

This issue contains highlights of new member benefits, services, upcoming meetings, and opportunities for you to contribute. Read on and see what NAR and its Commercial Alliance Partners are doing for you.

RCA Advisory Board Meets for First Time

The first meeting of the newly formed REALTOR® Commercial Alliance advisory board was held May 16, 2000, prior to the NAR Midyear meetings in Washington, D.C. The advisory board, which includes representatives from a variety of NAR commercial constituencies, plus national, regional, and local market leaders, (see sidebars, front and back pages) was given an overview and offered feedback regarding major NAR commercial initiatives.

Board members commented that they were unaware of the extent to which NAR had been involved in commercial real estate, and were especially surprised to hear that 80 percent of the Association's legislative activities impact commercial real estate. The board supported the NAR technology efforts with LoopNet and Homestore.com to ensure that the broker/REALTOR® remains in the middle of the commercial real estate transaction. Board members previewed TRANSACT 2000 (see article on page 2). They indicated that the annual NAR commercial real estate conference could become a hub around which the industry might gather each year, especially if it had a strong technology component. The advisory board recommended the formation of a technology taskforce to explore the development of a REALTOR®-centric network of local market property information systems that would integrate local market data, including active properties, tax roll data, and comparables. The proposed network would be primarily for the use of the NAR commercial overlay boards, and other commercial structures, and would integrate with CommercialSource.com and LoopNet.com. The advisory board will meet again in conjunction with TRANSACT 2000.

NAR Directors Approve More Flexible Membership Policies

The NAR Board of Directors continued its outreach to commercial practitioners at its recent Midyear meeting in Washington, D.C., when it approved policy changes proposed by the NAR Leadership Team. The new policies affect the Institute Affiliate Membership category, and branch offices of commercial firms. The recommendations were developed by the Membership Issues Work Group in response to requests from commercial overlay boards, other local commercial structures, and the NAR commercial institutes, societies and councils (Commercial Affiliates), that NAR modify its membership policies for commercial practitioners. The proposed policies will be voted on by the NAR Delegate Body at the REALTORS® Conference & Expo in San Francisco in November. Here are the policies that if approved would apply only to commercial members of NAR.

Institute Affiliate Membership

Would provide more flexibility and streamlined administration. Institute Affiliate dues would be set at \$75, collected by Affiliates, and remitted to NAR for equal distribution to all three levels (local, state, national). Boards would be able to assess additional fees for the commercial services they provide. Commercial Affiliates would have the right to extend voting rights to non-designee members who are not either REALTOR® or Institute Affiliate members.

Local Association Membership

If approved, commercial licensees in a branch office of a commercial firm could become members of a local REALTOR® Association without requiring licensees of that firm's branch offices located in other board jurisdictions to become members.

These policies are the latest in a number of key NAR initiatives that position the Association as a more valuable and inclusive organization for commercial practitioners, including

- TRANSACT, the annual Commercial Real Estate Business Conference
- CommercialSource.com, the NAR online commercial property and information service
- REALTORS® Commercial Alliance, the NAR collaborative outreach to the larger commercial real estate industry

The Membership Issues Work Group was appointed by NAR leadership to consider specific recommendations to make the REALTOR® organization membership policies, including those pertaining to the commercial Affiliates, more inclusive for commercial practitioners while preserving the three-way agreement and dues formula. The Work Group was composed of representatives from the AE Forum, Board and State Forums, C&I Committee, Finance Committee, Membership Policy and Board Jurisdiction Committee, Professional Standards Committee, Commercial Affiliates, Commercial Services Work Group, and the Past Presidents.



Partners

- CB Richard Ellis, Inc.
- Coldwell Banker Commercial
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- Commercial Investment Real Estate Institute
- Counselors of Real Estate
- Grubb & Ellis
- Homestore.com, Inc.
- Institute of Real Estate Management
- Jones Lang LaSalle
- LoopNet.com, Inc.
- Marcus & Millichap
- National Association of Real Estate Investment Trusts
- ONCOR International
- The Real Estate Roundtable
- REALTORS® Land Institute
- Society of Industrial & Office REALTORS®
- The Staubach Company
- Julien J. Studley, Inc.

Check out



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TRANSACT 2000, the second annual NAR Commercial Real Estate Business Conference, takes place at the Sheraton Chicago Hotel & Towers on September 14 and 15, 2000. This year's participating organizations include the Urban Land Institute, the Wall Street Journal, the NAR Commercial Affiliates (CIREL, CRE, IREM, RLL, and SIOR), (see sidebar) and other industry organizations. A welcome reception is planned for Wednesday evening, September 13. A meeting for the NAR Commercial Structures volunteer and staff leaders will precede the reception from 3:00 p.m. to 5:00 p.m. A special dinner for Commercial Structures leadership will follow the reception.

