

# CBA Annual Member Meeting

Friday, March 5, 2020  
10:00am to 11:00am  
(via Zoom Webinar)

# Welcome CBA Members!

## **Board Chair Introduction & Comments**

- ✓ 2021 Board & Officers
- ✓ The Value of CBA to the market & brokers

## **State of the Association & Impacts from COVID-19**

- ✓ State of the Market & Industry
- ✓ Membership
- ✓ 2020 Accomplishments

## **The Road Ahead**

- ✓ Strategic Focus & Initiatives
- ✓ Diversity, Equity, & Inclusion within commercial brokerage
- ✓ Government Affairs & Political Advocacy

## **Question & Answer**

# 2021 Board Chair Remarks



**Brian Hatcher, Chief Operating Officer**  
**Kidder Mathews**  
**(Seattle, WA)**

# Newly Elected CBA Board Members (3-year terms)



**Brooks Burton**

Chief Operating Officer  
Windermere



**Casey Brazil**

Managing Broker  
Kiemle Hagood



**Scott Coombs**

President  
NAI Puget Sound Properties



**John Miller**

Sr. Managing Director  
CBRE



**Arvin Vander Veen**

Exec. Vice President  
Colliers



**Monica Wallace**

Sr. Vice President  
Wallace Properties



- ✓ **Thank You Tiffini Connell, 2020 Board Chair!**
- ✓ **2021 Officers**
  - ✓ **Board Chair: Brian Hatcher, Kidder Mathews**
  - ✓ **Board Chair Elect: Monica Wallace, Wallace Properties**
  - ✓ **Treasurer, John Miller, CBRE**
  - ✓ **Immediate Past Chair: Tiffini Connell, West Coast Commercial**
- ✓ **Thank you to outgoing Board Members:**
  - ✓ **Scott Blankenship, Kidder Mathews**
  - ✓ **Tom Quigley, Kiemle Hagood**



# The Value of CBA to the Marketplace & Brokers

## **Cooperative Owned by the Brokerage Industry**

### **Cooperative Competition Provides:**

- ✓ An orderly marketplace
- ✓ Fair & beneficial business standards for the industry
- ✓ Ongoing communication & cooperation among all members of the brokerage community

### **CBA Strives to provide Essential Tools & Services to brokers to help them prosper**

- ✓ Listings & Data, Standard Contracts/Forms, Continuing Education, and Advocacy

### **Guarantees Commissions among Members**

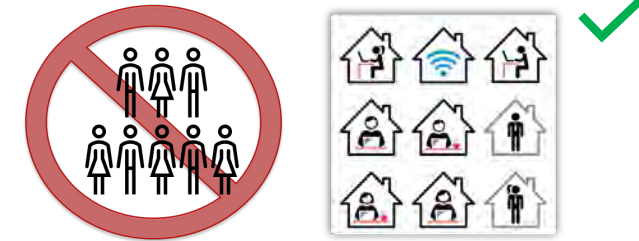
### **All for a reasonable price**

# State of the Association & Impacts of COVID-19



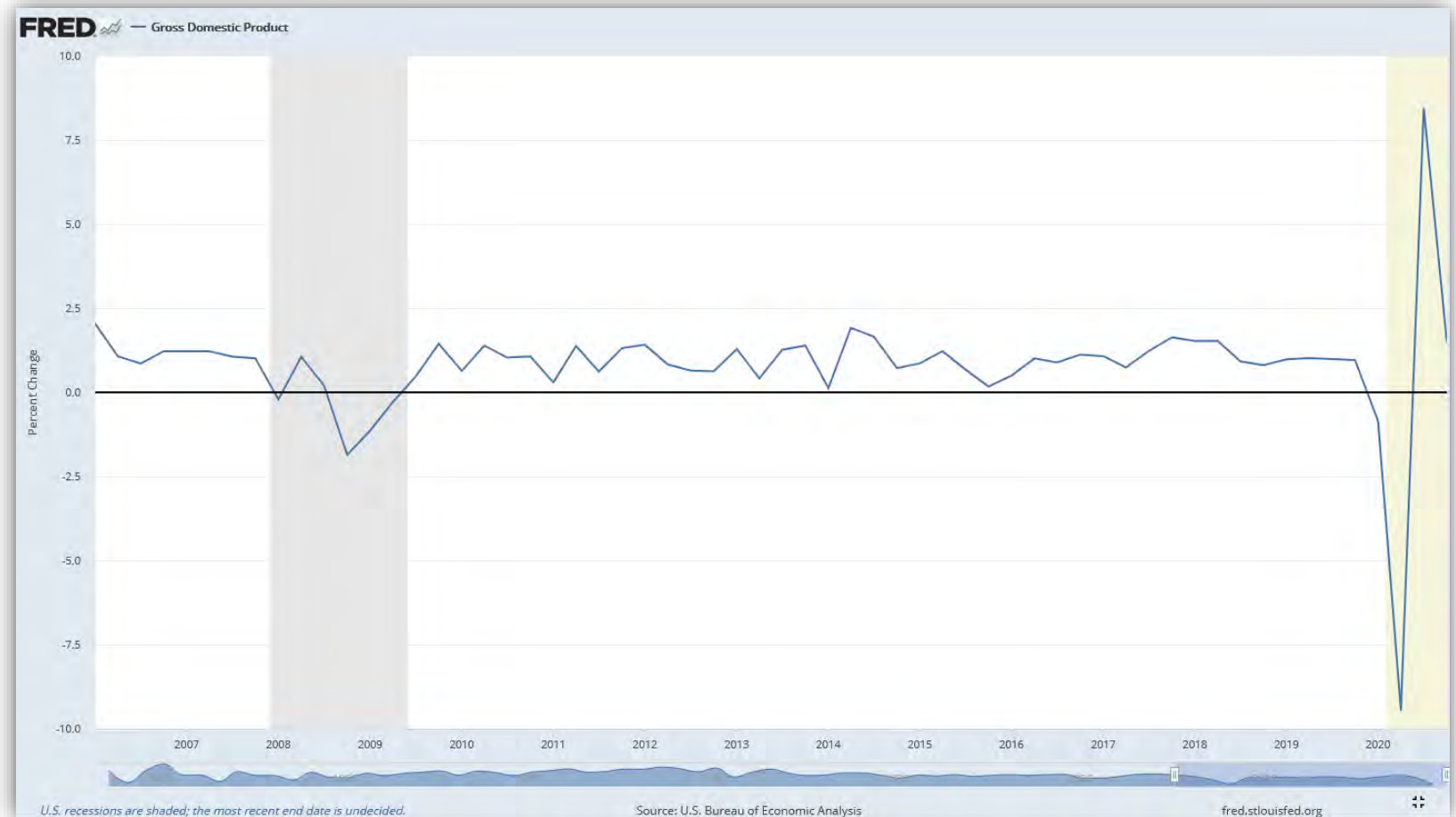
# Priorities in COVID-19

- ✓ Health & Safety of Staff and Members
  - ✓ All in-person activities cancelled and virtual transition
  - ✓ Fully staffed and working 100% remote
- ✓ Ensure Financial Stability – to deliver our services
  - ✓ Procured PPP Loan to ensure no staff reductions or changes in services
- ✓ **“How can we help our members, a.k.a. our Owners?”**  
*(NOT: “What happened to our stock price today?” or “How do we repay our investors?”)*

