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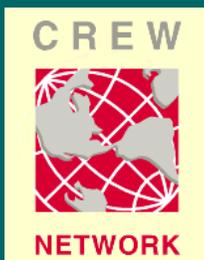
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Member
Organization
of the
Commercial
Real Estate
Women
Network

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Defining the Landscape of a World Class Hotel

On May 24, 2005, The Real Estate Exchange presented defining the Landscape, Feasibility, Design, Branding, Operations and the Future of a World Class Hotel.



Bobsie Ness
file photo

Moderated by **Bobsie Ness**, General Manager and Chief Operating Officer of Marriott ExecuStay, the program attracted over 60 people to

The Hartford Club. A panel of four speakers discussed various aspects of hotel development and operations.

Brian Davis, Practice Director, Hospitality Design and Principal, Jeter, Cook & Jepson Architects, Inc. discussed design elements associated with the gaming, hospitality and resort industry and the impact of market demand upon design and product offerings. His recent work has included the design of the Seneca Niagara Casino in Niagara Falls, New York, and the Blue Lake Casino in Humboldt County, California.

Terry Bickhardt, President of Hotel Operations and Marketing,

The Waterford Hotel Group, presented information concerning Hartford Marriott Downtown, the official anchor hotel for the Connecticut Convention Center development. He reviewed bookings versus projections for initial operations at the Convention Center and the impact of branding decisions on various hotel projects.

Don Minkler, President of Potomac Hospitality Services, Inc. discussed the market for extended stay apartment style lodging in Hartford and Springfield. He discussed the power of branding in the search for customers and his experience with Marriott ExecuStay. The long-term corporate housing business has increased at a much faster rate than other Hotel brands for business travelers as well as for recreational guests.

Russ Abell, General Manager, Hilton Hotel, stressed the importance of staffing and operational competence. Mr. Abell spoke of the impacts of restaurants on overall hotel performance. He reports that the Landmark Central Business District Hotel is extremely busy and has been received quite well by the community. The new interior and additional modifications have made it a much more desirable location for guests and business functions.



President's Column



Jeanneen Griffin, President

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Summer is finally here and for members of The Real Estate Exchange that means a hiatus from meetings and public forums, but it doesn't mean the networking opportunities have to stop.

I know many of you were able to join us in Essex on June 16th for our Annual Summer Social. For those of you who couldn't make it this year – WE MISSED YOU! What a great summer kick-off.

Many members took advantage of the boating and golf activities during the afternoon capped off by cocktails and dinner at the Essex Yacht Club. What could be better than to catch up with fellow members and enjoy some time away from work! Thanks to Bert Kaplowitz, our Past President, you should have already received your invitation to the July 19th Theater Works production of "Ella. . . Off the Record". Enjoy a great evening at the theatre preceded by cocktails and dinner at Pastis in Hartford.

And don't miss out on the weekly

A FEW MORE HANDS ARE NEEDED!

Hartford Habitat for Humanity Women's Build 2005

When: Sat. August 20th
Where: Waverly Street, Hartford
Who: Able bodied volunteers
Contact: Elaine Richardson
 860-621-8414

cocktail hours. The REX Rising Stars/Professional Development Committee is hosting a series of weekly after work gatherings at some of Hartford's best nightspots. Get to know fellow members, Rising Stars and prospective members in a fun and relaxed environment. For more information on these and all of our upcoming events, check out our website www.rexchange.org.

Happy networking and enjoy the summer!

Scenes from the Summer Social at The Essex Yacht Club



Melissa Pasquale, Pam Torsiello Marilyn Stoudt, Maura Cochran, and Linda Spevacek enjoy the fresh river air.



Bob McDuff, Debbie Barrett, Beth Judd, Jennifer Rancourt, and Kathy Taylor enjoy a ride on the Connecticut River.



National Network News

Susan Orr, National Network Delegate for The Real Estate Exchange

Upcoming Events CREW

Sept 28—Oct. 1
2005 Annual Convention
Seattle, WA

Feb. 2-3, 2006
Winter Conference Austin

June 9-10, 2006
Spring Conference, Charlotte

Oct. 18-21, 2006
Annual Convention
Atlanta

Looking Ahead Real Estate Exchange

July 19
Summer Dinner/Theater
Ella...Off the Record

For more information,
and to register:
visit our website
www.rexchange.org

CREW Network Delegates attended the **2005 Spring Meeting** held June 9-10 in Pittsburgh, PA, seizing the opportunity to weigh-in on important initiatives being launched by CREW to advance the success of women in commercial real estate. Susan Orr attended on behalf of The Real Estate Exchange. She found the Spring Meeting to be "full of good ideas for improving our chapter of CREW, and a great networking opportunity."

