CRE Industry Leaders Panel

10:30 - 11:15 AM

**Industry CEO Panel**
Moderator: KC Conway
Panelists: Greg Fine, CCIM CEO; Tom McCormick, SIOR CEO; Jim Amorin, Appraisal Institute CEO

Greg Fine
CCIM

Tom McCormick
SIOR

Jim Amorin
Appraisal Institute

Denise Froemming
IREM
CRE Industry CEOs Panel - Q1: What don’t we know about your Org?

- **Greg Fine** – CEO
  - Eddie Blanton – 2020 President. Barbara Crane 2019 was 3rd woman President.
  - Tim Blair, CCIM – AL 2021 President-Elect
  - 50 Years Strong
  - 13,000 members (Global)
  - 20,000+ CCIMs have completed one of the industry’s most rigorous programs
  - [https://www.cccim.com/about-ccim/?gmsopc=1](https://www.cccim.com/about-ccim/?gmsopc=1)

- **Jim Amorin, MAI** – CEO
  - 88 Years Strong
  - 18,000 members (8,700 MAIs)
  - 1951 - 1st Edition of Appraisal of R.E. (now on 14th)
  - 1989 FIRREA
  - 2014 added Review Appr Design. – 5 Designation types
  - [https://www.appraisalinstitute.org/assets/1/7/AI_2018_Annual_Report.pdf](https://www.appraisalinstitute.org/assets/1/7/AI_2018_Annual_Report.pdf)

- **Tom McCormick** – CEO
  - Mark J. Duclos, SIOR – 2020 President; Patricia J. Loveall, SIOR to ascend to President 2022
  - Sanny Sue McCleery 1st woman elected in 1950
  - Nim Frazer, Jr., SIOR, Montgomery, AL – Nat’l Board of Directors
  - 50 Years Strong
  - 3,400 Prof. Members globally
  - [https://www.sior.com/contact-us](https://www.sior.com/contact-us)

- **Denise Froemming** CEO
  - Cheryl Gray, CPM® 2020 President.
  - Chip Watts – B’ham AL President-Elect (2021)
  - 85 Years Strong
  - 20,000 members (Global reach)
  - $1.8 trillion assets managed by IREM members – 25%-40% of all MF type housing.
  - [https://www.irem.org/](https://www.irem.org/)
  - [https://www.irem.org/File20Library/UtilityNav/Media/IREM_Background_kit.pdf](https://www.irem.org/File20Library/UtilityNav/Media/IREM_Background_kit.pdf)
Q2 - “Pitcher Influences”

I opened this morning with mine.

What are the items most Influencing your respective Org. in 2020?

- Membership/Leadership succession?
- Regulatory Matters?
- AI and Automation of Services?
- Property Use – AdRu/Co-working/Retail
- Millennial Vs BabyBoom
- ESG

Trade Deals: China, USMCA, & China 1.0

NFIB Small Bus. Optimism (39 > 100)
REIT Returns – All about Yield
CPPI (Green Street & RCA)

Trade & Logistics: USMCA, China, UK Independence
Political Divide - 2020 Elections/Impeachment
Transportation – Air, Rail, Ports, Rebuild AL
CRE Capital – LIBOR Transition, Fed & 10-Yr Tr
U.S. Debt and Global QE (FY 21 >$1.0 Tr / Debt Clock)
Lease Accounting ASC 842 now Jan 1, 2021
BOEING – Largest U.S. Exporter
ESG – Env. Social Governance
Zebras vs Unicorns – Salesforce, Goldman &
Starbucks from WES/Davos & Q4 Earnings
World Games 2021

The FED, Monetary Policy, Inverted Yield Curve
Black Swan events like Corona Virus
Corp. Earnings – “Self-Inflicted” like Boeing, Under Armour, Facebook, etc.
Q3 - What is Most On Mind of your members about the CRE Industry? What are top 3

1) **Stage of the Real Estate Cycle** – When will good times end again?

2) **Workforce** – Where to find? How to Recruit to our Industry? Cultural Diversity & Generational Differences (Millennial and Gen Z Vs Babyboomer)

3) **Leadership Development** – Where do you go for your next group of Organization Leaders?

4) **Interest Rates & Capital Availability** – CRE Concentration back again?

5) **Regulatory Creep into our Industry or Profession** – Rent Control to Licensing Requirements

6) **Education** – Required ConEd and **How to keep membership Tuned-Up** (Long May You Run ...)

   Note: We have 3 audiences here searching for Ed: i) Students; ii)

   1) **Changing Nature of Real Estate** – Retail e-Volution from Store Closings / Co-working office / Adaptive Reuse (Store Closings, Branch Banks, Auto Dealerships / 4-Rent Subdivisions / etc.

   2) **Lease Accounting**

   3) **Artificial Intelligence and Cybersecurity Tech** elements impacting CRE (ESRI / Trepp / CompStak ...)

   4) **ESG – Is it even on your radar yet? If not, why not?** Ask ULI about it as an Emerging Trend

Or add an item not on this list.
Texas slips one spot to No. 2, while Southeast states entice DIY movers yet again


California ranked 49th, and Illinois was 50th for the fourth time in five years, pacing the out-migration states with the largest net losses of U-Haul trucks crossing their borders.

Growth States are calculated by the net gain of one-way U-Haul trucks entering a state versus leaving that state during a calendar year. Migration trends data is compiled from more than 2 million one-way U-Haul truck-sharing transactions that occur annually.

Alabama was the biggest year-over-year climber in the rankings, surging 36 spots to No. 6

1) Cannabis – 2/3rds of the states have it part or all the way. What next? Are Cap Rates Higher?

2) LIBOR Transition - Big deal in 2021? Not a Big Deal, there will be a solution? It’s going away?

3) Property Tax - Store Closings bring it into focus, but it is much bigger. AL Dept of Labor and LIHTC


5) Changing Nature of Real Estate – Retail e-Volution from Store Closings / Co-working office / Adaptive Reuse (Store Closings, Branch Banks, Auto Dealerships / 4-Rent Subdivisions / etc.

6) Lease Accounting now Jan 1, 2021 - or CRE Software like ARGUS


9) ESG – The “E” piece at the Property Level. Is it unlike what we went through with “Green Bldgs and LEED Certification?” Consider some of the comments from WES in DAVOS (Goldman & Salesforce CEOs, Starbucks “Resource Neutral by 2030, etc.?

Or add an item not on this list.
Q6 - CRE Finance – All seems good, but what should we worry about?
CRE Credit Metrics like Loan DQT are as Good as they Get!

Life Cos.: 3bps
GSEs: 4bps (Fannie) 6bps (Freddie)
Banks: 45bps
CMBS: 247bps (lowest on record)

½ of maturing CMBS fail Default Covenants with just a 100bp rise in interest rates

Note:

Thank You
CCIM, AI, SIOR & IREM

• Collectively represent more than 55,000 CRE Professionals

• Global in Reach

• Diverse with Women & Minorities in Leadership including past or current President