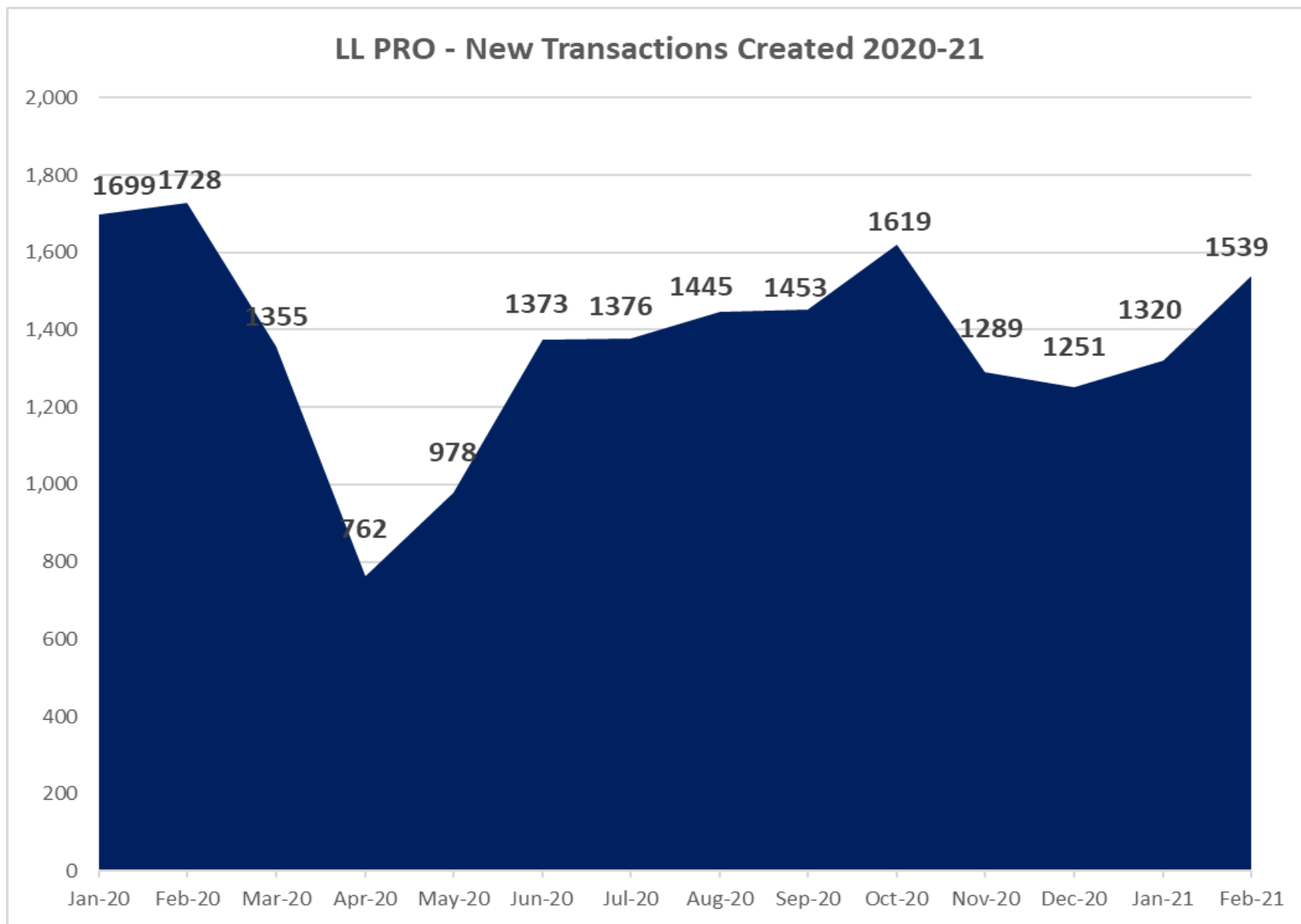


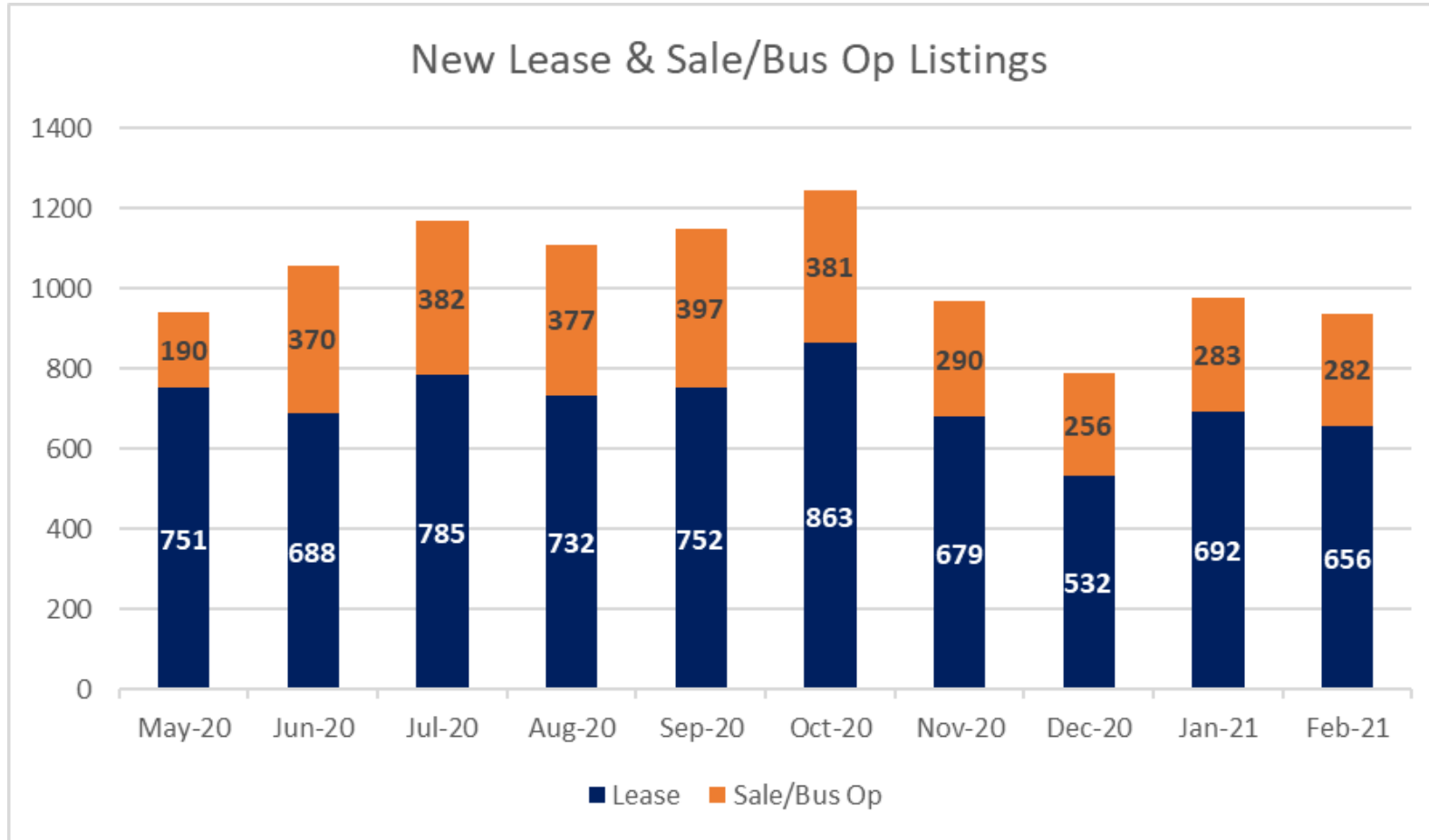


- ✓ Pre-COVID, US economy had been in the longest expansion in US History (128 months)
- ✓ COVID-19 triggers economic shutdown and severe economic recession
- ✓ In Washington:
  - ✓ **January** – 1<sup>st</sup> USA confirmed COVID case
  - ✓ **February** – 1<sup>st</sup> COVID death at Life Care Center Kirkland
  - ✓ **March** – Inslee issues WA's "Stay Home, Stay Healthy" Order



- ✓ Brokers reporting increasing activity
- ✓ Post-holiday rebound in February
- ✓ 2<sup>nd</sup> highest month since beginning of COVID
- ✓ Feb. '21 year over year decline of 11%

