

PERSPECTIVE



San Diego Chapter

Newsletter 1st Quarter 2018

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CCIM San Diego provides real estate owners, managers, brokers and lenders with a distinct industry advantage through education and networking programs that promote the highest levels of excellence, competency and collaboration.

Message from the Board



Last year I had the unique opportunity to attend professional events and conferences organized by NAIOP, SIOR, IREM and CCIM, all providing leading-edge opportunities for learning and networking. At these educational workshops and events around the country, I have met countless dedicated professionals and outstanding leaders focused on helping their communities grow and succeed. As CCIM designees and candidates we are uniquely positioned to seek out opportunities to influence and serve our communities, and to further the commercial real estate development in the San Diego metro area.

Growing and strengthening our knowledge about tools and trends is crucial to be able to stay on top of the ever-changing market. Even if currently our market in most sectors is quite stable we need to stay alert to be able to navigate the future challenges.

For instance, do we know how the new tax laws will impact our market? And how about the limited available inventory, or the changes in local processes for new developments. Our outstanding educational courses, workshops and events will help you access the necessary background information, give you expert insights, and are perfect networking opportunities.

CCIM, as well as other national organizations, continuously offers wonderful up-to-date learning opportunities. Participate, learn, network and engage! Share your leadership competencies and participate in the dialog.

Belatedly, we wish you a wonderful 2018 - and we look forward to seeing you at our next events.

Judy Preston, CCIM

President San Diego Chapter, Member since 2010



EXCELLENCE IN COMMERCIAL REAL ESTATE

CCIM Leadership Spotlight



Jim Casale, CCIM began his career in 1979 working for an apartments investment firm in Seattle and now is a Principal at Lee & Associates in San Diego. He is a top producer in the San Diego area, who for the last ten years has focused on the sales of investment properties and specifically NNN properties nationwide.

- 2009 San Diego CCIM Partners Deal Maker Award
- 2004 San Diego CCIM Designee of the Year Award

Currently, he is serving as a Board Member of the San Diego CCIM Chapter (total of 19 years on the Board) where he is heading the Education Committee. He firmly believes that having success in the commercial real estate field is a function off creating long-term client relationships and not focusing solely on the transaction process.



Michael Campbell, CCIM began his career at BRE Commercial, then founded InvestCore Commercial, a boutique investment advisory firm focused on net leased investments, together with Ed Colson, Jr, CCIM in 2015. Originally from Texas, Campbell obtained his Bachelor of Arts in Economics from Southern Methodist University in Dallas. He is a member of ICSC and in 2017 became a CCIM designee. He is a new board member for the San Diego CCIM Chapter.

Michael built InvestCore on his passion to help others attain their investment and financial goals. He believes, that if you take time to uncover opportunity where there's perceived risk, by fully underwriting the investment, you can often quantify that risk and find above average returns.

Of Interest

Designation Promotion Grant

The San Diego CCIM chapter has successfully applied for the Institute's national designation promotion grant program. This grant helps chapters like ours offset the cost of advertising in the regional Business Journal. Here an example of our ads in the SDBJ.

MAXIMIZE with a Chapter Sponsorship

PLATINUM: 4 tickets to Signature Events with marketing display table • 4 Affiliate Memberships with directory listing • YEAR-ROUND print and email advertising & ALL events recognition • Listing & your hyperlink on our website (Value \$7,900 Cost \$2,500)

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Who's the commercial real estate professional best qualified to help you analyze data, mitigate risk, and make better-informed decisions? A Certified Commercial Investment Member, or CCIM. These accomplished professionals apply their advanced training and market expertise to give you a skilled analysis of your opportunities whether you own, lease, or invest. Want to make decisions with greater confidence?