Research presentations and case studies of U.S. best practices will highlight the two-day program that also features an international perspective. The emphasis at TRANSACT 2000 will be on original thinking and innovative projects that benefit the industry. NAR has commissioned six research studies dealing with technology, finance, market cycles, and international business from some of the top real estate programs in the country. (see below). In addition, the ULI will present two development case studies.

Transacting business is the focus of the conference. The TRANSACT auction of high-end and hard-to-value commercial properties has quickly become the premier event of its kind in the United States. Last year the initial offering amounted to \$100 million worldwide. New this year will be that the auction will include properties from North America

and the Caribbean. In addition, two Commercial Property Market sessions for properties valued at \$5 million or more. **If you will be attending TRANSACT and would like to present your properties at the dealmaking session, contact Donn Raabe at 312 / 329-8611 or draabe@realtors.org for details.**

This year's Conference is expected to attract over 1,000 registrants. Last year participants represented 40 states and 27 countries. Among those in attendance were leading decision makers from real estate brokerage companies, developers, investors, law firms, commercial real estate service firms, accounting firms, rating agencies, universities, and architectural firms. Three-quarters of the attendees were from the top management of commercial real estate companies, organizations, and professional associations. Most business specialties were represented, including brokers (28%), property advisors and finance & investment representatives (20%), and developers (10%). Attendees reported that the top two benefits of the Conference were the caliber of the presentations and the mix of participants. They enjoyed networking with their peers and clients in a relaxed and professional setting in which they could transact business. **For information about TRANSACT 2000, email commercialrealestate@realtors.org or call 312/329-8611. Program details and registration forms are available www.4TRANSACT.org. Register before August 28 to be eligible for the reduced registration fee.**

TRANSACT 2000 Sponsoring Organizations

American Institute of Architects
Auction Marketing Institute
Chicago Assn. of REALTORS®
Coldwell Banker Commercial
Colliers International
Commercial Investment Real Estate Institute
Counselors of Real Estate
FIABCI
Institute of Real Estate Management
Jones Lang LaSalle
IPIX
LoopNet.com
Mortgage Bankers Association
National Association of Real Estate Investment Trusts
National Auctioneers Assn.
Real Estate Investment Assn.
The Real Estate Roundtable
REALTORS® Land Institute
RE/MAX Commercial
Sheldon Good & Co.
Society of Industrial and Office REALTORS®
Urban Land Institute
Wachovia Exchange Services
Wall Street Journal

TRANSACT 2000 Program Highlights

"Predicting Long-Term Trends and Market Cycles in Commercial Real Estate"

– Dr. Glenn Mueller, John Hopkins University

"A Technology & Innovation Analysis of the Commercial Real Estate Industry"

– The Doblin Group, Chicago, Illinois

"Opportunities and Threats Associated with E-Commerce, Technology and the Internet"

– Drs. Kerry Vandell and Richard Green, University of Wisconsin

"Issues and Challenges of Expanding into International Real Estate Markets"

– Dr. Peter Linneman, The Wharton School, University of Pennsylvania

"Types of Commercial Real Estate Financing and Their Application to Different Transactional Situations"

– Dr. Timothy Riddiough, MIT Center for Real Estate

"Issues Associated with Appraising U.S. Properties for Purchase by Foreign Companies"

– Drs. Mark Levine and Jeffrey Engelstad, The Burns School of Real Estate and Construction Management, Denver University

Sam Zell and Dr. Kenneth Curtis on the Global Marketplace

ULI Case Studies on Transit-Oriented Facilities and Entertainment/Retail developments

What's New at

www.CommercialSource.com

Referral Business just one advantage of NAR commercial online resource

A primary goal this year is to increase the value of www.CommercialSource.com as a business tool for members. To generate business for you, we added a member Directory for consumers to locate professionals to help them with their property needs. We're working to identify all NAR commercial practitioner members—estimated to number around 70,000. Since November, with the help of local REALTOR® Associations, we've identified over 12,000 more commercial members, bringing our total to over 20,000. New commercial fields of business were also added to the National REALTOR® Database System (NRDS) to help us identify those who should be included in the Directory at CommercialSource.com.

