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Highlights of CCIM mid-year business meetings in Washington D.C.

May 19, 2011 - Connecticut

On April 13th thru 16th, as the cherry blossoms were finishing their bloom the CCIM CT Chapter representatives; president, Bryan Atherton, CCIM; vice president, Steve Patten, CCIM; 2012 regional vice president, Jeff Ryer, CCIM and our 2012 first vice president of the CCIM Institute Wayne D'Amico all attended our national mid-year business meetings in Washington D.C. These meetings were organized to overlap with the "Day at the Capitol" combining forces with IREM to visit our representatives and senators to discuss issues that may become bills pertaining to commercial real estate in the future.

Jeff Ryer, Bryan Atherton and Wayne D'Amico had an opportunity to spend time at the capitol and had four appointments with our state representatives to discuss various bills and issues pertaining to market liquidity and energy efficiency. The liquidity items that we discussed were the new FASB accounting rules, covered bonds, term extensions, and credit union lending.

The first item regarding the proposed new FASB accounting standards were discussed at our CT Chapter's breakfast meeting last year in Cromwell. These proposed changes could alter the landscape on how leases are treated on the balance sheets and how assets are leased and may create an accounting advantage to own as opposed to lease. We heard on Tuesday, May 2nd from an NAR newsletter that the proposed changes have been tabled for now.

The second item is the covered bonds issue that is being discussed. This is where the banks can create a bond instrument to be able to sell debt obligations. Slightly different from the CMBS and CDO's that crumbled the market because these instruments will mandate that the financial institutions will guarantee the performance and will have "skin in the game" (which is a very popular buzz word on Capitol Hill).

The third item is the "term extension" idea that is building momentum from various real estate related groups. With the trillions of dollars of commercial real estate debt that is scheduled to come due, this concept may be an important tool to allow a "soft landing" so the plane does not crash, hypothetically speaking. This idea will allow borrowers who are performing to extend their note so they do not have to be forced into a refinance situation where cash may be needed to inject into the debt or where vacancy issues may not qualify as a refinance candidate and may turn into a future foreclosure prospect.

The fourth item pertaining to liquidity is the bill that is proposing to increase the loan limits currently in place by Credit Unions for Commercial Lending from 12.5% up to 26%. This will allow credit unions to lend more through their MBL (Member Business Lending) to commercial real estate assets.

The CCIM mid-year business meetings are organized to accomplish not only the CCR (Course Concepts Review) and final examination of the new designees (including one from CT: Levi Hecht

from Pike International in New Haven) but also a venue where all of the various committees from legislative, regional, executive, education, etc., meet to discuss and implement ideas and suggestions to pass up to the BOD (board of directors) to vote on along with the elections for various positions and treasurer and BOD positions.

We would like to congratulate Charlotte Goldblatt for her success in obtaining a seat on the BOD representing the CCIM Institute. We also would like to congratulate our current regional 11 vice president, Joe Larkin, CCIM for his successful re-election to the board of directors.

Some of the issues discussed at various committee meetings and at the board of directors were important to pave the way for the future of the institute. One of the items discussed was the resizing of the current board of directors to eliminate some numbers from past presidents and regional vice presidents from having a seat on the board. That issue was decided to be tabled until further discussion and debate.

Other issues pertaining to the unified dues billing, online course delivery, and change of calendar year were all discussed and debated in the committee meetings where all CCIM Members are invited to attend and comment on delivery. We had the luxury of hearing and were all very impressed with our new CEO Henry White Jr., and his clear visions and detailed goals. He is a focused leader and we all feel he is the right person to lead the institute through these tough times and will help the institute grow according to the mission and goals that have been implemented.

The CT CCIM received a Chapter of Excellence award along with the New York Metro, NY Chapter and New England Chapter. We look forward to your participation in the Chapter and attending functions and meetings in the future.

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