Among the initiatives discussed included CREW's commitment to becoming the definitive resource for information on women in commercial real estate. To that end, delegates were asked to encourage chapter members to participate in CREW's current study of the achievements and status of women in the industry. The first phase of this study, an online survey, was released to the field June 14.

CREW Network presented an update on its newly formed University Outreach Task Force, which is charged with evaluating ideas to ensure that an increasing number of women are entering the commercial real estate industry. To date, the task force has surveyed CREW members to identify various best practices and ideas for CREW-branded programs. Survey respondents indicated a high interest in pursuing the following opportunities:

- ◆ Facilitating mentoring between students and industry professionals
- ◆ Developing opportunities for CREW members to become guest lecturers
- ◆ Facilitating internships.

The task force is currently researching each of these possible opportunities.

Delegates also heard a report from the Convention Enhancement Task Force, which is working to raise the stature of the Convention, more closely align the event to achieve CREW's current goals, identify unique opportunities for attendees and sponsors to advance their business interests, and increase the value of speaking at and attending the Convention to increase participation at both levels.

Task Force recommendations include focusing on what the CREW Network Convention is uniquely positioned to deliver, strengthening program content, creating more meaningful opportunities for attendees to do business together, creating special venues to attract more accomplished members and industry leaders (regardless of gender), and re-branding the Convention with a name that communicates the unique nature of the event.

CREW Network President Ginger Bryant talked with Delegates about the importance of selling the CREW Network vision, offering presentation materials that can be tailored to fit any chapter audience. The presentation, which can be accessed through the Chapter Resources section of the CREW Network web site, addresses CREW's current goals, initiatives and member participation opportunities.

Also during the 2005 Spring Meeting, CREW announced the approval of its 57th chapter, East Bay CREW, serving the counties comprising the East Bay of the San Francisco Bay Area.



2005
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 New Boston Fund
 People's Bank
 Pepe & Hazard
 Turner Construction

BOARDROOM

Aetna
 Avalon Bay Community
 CERCTM Site Finder
 CIGNA Realty Investors
 Colliers Dow & Condon
 CORT Business Services Corporation
 Cushman & Wakefield
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 Hart Advisers, Inc.
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Identify Your Identity

Or, How to Show up Bigger and Better Tomorrow Than You Did Today

The following contains excerpts from the May Professional Development workshop conducted by Linda Spevacek:

Identity is defined as “the condition of being the same as something described or asserted”. We think of our identity as unique, but by definition it is really a combination of limiting conditions. Sometimes by limiting ourselves to the labels and descriptions that we accept for ourselves, we cut ourselves off from other ways of being that we might prefer, or might serve us better.

Many of the labels we accept for ourselves are Roles. Roles are noun labels that define us in context with other people: Professional, Wife/Husband, Parent, Cook, Team Player. These terms can be positive or negative: Jerk, Deadbeat and Idiot are also role labels! Character labels describe personality or behaviors: Kind, Funny, Assertive, Open. There are also negative character labels such as Prejudiced and Insincere.

Who Defines Us?

We acquire our identity over a lifetime, taking on attributes ascribed to us by parents, teachers, siblings, peers and even strangers. We are flattered by complimentary labels like being told that we are a good student or terrific dancer or fabulous cook. We are haunted by critical labels like being called lazy or impractical. Sometimes even the best intentioned friend or parent or boss may cause us to unwittingly take on a label that ultimately may not be true, but sticks to us like glue simply because of who gave it to us. When your boss said you needed to be a more aggressive negotiator, did you suddenly doubt your negotiating ability in its entirety? Did you take on a little piece of the labels of “weak” or “timid”? Or did you perhaps head in the other direction and try to take on “tough” and “persistent” because you thought that was what the boss wanted?

You Have to Agree

The only person truly in charge of your identity, your self-labeling, is you. Some-

times, though, we have been living with our labels (mostly prescribed by others) for so long, that we forget to examine them closely to see if we still want to wear them. By limiting ourselves to the labels that we have accepted, we have cut ourselves off from being or doing something else.

From experience, we know that not everything we read or see in print is the truth. Why then, do we forget to challenge our definitions of ourselves for the truth as well? Our thoughts about who we are, what we are good at, and what are shortcomings are, create a complete identity that we live with but may not reflect who we truly are.