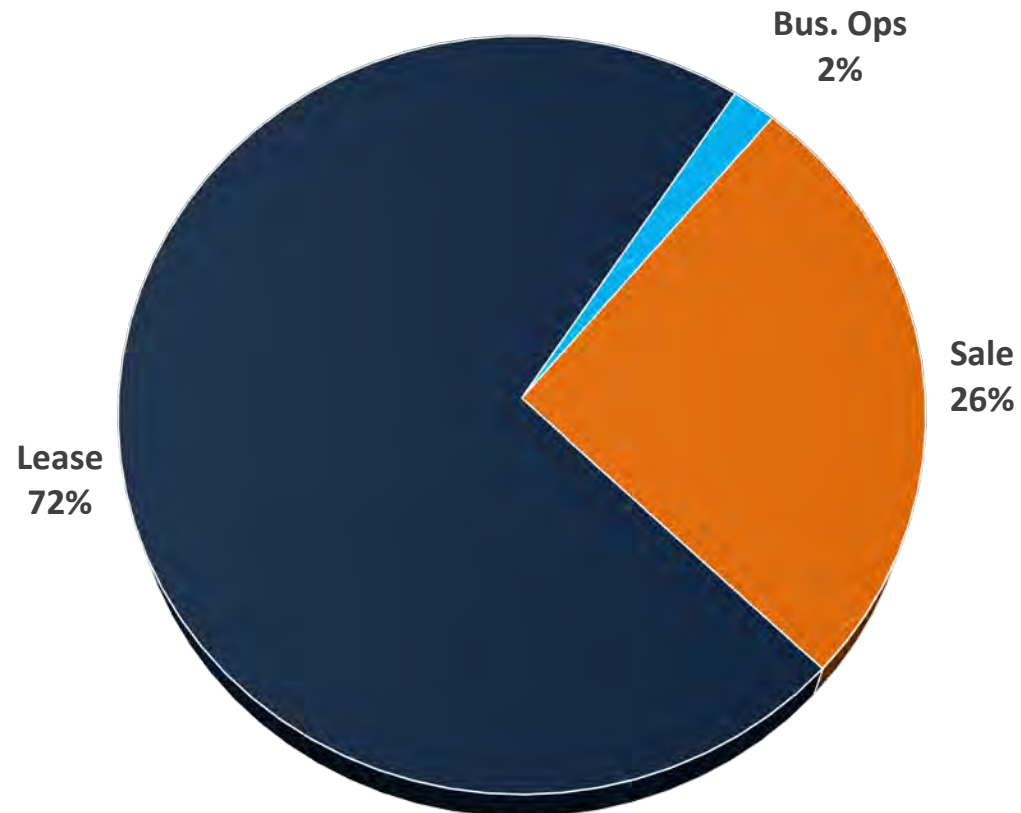




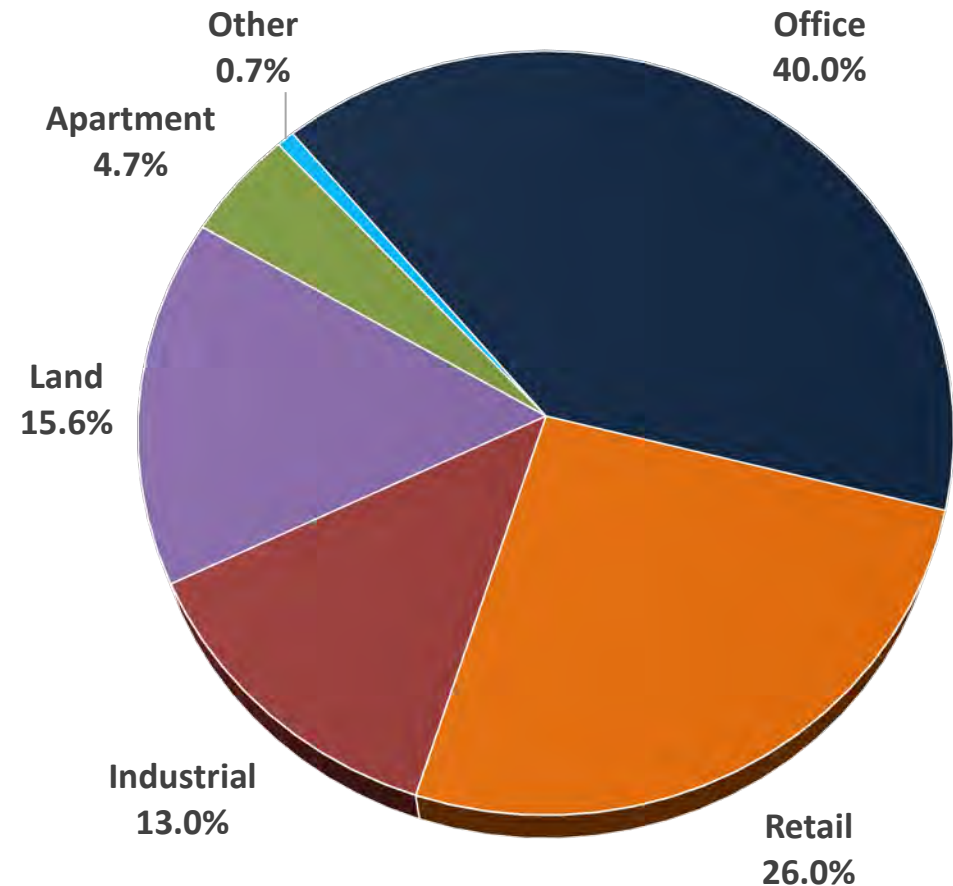
- ✓ Bounce back after the holiday season
- ✓ Summer surge driven by subleases
- ✓ Jan/Feb still lagging summer/fall levels, seasonality???

✓ 13,000+ Listings and 125,000+ Researched Properties

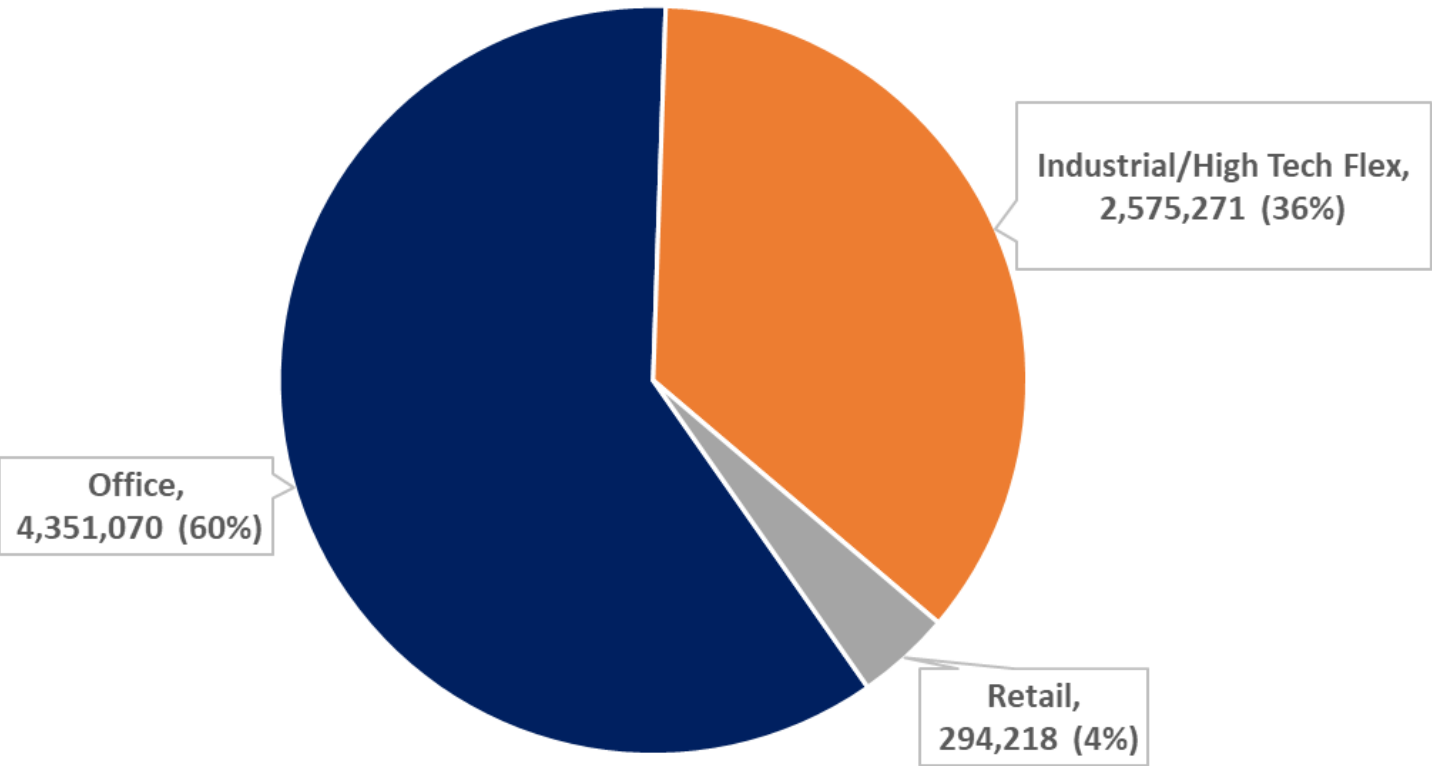
Listings by TRX Type



Listings by Property Type



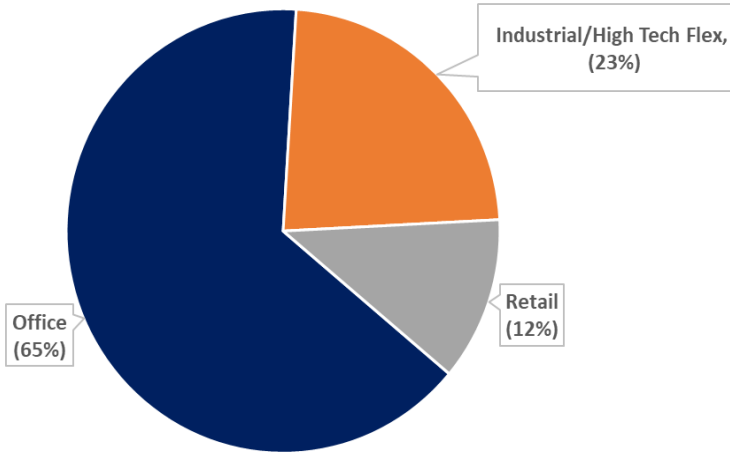
2021 Sublease Space Square Footage By Property Type



