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3rd Annual N.E. Commercial Real Estate Golf Tournament

August 25, 2010 - Front Section

I want to thank all of our participants in the 3rd Annual New England Commercial Real Estate Golf Tournament, held August 12th. All that attended had a ball! We were pleased to be able to help the "Operation Homefront" people with a donation from the proceeds of the tournament. A special thanks to all our sponsors including the Realtor Commercial Alliance of Massachusetts, the New Hampshire Commercial Investment Board of Realtors, Bank of New England and Woodard and Curran. We hope to see you all again next year!

In the news...Testifying before a House panel recently, Jim Helsel, treasurer of the National Association of Realtors and commercial real estate specialist, told members that a strong commercial real estate sector is vital to millions of U.S. jobs and helps keep the national economy afloat.

"As the leading advocate for private property rights, NAR believes it is critical for Congress to act soon and to get capital flowing to small businesses and to the commercial real estate market," Helsel told the House Committee on Financial Services.

"Lack of available credit remains a significant challenge for our industry right now," Helsel said. He commended the panel for passage in June of H.R. 5297, "The Small Business Lending Fund Act of 2010," which ensures community banks have both the incentive and capacity to increase total loans to small businesses. Raising the SBA loan limits and allowing SBA 504 loans to be used to refinance performing property can help ease the liquidity crisis in the commercial sector, he said.

Another credit avenue, credit unions, could increase available credit to small businesses, Helsel said. NAR strongly supports legislation, H.R. 3380 introduced by Reps. Paul Kanjorski (D-Pa.) and Ed Royce (R-Calif.), that would raise the credit union member business lending cap from 12.25% to 25% of total assets. Currently, small regional and community banks account for almost half of the small business loans issued in the U.S.

"That has put a significant dent in the credit available to the small business community and has reduced cash flow and elevated vacancies in commercial real estate," he said. The Credit Union National Association estimates that if H.R. 3380 becomes law, credit unions could extend up to \$10 billion in additional business loans and help create 108,000 jobs. Helsel said NAR is strongly urging the Senate to include such provisions when it considers H.R. 5297.

Helsel also said that NAR supports the Senate's efforts to include more generous depreciation allowances for commercial properties in the Senate bill. "Accelerated depreciation would incentivize new equity investment to commercial real estate, reducing debt-to-income ratios and strengthening income-producing properties," he said.

NAR also applauds the goals of H.R. 5816, the "Commercial Real Estate Stabilization Act," to clear troubled properties off the market, and is ready to work with the committee when it begins to review the proposal, Helsel said.

In other news...The Real Estate Standards Organization has formed a new commercial real estate workgroup designed to publish data standards for the commercial real estate market. The new workgroup, during a meeting at the National Association of Realtors®' headquarters in Chicago, Ill., examined existing standards efforts and the current commercial sector business landscape.

"Developing standards which enable data to be transferred consistently and efficiently is essential to driving new technology and business models, as well as lowering costs for the industry. NAR is confident the commercial real estate workgroup will deliver new standards that will ultimately enhance the commercial real estate industry."

The RESO commercial workgroup is comprised of key industry leaders including commercial real estate professionals, Commercial Information Exchange providers, appraisers and software developers. The purpose of the new workgroup is to create methods to collect and communicate commercial property information consistently. Results of the commercial workgroup's efforts will be a small set of fields that commonly identify commercial property and that are universally accepted by stakeholders.

"RESO has developed and enhanced a proven and open process for data standards since 2000," said Travis Wright, executive director of RESO. "RETS has enabled the residential real estate industry to securely, economically and efficiently exchange property data and listings information between Realtors®, brokers, MLS associations and technology vendors involved in realty transactions. Data integrity is the currency of residential and commercial transactions, and we are now committed to developing data standards to support the success of commercial real estate professionals, including brokers, lenders, investors and other parties to those transactions."

And now for something completely different... Please go to our NECCIM.com website for the latest information regarding CCIM classes and membership opportunities. There are also many networking events, education programs and technology opportunities to be found on our site.

Sandy Brown, CCIM, is the 2010 president of the CCIM New England chapter, Boston.

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