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San Diego
CCIM Chapter

Contact your local CCIM chapter at:

858-539-5596
www.ccimsandiego.com

Upcoming Events

- | | |
|---------------------|---|
| March 1, 2018 | Happy Hours |
| Registration open | Join the CCIM San Diego Chapter and your commercial real estate colleagues for a networking happy hour. The commercial industry in San Diego is a tightened community and most of the deals are happening off-market. Our goal is to connect and develop relationships with other professionals in the commercial real estate industry and be one of the first ones to know about deals! Got a buyer's need? Share it also with us! It would be great to do business with people we know and trust. From 5:30 till 7:00 pm at the new location: Club 77 at Bay Club Carmel Valley, 12000 Carmel Country Rd, San Diego, CA 92130 |
| March 21, 2018 | Lunch and Learn - Making Real Estate Great Again - Presented by Phil Jelsma, Crosbie Gliner Schiffman Southard & Swanson LLP |
| Registration open | The Tax Cuts and Jobs Act hit the reset button on business and personal income tax planning. Conventional thinking no longer applies if C corporations have the lowest rate of tax 21%. This program will discuss the individual and business provisions that were included in the December 2017 legislation with a focus on the planning opportunities that were created and the strategies that no longer work. Emphasis will be on the new 20% deduction for pass-through entities and the provisions that either benefit or hurt the real estate industry. |
| April 23, 2018 | Special One-Day Workshop: Real Estate and the Chinese |
| 9:00 am - 4:00 pm | Don't miss this riveting talk by Pius K. Leung, CCIM, CPM, MRICS, CIPS, and FInstLM, about the new China policy, why Chinese invest in the US, what cultural differences affect their decision-making process, and the tools Chinese like to use in analyzing real estate investments. 9645 Granite Ridge Drive, SD, CA 92123. |
| Registration open | |
| April 24 - 27, 2018 | Financial Analysis for Commercial Investment Real Estate |
| Registration open | CI 101 is an introduction to the CCIM Cash Flow Model. Learn to apply this model to make investment decisions based on wise investment fundamentals. |
| May 7, 2018 | 25th Annual San Diego Hospitality Industry Outlook Signature Event |
| June 7, 2018 | CCIM Golf Event - 19th Hole Party |
| | Sorrento Canyon Golf Center |
| June 25, 2018 | Commercial Real Estate Negotiations |
| Registration open | Learn and apply the CCIM Interest-based Negotiations Model to your most challenging transactions. Learn new, proven strategies to client acceptance that will get you out of the "high/low game" and other tactics that can derail a successful transaction. Don't miss this one day, interactive case study workshop. |
| June 26 – 29, 2018 | Investment Analysis for Commercial Investment Real Estate |
| Registration open | CI 104 encompasses the entire life cycle of an investment, from refinancing to capital improvements to disposition. CI 104 uses advanced analyses to build on the core CCIM concepts. |
| July 12, 2018 | CCIM-IREM Signature Event |
| | Broker Panel, details in the next Perspective. |

Mark your calendar today!

Commercial Real Estate Trends in 2018

Based on article by Ely Razin published on January 17th 2018 in Forbes Business Online

Interest Rates

Assuming that in 2018 interest rates will not rise significantly, the cost of borrowing and the value of properties can be expected to remain stable. On the other hand, stable rates could incite lenders to relax lending standards, and that could be indicative of a weakening economy, and could in turn inhibit the commercial real estate market.

Foreign Lending

Without doubt 2018 will be a crucial year for future of the European Union as they engage in Brexit talks with the United Kingdom. The negotiations might have a big impact on overseas lending by banks subject to future potential losses.

Retail and Industrial Sector

For 2018 the yearly reports on trends in commercial real estate published by PricewaterhouseCoopers and the Urban Land Institute rank the industrial property segment at the top of their lists. Additionally, according to a recent report by Colliers the industrial sector outperforms all other real estate segments.



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CCIM SAN DIEGO CHAPTER | www.ccimsandiego.com
CERTIFIED COMMERCIAL INVESTMENT MEMBER



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For more information on our chapter <http://www.CCIMSandiego.com>



**San Diego
CCIM Chapter**



Real Estate and the Chinese

How to Successfully Work with Chinese Real Estate Clients in the U.S.

- ◆ US China relationship? “One Belt, One Road” - new China policy.
- ◆ Why do Chinese invest in the US? EB-5 program for the Chinese?
- ◆ Cultural influences that will affect the decision-making process.
- ◆ Introduce different Chinese cultural influences such as Feng Shui, Numerology, Zodiac, Chinese New Year practices, etc.
- ◆ How to work with Chinese: common business protocols, manners, practices, etc.
- ◆ Introduce analytical tools Chinese use in real estate investment.