## Sublease Activity

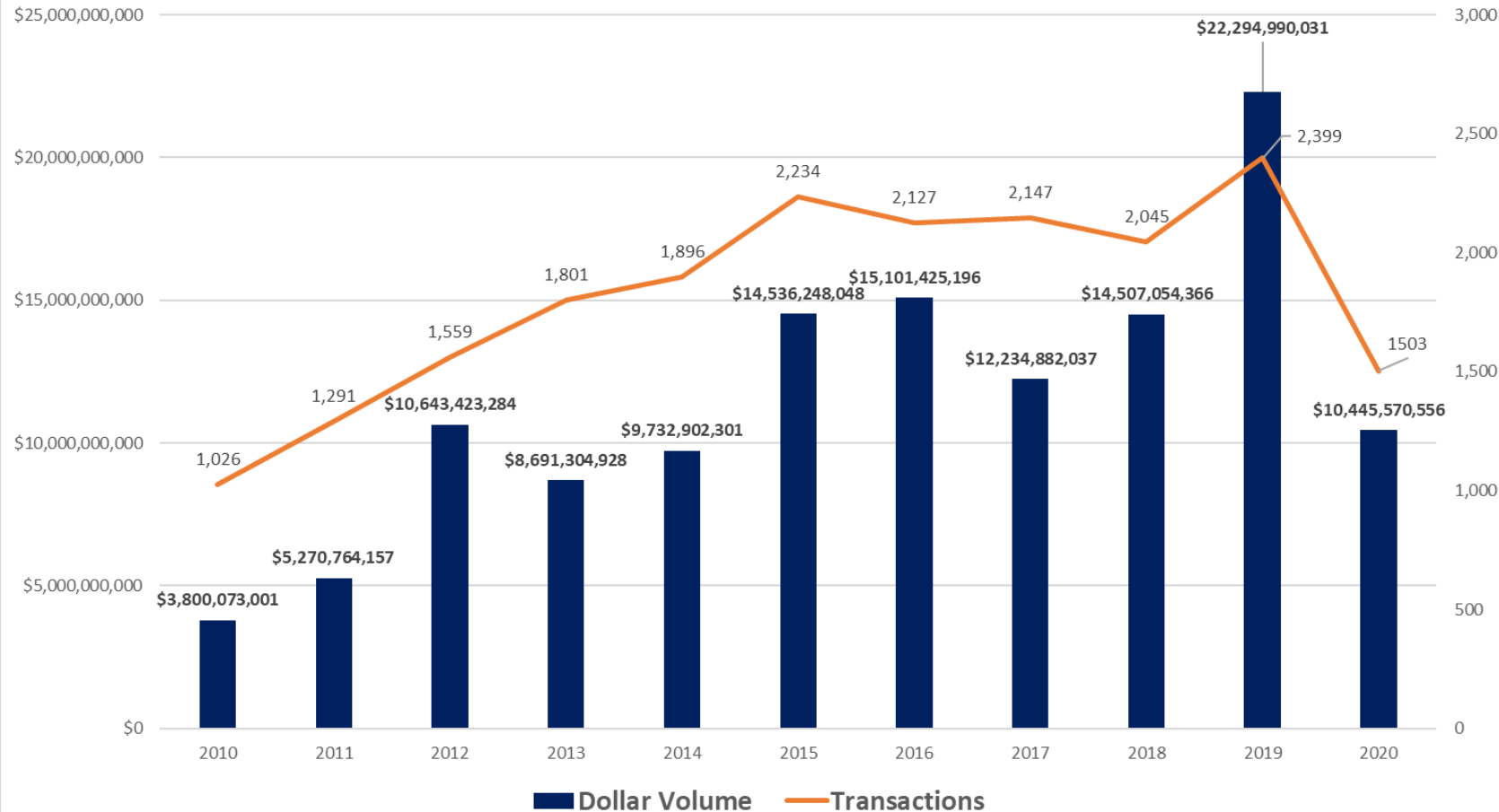
- ✓ 7.22M Square Feet of sublease space on the market
- ✓ 2x to 3x higher than 2019
- ✓ 70% of office sublease space in Seattle

2021 Sublease Space Listing Counts



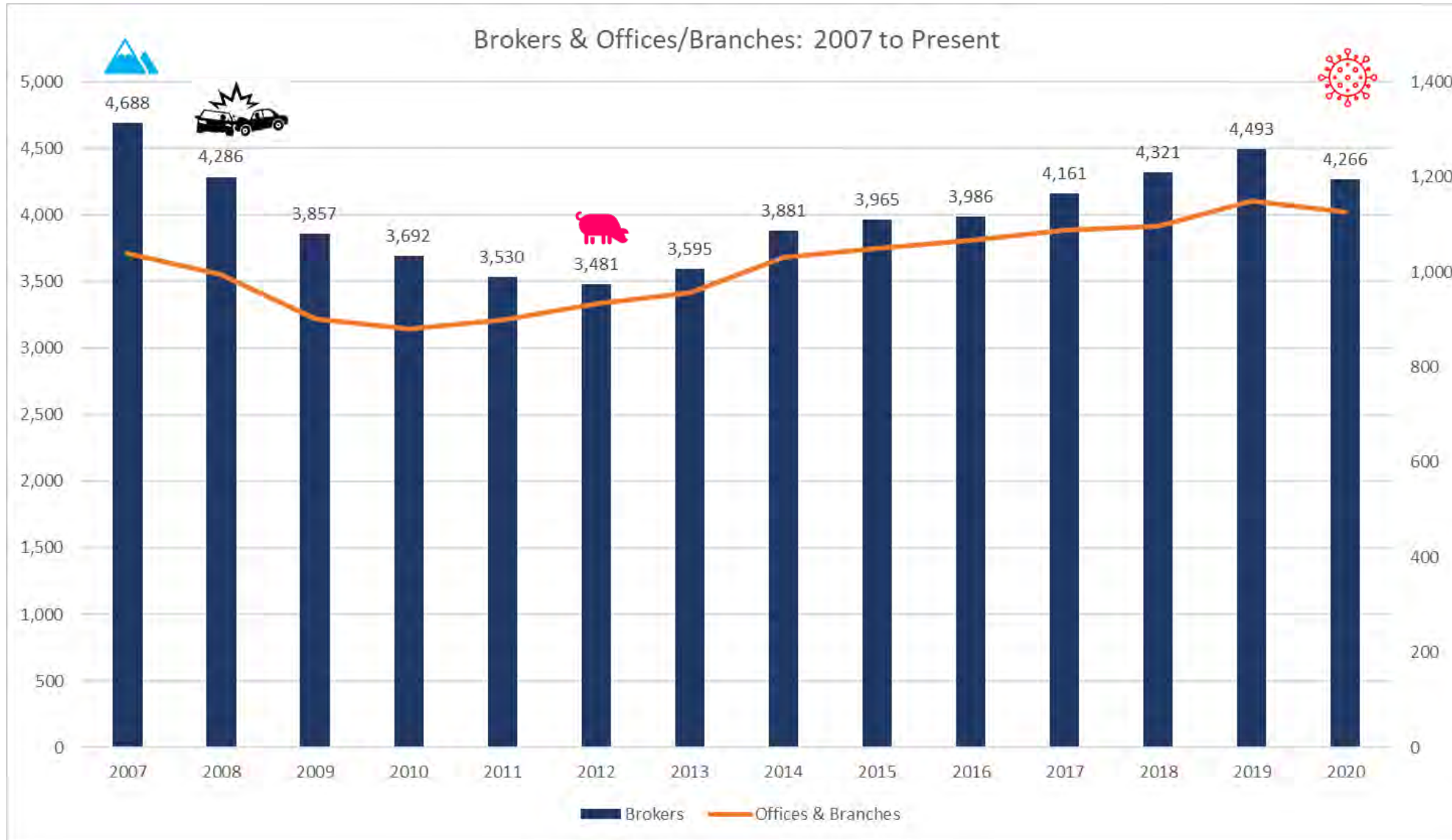
## Commercial Property Sales, 2010-2020

(King, Kitsap, Pierce, Snohomish, Spokane, & Thurston Counties)



- ✓ **HUGE surge of sales in Dec. '20**
  - ✓ 37% of dollar volume for '20
  - ✓ 20% of transactions
- ✓ **2H20 Rebound in BIG Deals**
  - ✓ 75% of volume for '20 (\$7.8B)
  - ✓ 58% of transactions (864)
  - ✓ That pace would have put 2020 2<sup>nd</sup> place over past decade for volume

# Recessions Impact Membership



## 2020 COVID Impacts:

- ✓ **Brokers: (5%)**
- ✓ **Offices: (1.5%)**



# 2021 Monthly Dues Increase

Year	Office/Managing Broker		Additional Brokers	
	Old	New (increase)	Old	New (increase)
2004	\$92	\$97 (\$5)	\$20	\$25 (\$5)
2011	\$97	\$100 (\$3)	\$25	\$30 (\$5)
2016	\$100	\$100 (\$0)	\$30	\$35 (\$5)
2021	\$100	<b>\$110</b>	\$35	<b>\$40</b>

- Oct. '20 CBA Board approved \$5 increase in member dues and office fees
- Feb. '21 implementation
- Addresses Inflationary pressures faced by CBA
  - Seattle Metro one of the highest cost of living and business markets in the USA
- 2.5 increases last 20 years
  - 2 for MBs
  - 3 for Brokers
- Offices/Managing Broker no increase in 9 years
- Membership up 85% since '01
  - Growth had quelled need to raise prices
  - Member Growth: up only 7% since '16

