bill, the Argus affiliate for Central & South Texas, won the same award in 2013. Bill also presented to the Houston Bar Association's Real Estate Law Section on the topic of "Understanding, Preparing & Grossing Up Expense Escalations" which is based on the recent edition of his book of the same title.

**Victor Calanog, CRE**, Chief Economist and Senior Vice President, Reis, Inc., New York, N.Y. **David Lynn, CRE**, CEO and Co-Founder, Everest High Income Property, Montara, Calif., **Ken Riggs, CRE**, President, RERC, LLC, Waverly, Iowa, and **Ray Torto, CRE**, Guest Lecturer, Harvard University - Graduate School of Design, Marblehead, Mass., served among the judges for the inaugural NREI/IMN 2016 Commercial Real Estate awards, a collaboration between *National Real Estate Investor* magazine and Information Management Network. The awards honor the outstanding achievements of real estate organizations over the past 12 months. The awards were presented in June 2016.

**Gregory Ibbetson, CRE**, Owner/Broker, Ibbetson Commercial Real Estate Services, Huntington Beach, Calif., was recently inducted to a three-year term as Treasurer of The Arc of Los Angeles and Orange counties—a non-profit organization committed to serving people with intellectual and developmental disabilities. Greg's duties as treasurer will include oversight of the annual budgeting, reserve investments, managing monthly and annual cash flows, monthly financial statements and annual audits. Working in conjunction with the CFO on these duties, Greg will also assume responsibility for advising the Board at their monthly meetings. As treasurer, he will hold seats on both the Executive Committee and Board of Directors.

**Peter Burley, CRE**, Oak Park, Ill., has recently participated in several interviews focusing on the 2016-2017 Top Ten Issues Affecting Real Estate. Peter appeared on the Commercial Real Estate Show with Michael Bull in June. A link to this interview can be found on our website. Peter was also interviewed by Gil Gross on *The Home Show* in July.

# Member News

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## NEWS BRIEFS cont.

**Robert Bach, CRE**, Director of Research – Americas, Newmark Grubb Knight Frank, Chicago, Ill., has recently been interviewed by Bisnow on his views on how the June Jobs Report will affect real estate. According to Bob, “Even moderate job growth, combined with low levels of new construction, should be enough to push office vacancies lower and rents higher in the second half of the year.” Bob appeared in another June Bisnow article focusing on the effects of the Fed’s nixing of a June rate hike: “We have been wringing our hands over rising interest rates for several years—increases that still haven’t appeared and may arrive even further in the future and at a slower pace than almost anyone imagined.”

**Steven D. Leader, CRE EMERITUS, New York, N.Y.**, served as a Panel Member Role-Play Coach in the New York City Bar Association’s Advanced Commercial Mediation Program. During this program, attorneys were provided the skills needed to mediate in the New York Supreme Court Commercial Division through a combination of lectures, interactive exercises, and role-plays. Topics included: pre-mediation processes; specialized techniques for dealing with distributive/money issues; performing risk assessments; conducting difficult conversations with parties/counsel; the use of evaluative techniques; impasse breaking techniques; the use of term sheets/settlement agreements; and ethical issues.

## IN THE NEWS

**Gary Ralston, CRE**, President, Coldwell Banker Commercial Saunders Ralston Dantzler Realty, Lakeland, Fla., was recently featured in the July 16, 2016, edition of the *Lakeland Ledger* where he discussed CREs 2016-2017 Annual Top Ten Issues Affecting Real Estate. In the article, titled *Housing headwinds*, Gary discussed the effects millennials, urbanization, the political environment, and tech sharing and the virtual market have on the housing market.

# Chapter News

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## Recent Events

On September 14, the **Houston/Gulf Coast Chapter** will present a session on "Grocery Anchored Urban Retail Development," featuring guest speaker Alan Hassenflu, CEO of Fidelis Realty Partners.

On September 14, the **Southwest Chapter** will host their monthly breakfast meeting, featuring a guest speaker.

On September 15, the **New England Chapter** will host their annual "Hot Topics Roundtable," featuring chapter members in a lively, fast-paced, discussion of pertinent topics.

On September 21, the **Pacific Northwest Chapter** will hold a luncheon meeting featuring a guest speaker.

On September 23, the **Utah Chapter** will host its Fall Dinner, an opportunity for CREs, spouses, and guests to gather and recognize the new chapter members.

## Upcoming Events

On August 4, the **Connecticut Chapter** hosted their annual Summer Social and Lobster Bake at the Essex Yacht Club.

On June 28, the **Midwest Chapter** gathered for their "Summer Rooftop Social Hour."

June 16-18, the **European Chapter** hosted CREs from around the world for the International Conference in Berlin.

On June 15, the **Utah Chapter** presented "Measuring and Managing Risk," featuring Charles Cardozo of Radley Associates. Charles offered insight on his firm's unique approach to measuring and managing risk in commercial real estate investments.

On June 10, the **Hawaii Chapter** hosted "A Private Sector Solution to Homelessness." This session explored how HomeAid Hawaii, which is composed of major private sector developers and contractors, has leveraged its collective expertise, resources and connections to address Honolulu's homeless problem.

On June 10, the **Connecticut Chapter** held a commercial real estate market discussion with Prof. John Glascock, Director of the UCONN Real Estate Center.