Other highlights of your evolving NAR commercial property and information Web site include:

- Increased traffic since the addition of the Properties for Sale and Lease section and the Member Directory. CommercialSource.com is now one of the top three most visited commercial real estate sites on the Internet.
- New tools that will allow you to create customized property tours with audio, full motion video, and 3D, 360° and interactive virtual reality through LoopNet, the NAR commercial Internet partner and the administrator of CommercialSource.com.
- Improved quality of listings. More than 57% of property listings are now updated more frequently than once a month, a benchmark that research companies in the commercial real estate industry have tried to achieve. To further improve the quality of information, listings will now expire 30 days earlier.

New Member Benefits

These new benefits and services from NAR are now available at reduced rates to all members:

• Legal Services

You can have access to legal expertise and services for personal and business matters through a new REALTOR® Benefits Plus** partner, Pre-Paid Legal Services Inc.

1. The basic plan includes
 - unlimited telephone consultation
 - letters and phone calls
 - standard comprehensive will preparation
 - moving traffic violation assistance
 - trial defense services
 - IRS audit assistance
 - a discount rate on many other legal services
2. The business owners plan provides
 - assistance in business matters
 - IRS audit assistance

NAR members receive a group rate for all plans. The one-time enrollment fee has been waived. More features will be added in coming months.

• Book Discounts

NAR members now receive a 25 percent discount on Prentice Hall real estate publications and training materials through a new REALTOR® Rewards** alliance with Prentice Hall publishers.

****REALTOR® Benefits Plus™ and REALTOR® Rewards™ member benefits and services are available at reduced rates to all NAR members. For details, go to www.CommercialSource.com, click NAR Resources, then Benefits and Services.**

To check your online information

Go to www.CommercialSource.com, click the Directory link, and search your contact information. If you need to update the data in your official record go to www.OneRealtorPlace.com, log in with your user name and password. If you are a first time-user, enter your NRDS identification number, which you'll find on the mailing labels of this newsletter and of REALTOR® Magazine. If you need help, call NAR Information Central toll free at 800/874-6500

Coming Soon!

A new broker Web site service will soon be available through CommercialSource.com. "Cutting Edge" is an automatic, template-based Web site development tool from our Internet partner LoopNet is a powerful suite of integrated services, the industries first Web site development tool for commercial real estate professionals. In just a few steps, brokers can create their own professional Web sites to market their credentials, services, and available properties to reach new clients, provide a higher level of customer service, and maintain constant brand-identity throughout the entire transaction process.

REALTOR® Magazine Covers Commercial Topics

Here is a short list of topics with relevant content for commercial practitioner members of NAR that have appeared in REALTOR® Magazine this year. Watch upcoming issues for more coverage.

- REIT Markets (July and September '99)
- Screening apartment applicants: Screening mechanisms and legal issues (September '99)
- Commercial Finance Options (November '99)
- Commercial Market Outlook (December '99)
- E-tail vs. storefronts (January)
- Dennis Cronk: The "Commercial Millennium" (February)
- Online Real Estate Auctions (February)
- Global trade raises bar for industrial properties (February)
- Sale-Leaseback (March)
- Impact of the Euro (April)
- E-commerce: Impact on Retail Space and REITs (April)
- Developers of affordable multifamily rental housing (April)
- Property managers feel brunt of lawsuits (April)
- Case study on redevelopment of an industrial brownfields site into a research park (May)
- Sprawl and Private Property Rights (May)
- Retailers adjust to expansion of e-commerce (May)

On the Launchpad . . .

NAR is known for its research in the residential segment of the real estate industry. Now, we're taking steps to support our commercial practitioners with the same level of professional research. Here are three new commercial real estate research products that we plan to launch later this year.

- The Commercial Real Estate Confidence Index—a quarterly barometer of commercial market business confidence based on survey responses received from a panel of commercial practitioners, from each region of the country, for each of the major commercial real estate categories.
- A Quarterly Commercial Research Newsletter
- An Annual Commercial Real Estate Outlook Market Review.

NAR E-Pro Technology Certification

E-Pro is the NAR comprehensive Internet certification program for REALTORS® who want to advance their online skills. The program was rolled out formally earlier this month. The online course teaches real estate professionals how to use the Internet to conduct business profitably and professionally online. Course topics include: understanding and working with the Internet-empowered consumer, adapting to new business models, developing an online marketing plan, and avoiding the traps of doing business online.

Feedback

What commercial topic would you like to see included in future editions of REALTOR® Magazine?

Email us at:
commercialrealestate@realtors.org

Feedback

Would you like to be part of the Commercial Real Estate Confidence Index panel of practitioners?

Email us at:
commercialrealestate@realtors.org

Feedback

Do you think NAR should develop a commercial practitioner member version of E-Pro?

Email us at:
commercialrealestate@realtors.org



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