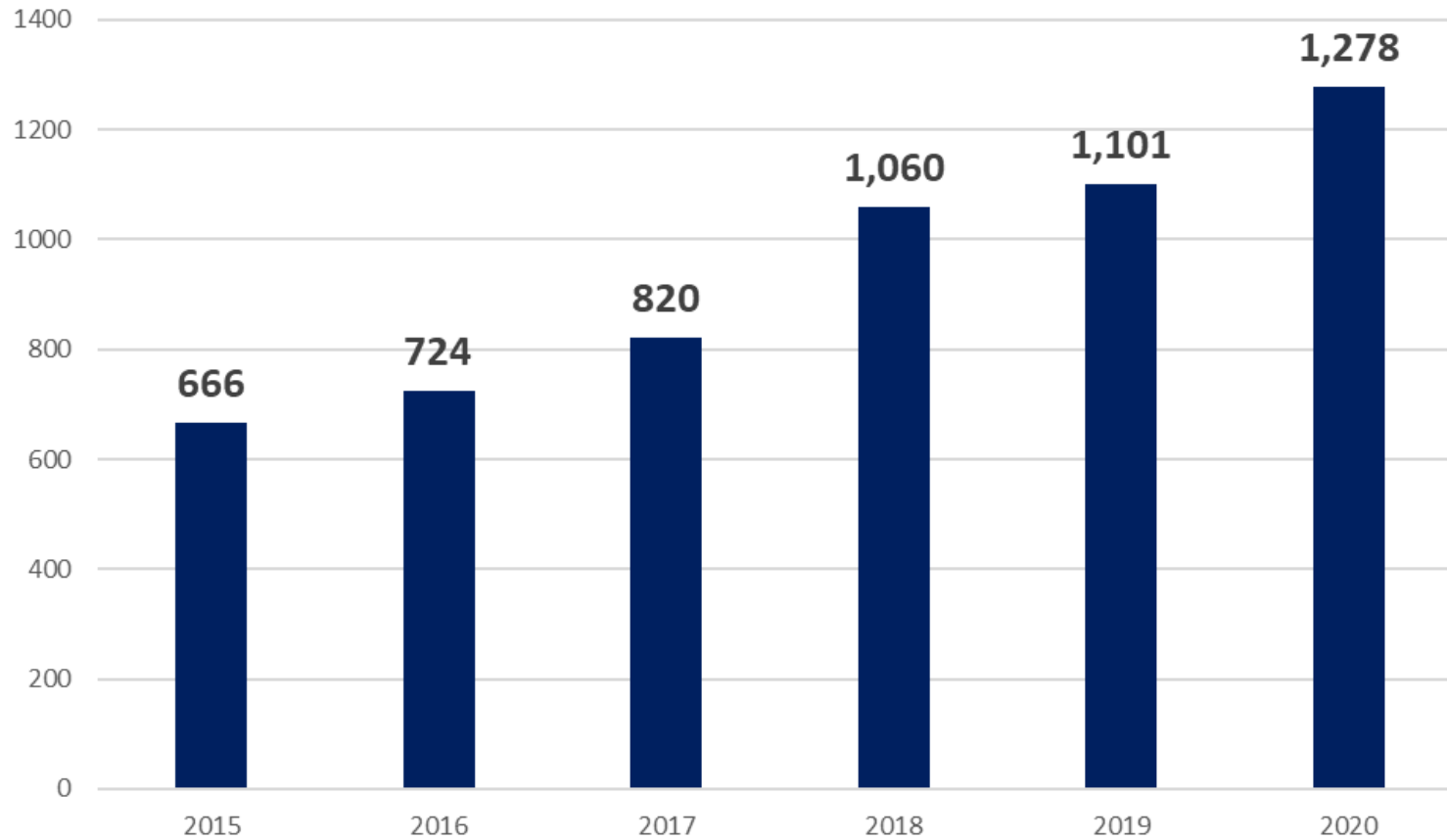
# Accomplishments & the Road Ahead

**PERFECTION  
IS THE ENEMY OF  
PROGRESS**

*--Winston Churchill*



CBA Conducted Class Attendees, 2015 to 2020



- ✓ Pivot to Virtual Model
- ✓ 16% growth in 2020
  - ✓ 92% growth since '15
- ✓ In 2020, proved the virtual education model works for CRE brokers
- ✓ Includes COVID & LLPRO informational webinars
  - ✓ 1,534 additional views on CBA's YouTube channel
- ✓ Hope for in-person classes & events 2H'21

## “How Can We Help Members During the Crisis?”

### Communications & Resources to keep members informed

- COVID-19 Page for brokers, landlords, and tenants

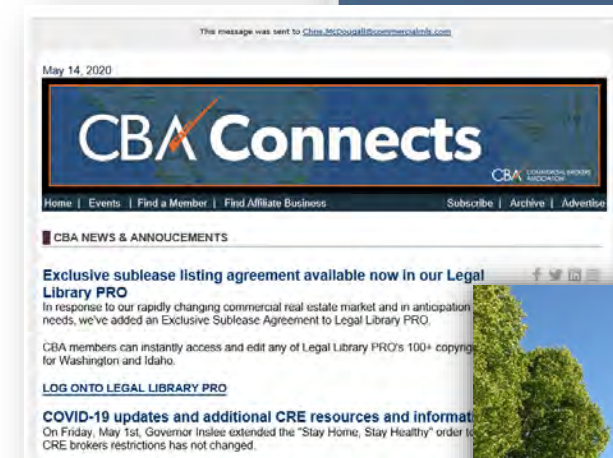
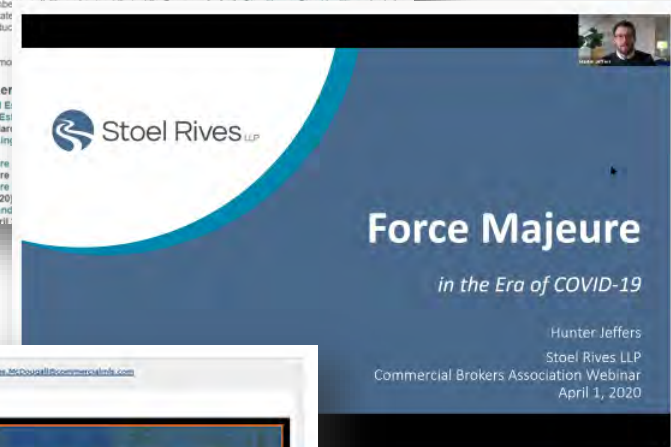
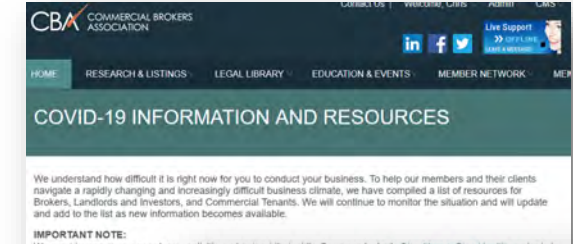
### Informational Webinars – by Stoel Rives

- Force Majeure (300+ registrants) & Eviction Moratorium (250+ registrants)

### New Legal Forms Pertinent to Crisis

- Force Majeure Addendum & Sublease Listing Agreement

### Advocacy Efforts – Led by Mary Hull-Drury & our partners WSCAR/Washington REALTORS



## Webinars (Live)

- ✓ Highly Successful
- ✓ COVID has forced behavior change & Zoom has proven effective
  - ✓ Instructors and attendees
- ✓ At least one per month since **May 2020**
- ✓ Live interaction with instructors is positive
- ✓ Popular topics
  - ✓ Advanced Topics in Leasing
  - ✓ Purchase & Sale Forms
  - ✓ Commercial Core
- ✓ More on the way!!!



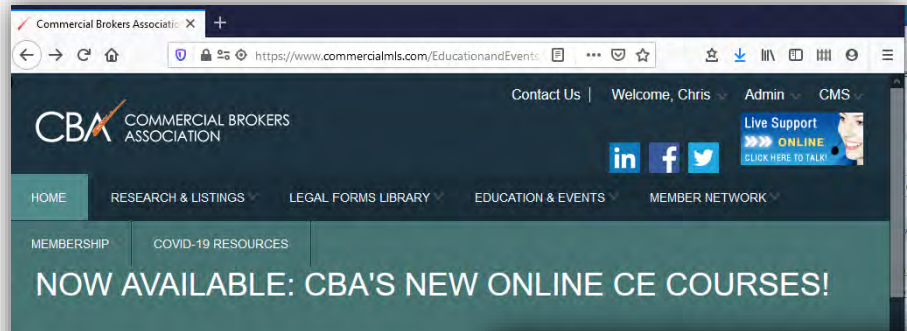
## Online (On Demand)

- ✓ ExceedCE is Platform Partner
- ✓ Anywhere, anytime (24-7-365)
- ✓ 3 Classes Live Today
  - ✓ Commercial Core, Intro to Commercial, Commercial Leasing Basics
- ✓ 5 Classes In Development (Release in '21)
  - ✓ Purchase & Sale
  - ✓ Environmental (Phase I)
  - ✓ Investment Analysis
  - ✓ Art of Syndication
  - ✓ Property Management
- ✓ Expect a suite of 12 classes

 **ExceedCE**







We're pleased to announce that we've partnered with ExceedCE in an online/on-demand format. They're the next best thing to a live lecture. As we continue building out an on-demand library of CBA Classes, we'd like your feedback on the types of courses you'd like to see! Please send us your comments.

This course has been approved by the Washington State Department of Licensing for **three** CE credits and satisfies the 3-hour Core Course requirement toward your first active license renewal or subsequent active license renewal in WA. The course consists of videos and quizzes.

To complete this course you must:

- Watch each video in its entirety
- Answer each quiz question correctly (you will be given multiple quiz retakes) and **score 100%** in order to proceed to the next module.

Thank you for using ExceedCE and we hope you enjoy the course!



## On Demand Benefits:

- ✓ Wherever you want
- ✓ Whenever you want
- ✓ As fast as you want
- ✓ All you need is a good internet connection



- ✓ Updated **WA Purchase & Sale Suite** in LLPRO (mid-Aug)
- ✓ **26 Updated Forms**
- ✓ YouTube Posted Summarizing Changes with Hunter Jeffers
- ✓ Held 2 sold out webinars on new Purchase & Sale Agreement – *recorded version coming soon*
- ✓ Idaho in 2021

## THE SUITE OF REVISED FORMS

The **revised forms** include the following:

- 17 - Seller Disclosure Statement-Improved Property
- 17C - Seller Disclosure Statement-Unimproved Property
- 22E - Certification Under the Foreign Investment in Real Property Tax ("FIRPTA")
- BB-1 - Buyer's Agency Agreement
- BU-A - Back-Up Addendum to Purchase and Sale Agreement
- CDF - Commission Disbursement Form
- EMN - Earnest Money Promissory Note
- FMA - Force Majeure Addendum
- LOI-PSA - Letter of Intent
- LP-LS - Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards
- LPB-20 - Short Form Deed of Trust
- N-1A - Promissory Note
- OTB - Option to Buy Real Estate
- PS-1A - Commercial and Investment Real Estate Purchase Agreement
- PS-AS - Assignment and Assumption Agreement
- PS-D - CBA Defeasance Addendum
- PS-FIN - Financing Addendum
- PS-TEC - Tenant Estoppel Certificate
- PSA - Addendum/Amendment to Purchase and Sale Agreement
- PSR - Rescission of Purchase and Sale Agreement
- RC - Recorder's Cover Sheet
- SS - Short Sale Addendum
- UA - Utility Charges Addendum
- VLA - Vacant Land Addendum
- XA - Exclusive Agency Sale Listing Agreement
- XS - Exclusive Sale Listing Agreement



Hello Chris,

Due to the overwhelming response to our sold-out August class, we're pleased to offer a second session of **CBA's Purchase & Sale Agreement Class**, taught by Mike Garner, as our next live webinar for CE credit.