Thoughts are never neutral. They either propel you forward or hold you back. You are a weak negotiator only if you agree that you are.

Wear a New Cloak

Showing up differently tomorrow is truly as simple as wearing a new cloak made of different labels than you wore today. Just like cleaning your closet after getting your colors done, throw out the labels that no longer suit you and try on new ones until you find some that serve you better. Back to our example with the boss, being aggressive if it does not suit you will not make you an effective negotiator. Instead of “aggressive”, try on “convincing” or “problem-solving” as your chosen labels. If one of them fits you better, it will probably win you more successful closings than being aggressive ever would, anyway. You can now throw out “weak” and “timid” as well.

Show and Tell

Once you discover your new labels, show up wearing them regularly. You just may find that the people who define you are using new terminology about you as well, because they see you in a new light. When your boss says, “You are a convincing negotiator”, make sure you let her know that you agree!

Linda Spevacek is a certified executive and leadership coach. Contact her at linda@avisigroup.com for more information.



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Exchange Happenings

Members in Motion

Melissa Pasquale made her successful debut as a public speaker at the Fourth Annual CERC Site Finder Showcase, June 21, 2005. Her topic was "CERC Sitefinder and Economic Demographic Data and Information, Overview and Demonstration."

Sharon Craig has accepted the position of Manager of the Avon and Simsbury offices of William Pitt Southeby's International Realty. Contact information effective August 2005:
Address: One Massaco Place,
Simsbury, CT 06070;
Phone: 860.651.1880 (Simsbury);
860.74.9400 (Avon)
Email: scraig@williampittsir.com

BAM! Rising Stars are Kicking It Up a Notch!

Summer Happy Hours are back!

Join us every other Thursday around 5:30 at these local Hartford **HOT** Spots:

- 6/2 McKinnon's
- 6/16 Pigs Eye
- 6/30 Pump House
- 7/14 Agave
- 7/29 Riverboat Cruise (Friday)
- 8/11 Mad Dawgs
- 8/25 Vaughn's

Bring your friends, the more the merrier!

Please Join The Rising Stars/Real Estate Exchange Professional Development for Summer Golf Clinics at Gillette Ridge Golf Club in Bloomfield

Participants will play 2 or 3 holes with a ratio of 5 people per instructor (all levels welcome!)

6-7pm

June 14th, June 28th, July 12th, and July 16th

\$20 per lesson or \$75 for all four nights

RSVP by June 8th to Melissa Pasquale
mpasquale@cerc.com or 860.571.6212

We will meet at the Clubhouse by 5:45pm.
Please see www.GilletteRidgeGolf.com for directions!



Save The Date!

The Summer Clinics will culminate with a 9-hole Tournament and reception on August 9th - Open to All who wish to attend

\$40 per person including a cart, plus food



Consider a Like-Kind Exchange as a Tax-Advantaged Method of Acquiring Property

By Brian Newman, CPA, Kostin, Ruffkess & Company LLC

A Word From Our Sponsors

In appreciation of our sponsors, The Real Estate Exchange makes this column available to sponsor organizations that wish to submit real estate related articles and information.

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As the real estate market has heated up over the last few years, property owners are looking for ways to dispose of and acquire property in the most tax efficient manner. While it is important not to let the tax ramifications cloud the business deal, a like-kind exchange could be the homerun that you have been looking for. A like-kind exchange allows a taxpayer to defer gain that would otherwise be due on the sale of property if the taxpayer “exchanges” his property for “like-kind” property. The purpose of this article is to provide a broad overview of the like-kind exchange rules with respect to real estate. As with any complex transaction, you should consult a qualified tax advisor so that advice can be obtained based on the specifics of your transaction.

Since Section 1031 of the Internal Revenue Code outlines the law involving a like-kind exchange, these exchanges are also known as “1031 exchanges”. The key to a successful exchange is to meet several stringent requirements. Care should be exercised to make sure that the 1031 exchange rules are followed to the letter of the law.

Terminology:

In the area of 1031 exchanges, we are lucky enough to have Federal Tax Regulations with defined terms. The party seeking to obtain tax deferral in an exchange is known as the “taxpayer”. In the real estate industry the taxpayer is referred to as the exchanger. The property that the taxpayer seeks to dispose of is the relinquished property. The property that the taxpayer seeks to acquire is the replacement property. The purchaser of the relinquished property is referred to as the buyer. The seller of the replacement property is referred to as the seller.

Types of Exchanges:

The biggest misconception regarding 1031 exchanges is that there must be two parties that want each other’s property. This is simply not the case. There are two basic types of 1031 exchanges.

