

PRESIDENT'S MESSAGE

October, 2005

I hope everyone had a great time at our annual Charitable Golf Tournament at Fort Carson on September 16th – the weather was perfect! Cheryl Fitch, as our chairperson for the Golf Committee, and all the volunteers are commended for again exceeding everyone's expectations in putting together the fun-filled tournament. As promised, I will have handouts and speak briefly at our general meeting on October 11th as to the what transpired at the International North American Commercial Real Estate Congress, which I attended in June. Some of the key issues that BOMA International lobbied for: The Energy Bill, BOMA fought hard for and won this bill that provides for tax incentive for energy efficiency upgrades to commercial buildings; Terrorism Risk Insurance, BOMA is actively pursuing a new terrorism insurance backstop to replace the Terrorist Risk Insurance Act provision set to expire December 31, 2005; and Continuing the lobby to have the capital depreciation schedule become permanent. Handouts that will be available at the general meeting include: 10 Things You Should be Managing but Might not Be; Energy Management Planning to Reduce Operating Costs; Negotiating Like a Pro; Global Capital – Investor Outlook 2006 and Beyond; Best Practices in Changing Management and Employee Empowerment; The Disaster Experience; Optimizing Asset Performance; and the Great Conversion from Office Buildings to Condos. Tom Ridge, the nation's first Homeland Security Secretary, gave the opening keynote address and acknowledged the commercial real estate industry's continuing cooperation as a model for the types of partnerships with our local, state and federal governments which make this country safer.

Steven W. Ford, BOMA Chairman and chief elected officer, delivered BOMA's annual State of the Industry Address during a joint session with Realcomm. His address can be read by going to www.boma.org/AboutBOMA/Leadership/OfficerSpeeches/soi2005.htm. As you are putting together your budgets for 2006, I highly suggest to include in your budgets to attend the BOMA International 2006 Conference which will be held in Dallas, Texas June 24 -27, 2006. As Jack Clark, Vice President, Prentiss Properties cites, "I attend BOMA for the education, the expo and the opportunity to problem-solve and network with industry peers. The hands-on, nuts and bolts exchange of information keeps me abreast of emerging trends and issues. I consider this a must-attend event for staying up-to-date and competitive." Normally, rooms are booked at approximately \$195.00 per night, plus airfare/transportation, food and the opening and closing banquets are approximately \$125.00 each. I look forward to seeing everyone and guests at our monthly meeting, October 11th. Remember, if you bring a potential member, their lunch is free.

Thanks, Bob.

LEGISLATIVE UPDATE

Rehnquist and Katrina May Slow Legislative Agenda

As the exhausted nation returns from the Labor Day holiday weekend filled with stories of death and destruction rather than beaches and bar-b-ques, Congress too shifted focus due to the recent tragic events. Both the traumatic effects of Hurricane Katrina and the death of Supreme Court Chief Justice William H. Rehnquist will most likely leave Congress tied up in the post-summer recess days to come. The death of Rehnquist, 80, came on Saturday evening accompanied instantaneously with speculation over his vacated Supreme Court seat and Chief Justice position. Rather than suffer three judicial nominations (two justice seats, and an additional to elevate a justice to Chief) President Bush has altered his nomination of John G. Roberts to include to Chief Justice position. This move could make Roberts's confirmation slightly more difficult, but if passed, could spare the country an additional confirmation hearing. Already the effects of these events have offset the congressional agenda. The Senate was scheduled this week to review a bill permanently repealing the estate tax, but that has been shelved for the time being. Combine that with the already mired Social Security overhaul and stalled education and healthcare debates and Congress could be playing catch-up for quite some time.

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ICC Offers Damage Assessment Assistance to Local Jurisdictions

In the wake of Hurricane Katrina, the International Code Council (ICC) is offering damage assessment services. This ICC program has been established to assist the current disaster recovery efforts necessitated by Hurricane Katrina as well as any future ones that may occur.

The volunteers who are listed by the ICC are both willing and qualified to assist a locality with building damage assessment, building inspections and other code-related functions. BOMA members may want to bring this information to the attention of officials in their local jurisdiction to expedite damage assessments.

To request a list of volunteers who can assist with post-disaster inspections in your locality, contact the ICC at volunteer@iccsafe.org.

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New From BOMA and Harvard University -- Emerging Leaders in Real Estate Program: Registration Now Open for October 2005 Debut

BOMA and Harvard University have teamed up to offer a brand new course for emerging leaders: those managers and directors who are—or want to be—on the executive track. This intensive, interactive program is designed to help emerging leaders develop the strategic planning, financial management, and leadership skills to take their careers and their firms to the next level. They'll learn how to develop the vision, influence, and discipline of successful leaders.

The course will be held October 2-7, 2005 on the Harvard University campus in Cambridge, Massachusetts. Registration for this course is now open at http://www.gsd.harvard.edu/professional/exec_ed/customized/boma/boma.html. Class size is limited to facilitate discussion and group interaction, and Harvard has reserved only 20 seats for BOMA members. Please indicate your affiliation with

BOMA by writing the code, BOMA-EL, on your registration form. Note that applicants must have a minimum of 5 years of experience in the industry in order to be admitted to the program.

Led by Harvard faculty experienced in teaching other real estate executive education programs offered at the university, the program also features real estate industry leaders, like Rich Greninger, Managing Director, Carr America; Kurt Padavano, COO, Advance Realty Group; and Ray Torto, CEO and Chief Strategist, Torto Wheaton Research.

Tuition for the course is \$4500 and includes all instruction and course materials as well as dinner on Sunday evening, lunch on Wednesday, and Friday. Travel and lodging costs are not included.

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State Tuned...

BOMA International Brings Key Issues to State Legislators

BOMA International joined forces with other members of the Real Estate Advocacy Group for States (REAGS) last month to bring real estate's issues to the forefront of legislators' minds at the National Conference of State Legislatures (NCSL) Annual Meeting in Seattle. NCSL, a bipartisan organization representing all 50 states, provides legislators and legislative staff with research, technical assistance and opportunities for policymakers to exchange ideas on the most pressing state issues.

REAGS branched out this year and hosted a lunch for NCSL's Economic Development, Trade & Cultural Affairs Committee rather than exhibiting at the trade show. The lunch provided an excellent opportunity for BOMA to discuss the ways in which real estate can assist in fostering positive economic development.

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News from the NCSL Annual Meeting

NCSL Calls on Congress to Streamlined Sales Tax Legislation

During its annual meeting in Seattle, NCSL approved a policy resolution calling on Congress to introduce and approve legislation to grant states authority to carry out provisions of the Streamlined Sales and Use Tax Agreement (SSUTA). The resolution endorsing enactment of the Sales Tax Simplification and Fairness Act said it would authorize SSUTA member states to "require all sellers, regardless of nexus, not meeting the small business exemption to collect those states' sales and use taxes." Additionally, the resolution listed several issues including the negative impacts of retroactivity; a potential shift in the burden of tax administration to the states; "further intrusion" into the excise tax base of the states; adverse effect of eliminating deductions for state and local income taxes, sales taxes, and property taxes; and the interdependence and linking of states to federal funding formulas and indexes.

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