We hope you'll join us!

## CBA'S PURCHASE & SALE AGREEMENT COURSE FOR CE CREDIT

Thursday, September 10th  
9:00 a.m. - 1:00 p.m.

**4 CE Hours**  
**\$70 CBA Members | \$80 Non-Members**  
**Live Webinar**



✓ **New Leasing Forms Suite (WA)** released Fall – *substantive changes*

✓ **7 NEW Forms**

✓ **16 Revised Forms**

✓ YouTube posted summarizing changes with Bethany Kelsch

✓ More classes forthcoming

✓ Idaho in 2021



**The NEW forms include the following:**

- MTBY Multi-Tenant Base Year Lease
- LOI-LS replaced by:
  - LOI-MTNNN Multi-Tenant NNN
  - LOI-RETNNN Retail NNN
  - LOI-STNNN Single-Tenant NNN
  - LOI-MTBY Multi-Tenant Base Year
  - LOI-MTGR Multi-Tenant Gross
  - LOI-STGR Single-Tenant Gross

**The REVISED forms include the following:**

- GR\_LS Multi Tenant Gross
- LA Addendum-Amendment to CBA Leases
- LCR Letter of Credit Rider
- LOR Guaranty of Tenant's Lease Obligations Rider
- MT\_BY Multi Tenant Base Year Lease
- MT\_NNN Multi Tenant Triple Net Lease
- OR Option to Extend Rider
- PR Parking Rider
- RET\_LS Retail Lease Agreement—Multi Tenant Trip
- RR Rent Rider
- RUR Retail Use Rider
- ST\_LS Single Tenant Gross Lease
- ST\_NNN Single Tenant Entire Parcel
- SUB\_LS Sublease Agreement
- XL Exclusive Lease Listing Agreement
- XLA Exclusive Agency Lease Listing Agreement

**IMPORTANT NOTE:** When adding documents to your transaction, members will receive the newest version(s). This will not affect existing transactions, and all of CBA's previous forms are still valid and



## MEMBER ALERT

IMPORTANT INFORMATION FOR BROKERS AND OTHER CRE PROFESSIONALS

### WE'VE UPDATED OUR LEASING FORMS IN LEGAL LIBRARY PRO!

Hello Chris,

In response to requests from the CBA member community, we're pleased to announce that we've updated our Leasing Forms in Legal Library PRO to make them more useful, usable, and flexible.

CBA's Leasing Forms have been fully reviewed, revised and vetted to ensure they meet all legal criteria and best practices. We also changed the format to make filling them out easier.

**PLEASE NOTE:** We've made considerable substantive changes to the Leasing Forms. We highly recommend that you watch the video from our legal counsel, Bethany C. Kelsch from Stoel Rives, to fully understand the changes that have been made before using the revised forms.





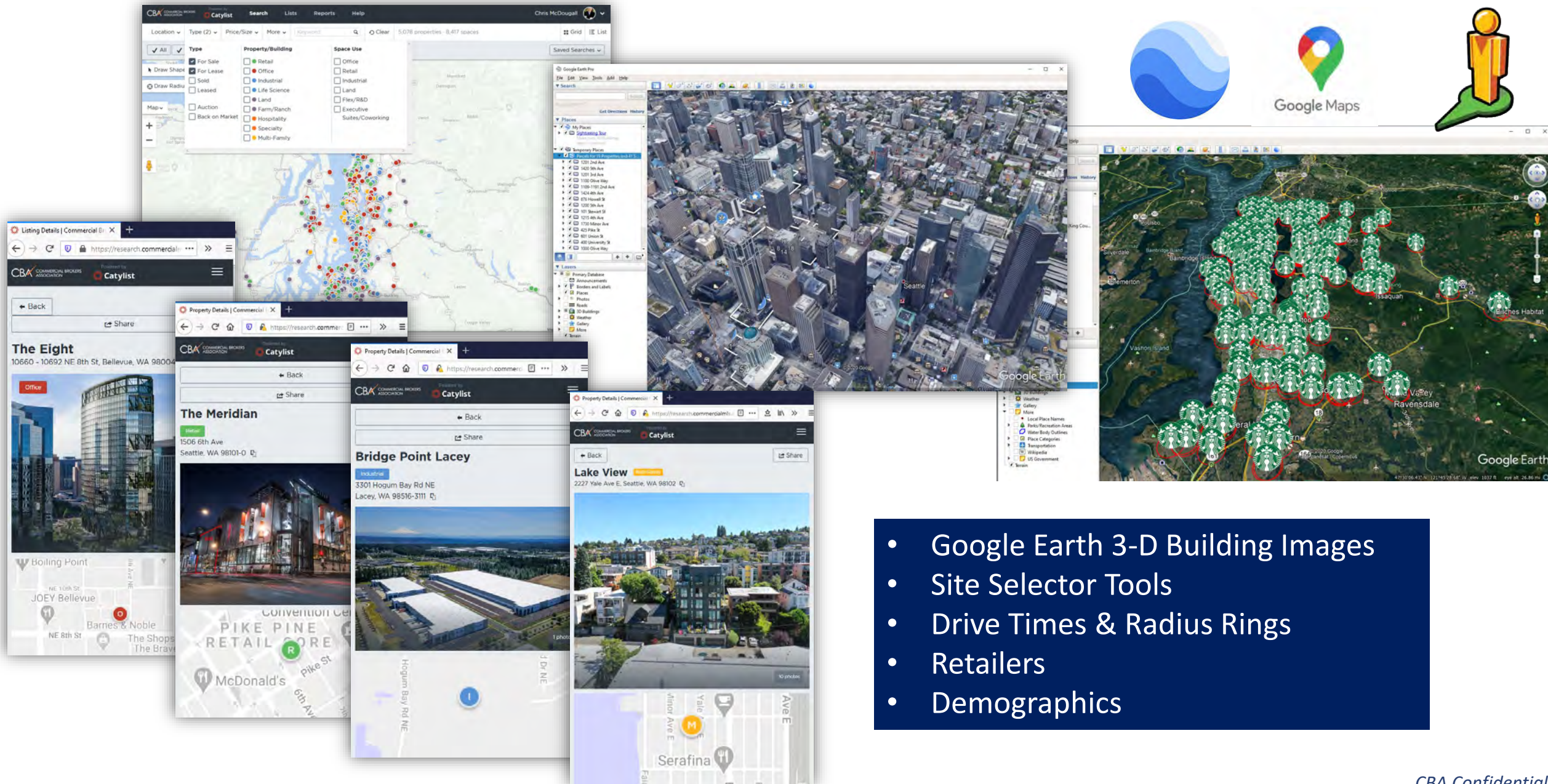
Launched  
Mid-July '20

The screenshot shows the CBA Commercial Brokers Association website. The header includes the CBA logo, navigation links (HOME, RESEARCH & LISTINGS, LEGAL LIBRARY, EDUCATION & EVENTS, MEMBER NETWORK, MEMBERSHIP, COVID-19 RESOURCES), and user information (Contact Us, Welcome, Chris, Admin). A yellow circle highlights the 'CBA'S NEW SEARCH PLATFORM' button, which is part of a row of buttons including SALE, LEASE, SALE/LEASE, BUSINESS OPPORTUNITY, QUICK SEARCH, and CMA. A large yellow arrow points from the text 'CLICK THIS BUTTON' to this button. Below the buttons is a map of Seattle with various neighborhood labels. The footer section includes 'EVENTS' (CCIM SPEAKER SERIES ZOOM WEBINAR: REGIONAL ECONOMIC UPDATE: A LOOK AHEAD AT 2021 - NOV 11, CBA FORUM NOV 13), 'FEATURED PROPERTIES' (with an aerial photo of a building), and 'MEMBER NEWS' (CONGRATULATIONS, 2020 SIOR BROKERS OF THE YEAR! with a congratulatory message and a list of winners).