The first is a direct exchange between two parties. See Exhibit I for a diagram of a direct exchange. The second type of exchange is a deferred exchange where an unrelated third party, commonly referred to as a “qualified intermediary”, is involved (Exhibit II).

Requirements:

Property Held for Productive Use in a Trade or Business or Investment: Both the relinquished and acquired properties must be held by the taxpayer for investment or for productive use in a trade or business. In the Section 1031 context, “held for productive use in a trade or business” and “held for investment” are not defined in the Internal Revenue Code or the Regulations. Whether the property is held for the proper purpose is based on facts and circumstances. The taxpayer bears the burden of proof on this issue.

Like-Kind Requirement: Both the relinquished and acquired properties must be like-kind property. Real property is not like-kind to personal property. Whether property is real or personal is generally determined under state law. Determination of like-kind property with respect to real estate focuses on the nature or the character of the property and not its grade or quality. The fact that real estate is improved or unimproved is immaterial, for that fact relates only to the grade or quality of the property, and not to its kind or class. The following types of property are specifically prohibited from being exchanged:

- ◆ Stock in trade or other property held primarily for sale;
- ◆ Stocks, bonds, or notes;
- ◆ Other securities or evidences of indebtedness or interest;
- ◆ Interests in a partnership;
- ◆ Certificates of trust or beneficial interests; or
- ◆ Choses in action

The Same Taxpayer and Timing Requirement: Although it is not

Continued on Page 7



An Overview of the Office Space Market in Hartford

By James "Jim" Stanulis, SIOR, Principal, Colliers Dow & Condon

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Within the 800 square miles of Hartford County, there are 29 Towns housing over 1090 buildings containing approximately 48M SF of office and flex space. While we track the entire 1100+ building inventory, for professional market reporting purposes, we report only on 366+/- non-owner occupied, non-medical nor State owned or leased buildings in excess of 10,000 SF.

Within the 366+/- buildings, there are approximately 23.9M SF. Q2 2005 vacancy reports indicate an overall vacancy rate of 19.73%. We anticipate Q3 2005 vacancy and rents will decrease slightly. The Greater Hartford office market is broken down into five sectors: the North, South, East and West suburbs and the CBD (Central Business District- All Hartford addresses). The four suburbs collectively have nearly 13.8M SF while the CBD has just over 10.1M SF. Towns in the suburbs with significant office development are Windsor to the North; Rocky Hill to the South; East Hartford and Glastonbury to the East; and Farmington to the West.

Summary of 2004

Although Q4 2004 results posted marginally better than Q3's, we are

pleased to report they were one to two basis points lower than year-end 2003. All market sectors (CBD and Suburban) showed occupancy improvement. The sublease market is still around 500,000 or 10.7% of available space.

Outlook for 2005

So far into 2005 we have experienced a relatively flat level of leasing activity with more predicted for Q3. We estimate roughly 150,000 SF have been absorbed year-to-date, most in the CBD while the "burbs" have given back some space to the totals.

The CBD, East and South Sectors have improved vacancy over Q1 numbers while North and West Sectors have slipped slightly in then last 90 days. We project lease rates will hold to fall off slightly as we continue through the year.

The market "heat" is found in investment property sales where substantial capital continues to chase limited product. Colliers International suggests that lower, long-term interest rates are proving to be a powerful tonic, both on the debt and equity side. Lower rates reduce debt capital, returns get lowered and that pushes capitalization rates lower.

Like-Kind Exchanges continued from Page 6

explicitly stated in Section 1031, the same taxpayer that disposed of the relinquished property must acquire the replacement property. One notable exception to the same taxpayer requirement is that the taxpayer may wish to establish a single member limited liability company ("SMLLC") to acquire the replacement property. As long as the taxpayer elects to treat the SMLLC as a disregarded entity for federal income tax purposes, the IRS will allow the SMLLC to acquire the replacement property. Furthermore, the replacement property must be identified within 45 days of the date on which the taxpayer transfers the relinquished property in

the exchange and received within 180 days after the date on which the taxpayer transfers the relinquished property in the exchange.

A general rule in order to achieve complete tax deferral on the 1031 exchange is that the taxpayer's equity and value in the replacement property must equal or exceed the equity and value in the relinquished property.

This is a very brief overview of a very complex area of tax law. When contemplating a tax deferred exchange, it is imperative to review your specific facts and circumstances with a knowledgeable advisor to take maximum advantage of these rules.