REGISTER TODAY at www.ccimsandiego.com

CCIM San Diego Chapter | 858.539.5596
www.ccimsandiego.com

**Monday
April 23, 2018**

9:00 am—4:00 pm
9645 Granite Ridge Dr.
Room 107/108
San Diego, CA 92123

Cost: \$175 CCIM/CRASD
\$225 Non-members



*Pius K. Leung, CCIM, CPM,
MRICS, CIPS, FInstLM*

Pius Leung is Principal of SPAK Interests, Inc. specializing in real estate investment consulting to investors around the world.

Pius is a senior faculty member of the CCIM Institute and faculty emeritus of the Institute of Real Estate Management (IREM). He is currently holding the title of visiting professor of the School of International Economic and Trade of the University of International Business and Economics in Beijing, China and Adjunct Professor of Bauer School of Business at the University of Houston. He served as Adjunct Professor of the Jones Graduate School of Business of the Rice University for two years.

Pius has teaching experience around the world in countries such as Czech Republic, Poland, Russia, Japan, Mexico, Korea and China.

CI 101

Financial Analysis for Commercial Investment Real Estate

April 24 - 27, 2018

What You Will Learn

CI 101 is a bedrock class for real estate practitioners at a time when risk mitigation, pricing, and cycle assurance have become critical to investors. CI 101 introduces the CCIM Cash Flow Model, a tool for ensuring your investment decisions are based on wise finance fundamentals. During the course, you will learn how to use key financial concepts such as Internal Rate of Return (IRR), Net Present Value (NPV), Cap Rate, Capital Accumulation, and the Annual Growth Rate of Capital to compare different types of commercial real estate investments.

This course will teach you how to:

- ♦ make informed investment decisions using the CCIM Cash Flow Model;
- ♦ measure the impact of federal taxation and financial leverage on the cash flow from the acquisition, ownership, and disposition phases of real estate investment; and
- ♦ use real estate analysis tools to quantify investment return.



Instructor

Pius K. Leung, CCIM, CPM, MRICS, CIPS, FInstLM

Pius Leung is Principal of SPAK Interests, Inc. specializing in real estate investment consulting to investors around the world.

Pius is a senior faculty member of the CCIM Institute and faculty emeritus of the Institute of Real Estate Management (IREM). He is currently holding the title of visiting professor of the School of International Economic and Trade of the University of International Business and Economics in Beijing, China and Adjunct Professor of Bauer School of Business at the University of Houston. He served as Adjunct Professor of the Jones Graduate School of Business of Rice University for two years.



April 24 - 27, 2018
8:30 a.m. to 5:30 p.m.
9645 Granite Ridge Drive
San Diego, CA 92123

Register online at: www.ccim.com/101
Or call (800) 621-7027, option 2

FIND OUT MORE AT
www.ccimsandiego.com



San Diego
CCIM Chapter

24th Annual Charity Event 19th Hole Party

Brought to you by
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- ♦ Mixer, Food Truck, Beer & Wine
- ♦ Putting Contest, Closest to the Pin
- ♦ Longest Drive... **Cash Prizes!**
- ♦ Opportunity Drawing to benefit Autism Tree Project Foundation

*Join us for a fun outing
and help support a greater cause!*

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Contact: cernst@ccimsandiego.com, or 858-539-5596

Save the Date
Thursday, June 7
4:00 to 7:00 pm
Sorrento Canyon Golf Center



EXCELLENCE IN COMMERCIAL REAL ESTATE

Mark Your Calendar

CCIM Lunch & Learn—March 21, 2018

Making Real Estate Great Again

Presented by Phil Jelsma

Crosbie Gliner Schiffman Southard & Swanson LLP

The Tax Cuts and Jobs Act hit the reset button on business and personal income tax planning. Conventional thinking no longer applies if C corporations have the lowest rate of tax 21%. This program will discuss the individual and business provisions that were included in the December 2017 legislation with a focus on the planning opportunities that were created and the strategies that no longer work. Particular emphasis will be on the new 20% deduction for pass-through entities and the provisions that either benefit or hurt the real estate industry.



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