CLICK THIS  
BUTTON







- Google Earth 3-D Building Images
- Site Selector Tools
- Drive Times & Radius Rings
- Retailers
- Demographics





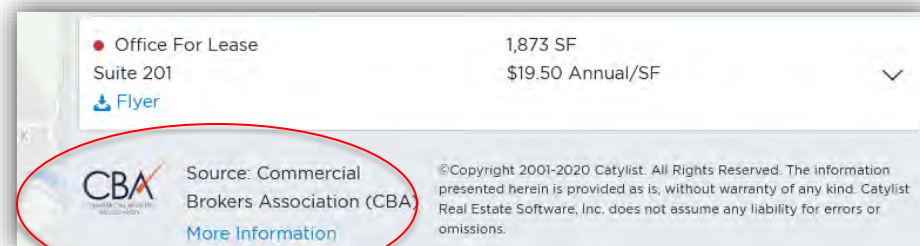
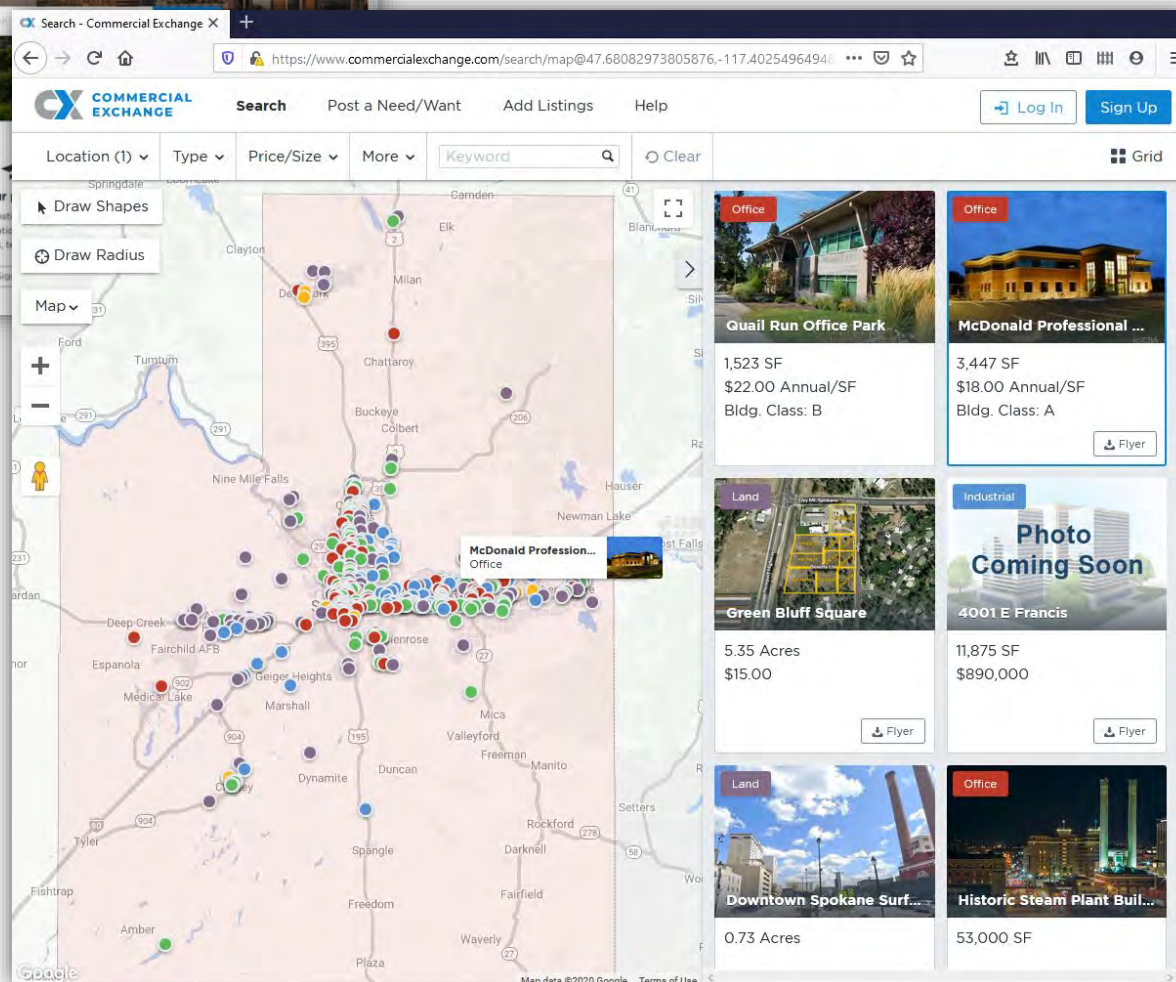
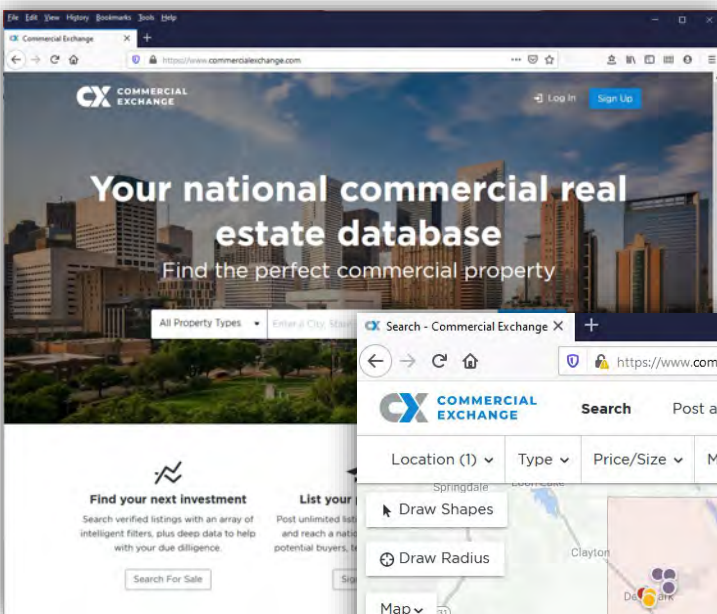
## CommercialExchange.com:

- 147,000 unique users per month
- 10.2% increase in traffic monthly
- Roughly 125,000 new users per month
- 188,000 sessions per month
- 1.52 million page views per month

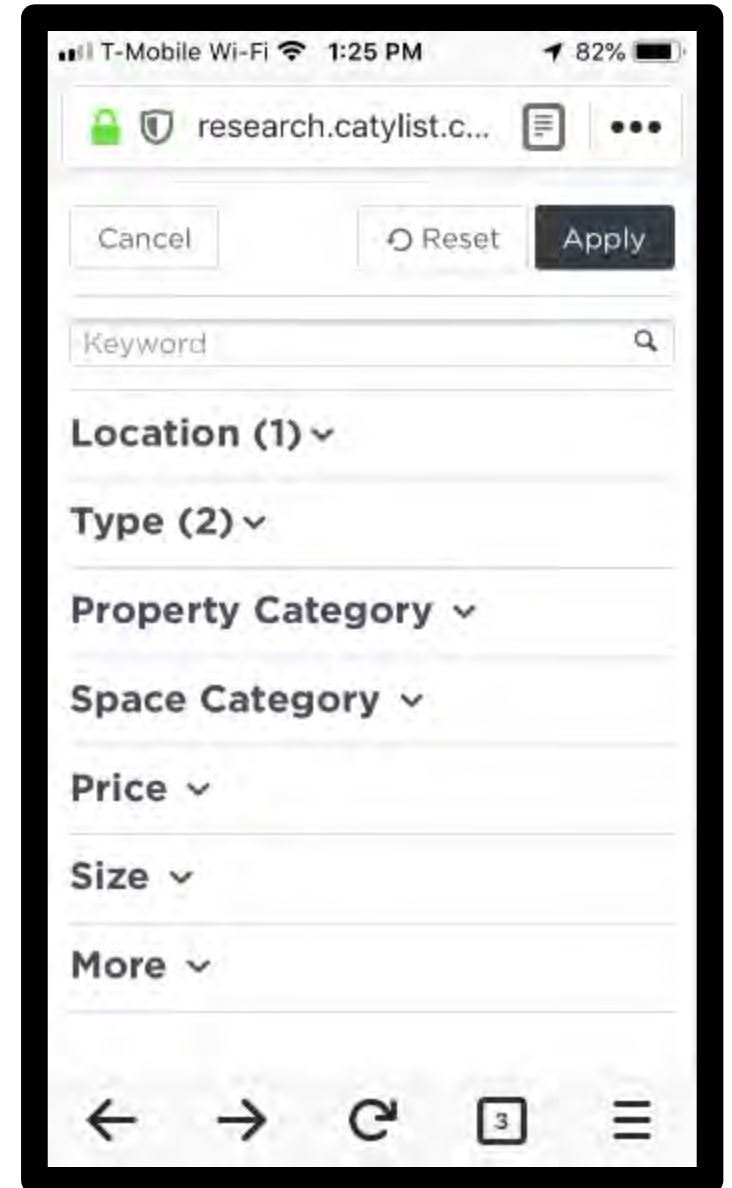
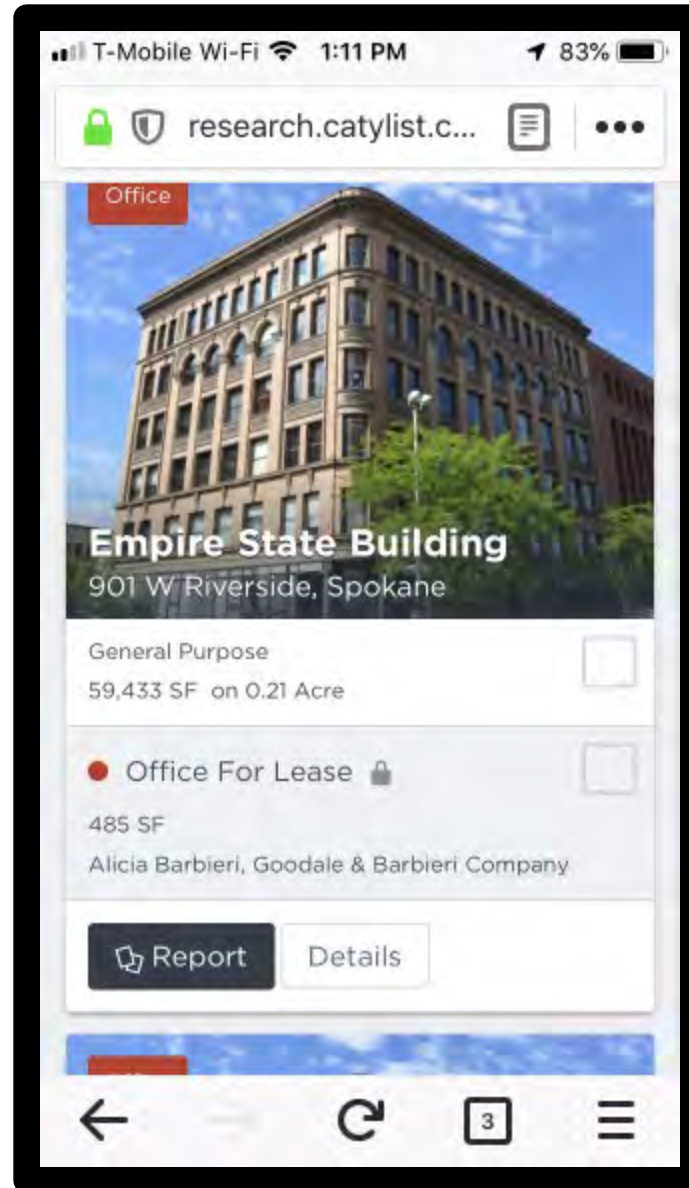
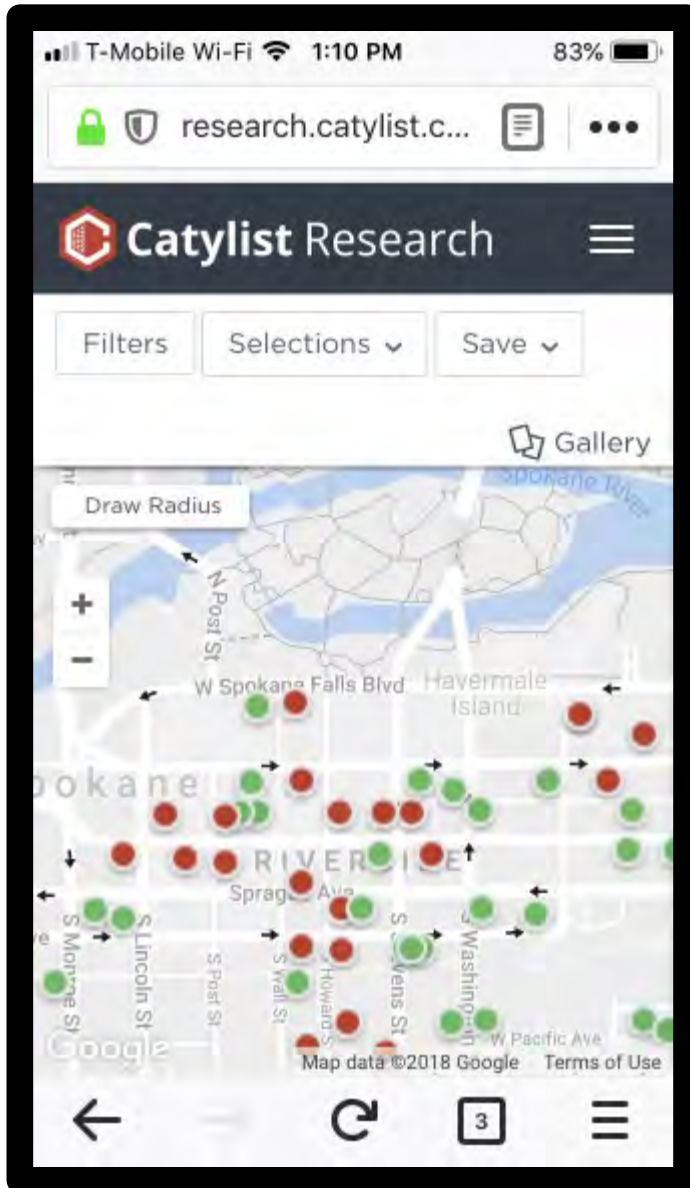
## **Catylist National Network, including Commercial Exchange:**

