



## REIAC Program Summary

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### 2010 Year in Review

A quick review of the high relevance topics and distinguished panelists from REIAC's 2010 events should give anyone who hasn't already done so all of the justification they need to join us for 2011. As we continue to forge ahead through this unprecedented capital crisis, you will undoubtedly value the opportunity to network with peers and to experience the topical discussions that we will bring to you throughout the year.

### Breaking the Logjam: Part 1 March 31, 2010

In our first quarter event of 2010, with a panel featuring Bliss Morris (Founder and CEO of First Financial Network), Dr. Sam Chandan (EVP and Global Chief Economist with Real Capital Analytics), Karl Frey (Managing Director, Starwood Capital), Chris Kallivokas (CEO of RER Financial Group, LLC), and Bruce Dearing (Senior VP - Bank of North Georgia).



Panelists (left to right): Bruce Dearing (Bank of North Georgia), Dr. Sam Chandan (Real Capital Analytics), Moderator, Bliss Morris (First Financial Network), Karl Frey (Starwod Capital) and Chris Kallivokas (RER Financial Group)



Another well attended REIAC Event

This panel discussion represented the first of what will be an ongoing series under the theme "Breaking the Logjam" - helping our members gauge where we are in this cycle and when the opportunities that everyone expects to see will begin to reveal themselves. Dr. Chandan also offered an economic overview and statistical trends both national and local.

### Distinguished Lecture Series and Hall of Distinction Portrait Unveiling April 12, 2010

Senior Vice-President at Wells Real Estate Funds, Peter Mitchell, shared with GSU students and colleagues his insight and experience on the Atlanta real estate industry. Peter is an alumnus of the

GSU graduate MRSE program. Also, we unveiled the portrait of the 2009 inductee into the REIAC/GSU Hall of Distinction, Leo Wells, President of Wells Real Estate Funds, who charmed the audience with tales of his lifelong commercial estate career.



**Wells Real Estate Funds'  
Sr. Vice President of Acquisitions,  
Peter Mitchell**



**2009 Hall of Distinction award  
winner, Leo Wells (far left) at  
the unveiling of his portrait**

### REIAC Challenge Event April 29, 2010

Our annual REIAC Challenge took place at Murphy's Crossing, part of the Beltline in South Atlanta, this year. The challenge pitted four teams of GSU real estate graduate students against each other to find the best development ideas for a site. The teams made their pitch to an audience of students and real estate professionals. Each presentation was judged by a panel of experts with \$1,000 scholarships awarded to each member of the winning team.



**L-R: REIAC representatives Paul Berry, Jane Harrison and Jerry Monash with the winning team of  
Andy Chopra, Liz Scott, Ryan Haase, Charles Flanary, and Mike Altman,  
together with instructor Phil Curtis**



**Instructor Phil Curtis of Matteson Partners commences the 2010 REIAC Challenge at GSU**

### Breaking the Logjam Part 2: Special Servicing June 10, 2010

REIAC's Southeast Chapter held its second quarter 2010 program on Thursday, June 10th at the Hotel Intercontinental in Buckhead (Atlanta), continuing with the second of our three-part series themed "Breaking the Logjam," in which we have been exploring the various forces at work in the

CRE industry as we continue to slog through this extended down cycle.

The expert panel for this event included moderator Brian Olasov of McKenna Long & Aldridge, accompanied by Jan Sternin of Situs Partners, Stephanie Petosa of Fitch Ratings, Paul Smyth of Centerline Servicing, Greg Winchester of TriMont Real Estate Advisors and Mike Lipson of Berkadia Commercial Mortgage. Collectively, this group represented a core group of special servicers, rating agencies, and asset managers - all central to the resolution of CMBS and the associated properties.



Since 2007, commercial mortgage delinquencies have increased tenfold with one in nine CMBS mortgages not being handled by workout professionals. In fact, the delinquency level of 8% is the highest in the history of the CMBS industry, and unfortunately for many current borrowers, that wave is still building. Fitch projects that by 2012 as much as 20% of the \$700 billion in outstanding CMBS could fall into delinquent status.

While CMBS only represents about 20% of the overall CRE debt market, these figures are nonetheless very significant, and the prospect of additional delinquencies in bank portfolios will exacerbate the situation. This collapse in CRE performance presents both perils and massive opportunities for lenders, borrowers and investors. In this regard, special servicers will be key entities in a national effort to modify default-prone debt and dispose of troubled assets.

With Atlanta reflecting many of the national trends, as residential overbuilding led to retail and multifamily supply excesses as well, and with Buckhead's office market in particular having seen a wave of new development with a simultaneous absence of demand, expectations are that the metro area is in for a long recovery. Still, not all is bleak, as there are a number of familiar players reentering the CMBS loan origination market, joining major life companies in making capital available to an industry that simply cannot push through to the recovery phase without it. While new lending and underwriting standards won't resemble the hay days of 2006 and 2007, the reemergence of CMBS lending platforms is a most welcome step in getting the machine rolling again.

With keen insights on the roles of the various participants and candid discussion of the challenges and opportunities presented (and how to best identify and pursue them), the panel both informed and prompted thought and discussion amongst the attendees, extending through a buffet reception following the panel presentation.





### Breaking the Logjam Part 3: CRE Debt 2.0 September 16, 2010

Our final and most important segment of “Breaking the Logjam” series addressed the CRE debt market. Debt is not equally available among property types, geography or borrower segments - a definite “haves” and “have-nots” environment. REIAC Atlanta members and Southeastern real estate debt market veterans Chad Hagwood of Berkadia Commercial Mortgage and Matt Rocco of Grandbridge Real Estate Capital served as co-moderators in which they predicted the continued re-emergence of the market. In addition, an all-star national panel with daily involvement in the major sectors of the CRE debt world joined Chad and Matt.



**Panelists (left to right): Matt Rocco (Grandbridge Real Estate Capital) Co-Moderator, Mike McRoberts (Freddie Mac Multifamily), Chris Sweitzer (BB&T), Jack Gay (Global Private Markets - TIAA-CREF), Steve Jensen (JP Morgan Securities, Inc), Mark Wilsmann (MetLife), Chad Haygood (Berkadia Commercial Mortgage) Co-Moderator**

### REIAC/GSU Hall of Distinction December 2, 2010

REIAC and Georgia State University’s J. Mack Robinson College of Business were pleased to celebrate our sixth annual Hall of Distinction award presentation by welcoming Mr. Egbert Perry as our 2010 inductee. The program featured an on-stage interview with Mr. Perry by Matt Valley, Editor in Chief of National Real Estate Investor magazine. President of Novare Group and the 2006 Hall of Distinction recipient, Jim Borders, presented the award.

The Hall of Distinction is the highest honor given by REIAC and was conceived in 2005 to recognize people and commercial real estate projects that have made the most dramatic impact on Metro Atlanta.

Mr. Perry was honored for introducing his progressive ideas to urban living all over the city. One example is the replacement of the dilapidated and crime-ridden Techwood Homes project with Centennial Place, which today stands as a model in-town, mixed-income, mixed-use community that

has inspired over 100 similar developments across the country.



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SOUTHEAST CHAPTER