- 157,000 properties
- 279,000 spaces
- 458,000 unique users per month
- 823,000 sessions per month
- 5.4 million page views

**Includes Broker Contacts & ALWAYS SOURCED by CBA**



# Mobile Friendly



- ✓ Phase II: Data Management & Editing (2021)
- ✓ Phase III: Business Opportunities & Apartment CMAs (TBD)



# Moody's

## Moody's Acquires Catylist



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### Moody's Acquires Catylist, Inc., Advancing its Commercial Real Estate Capabilities

January 04, 2021 08:00 AM Eastern Standard Time

NEW YORK--(BUSINESS WIRE)--Moody's Corporation (NYSE:MCO) announced today that it has acquired Catylist, Inc., a provider of commercial real estate (CRE) solutions for brokers. The acquisition advances Moody's Analytics (MA) CRE platform, substantially enhancing its coverage of property-level data and expanding its range of analytical solutions to the broker market.

"The acquisition of Catylist complements Moody's analytical capabilities and augments our growing suite of CRE tools that integrate rich and relevant data with powerful analytics. We look forward to continuing to invest and enhance our CRE capabilities to help our customers make better decisions."

Tweet this

"Catylist offers deep insights into CRE markets through its impressive scope and coverage, intuitive user interface, and innovative research services for brokers," said Stephen Tulenko, President of Moody's Analytics. "The acquisition of Catylist complements Moody's analytical capabilities and augments our growing suite of CRE tools that integrate rich and relevant data with powerful analytics. We look forward to continuing to invest and enhance our CRE capabilities to help our customers make better decisions."

Catylist's innovative platform provides CRE brokers with a comprehensive suite of data, analytical tools and verified property listing information. Combined with Moody's existing CRE capabilities, Catylist's powerful proprietary tools, research, and market information enable customers to analyze inventory, pricing, and vacancy trends.

"Moody's is widely recognized for excellence in data and analytics, and their evolving commercial real estate capabilities have made them a trusted name in the industry," said Ronald D. Marten, CCIM, the Founder, President and CEO of Catylist. "We're excited to continue growing our business and to serving the evolving needs of the sector as part of a dynamic company like Moody's."

The acquisition builds on Moody's 2018 purchase of Reis, Inc., a leading CRE data and analytics provider. Catylist's data, including information sourced directly from brokers, will further inform and enhance Moody's extensive and growing network of CRE products and services.

- ✓ Nothing changes in short run
- ✓ Long run, this is very good for CBA and our members
  - ✓ Integration of tenant and property data could be extraordinary for CBA members!
- ✓ 82% of CRE loans are underwritten using Moody's information
- ✓ Moody's CRE prop tech stack also includes:
  - ✓ CompStak and REIS

- 1. Data:** Provide more and better data in the commercial real estate markets we serve based upon the members' wants and needs.
- 2. Technology:** Improve technology offerings and members user experience, including Legal Library PRO and the CBA website, through licensing/strategic partnerships (preferred) or proprietary development of applications/tools
- 3. Education:** Upgrade the Education platform and professional development offered by including online class offerings, proprietary content to complement existing class offerings, and developing a scholarship or education foundation for members
- 4. Growth:** Grow levels of broker members, and target additional CRE industry segments to grow affiliate (non-broker) members, passive income, and association management services clients
- 5. Member Needs:** In order to meet our members' needs by improving existing programs and successfully launching new initiatives, CBA will focus on gaining a better understanding of its members, including demographics, profiles, wants and needs through increased direct engagement, system usage/behaviors, fact finding, and analysis (surveys, focus groups, interviews)
- 6. Infrastructure:** Improve and evolve the organizational foundation, infrastructure systems, and outsourced professional services to best support our Mission, Vision, and Strategic Goals

- ✓ **CBA's Board** acknowledges there is a disparity in the CRE brokerage industry
  - ✓ 94% white; 88% male (30 largest CRE firms in WA)
- ✓ CBA working with CEO's and boards of state's largest real estate organizations
  - ✓ Developing Education & Awareness Programs and Resources for Firms & Members
    - ✓ Leaders, Management, Brokers, Staff
  - ✓ Promote the industry and careers in real estate
- ✓ Because we believe a more diverse brokerage industry will be good for business
  - ✓ People of color, gender, ethnicity, or sexual orientation



# Government Affairs & Political Advocacy

## CBA & our Partners:

*Advocate & lobby for the benefit and well being of  
commercial real estate brokers and their clients*

*What other CRE information providers and data services are  
doing this? **NONE***

## ✓ **Capital Gains Tax Exclusion of ALL Real Estate**

- ✓ ALL real estate, including Commercial, excluded from current legislation
- ✓ WSCAR/WR have led the efforts with leadership in Olympia
- ✓ Nothing is final. Negotiations & Amendments continue. Cannot declare victory yet!

## ✓ **Rent Controls Post COVID emergency**

- ✓ So far, NOT out of committee
- ✓ Concern could be added as an amendment to another bill

## ✓ **Just Cause Evictions/Stricter Landlord Obligations**

- ✓ Monitoring CLOSELY

## ✓ **Condo Development Reform – Easing restrictions on 10 units or less**

- ✓ Treats developments similar to SFH, helps multifamily and helps address housing shortage
- ✓ Currently moving through committees





- ✓ CBA manages & administers local chapters of these associations





**Thank you!**

**We appreciate your  
Membership & Support!**