



COMMERCIAL BROKER QUARTERLY

WINTER

2008

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The official newsletter of the Greater Washington Commercial Association of REALTORS®

GWCAR INSTALLS 2008 OFFICERS

On December 6, 2007, the officers and directors for the Greater Washington Commercial Area REALTORS® were installed into their positions. The event took place at the National Association of REALTORS® building in downtown DC. Incoming President Thomas Fulcher, Studley, highlighted the following goals for 2008:

- Continue working to serve our current members while raising the profile of the association by making our programs and services relevant to everyone in the industry.
- Focus on education, creating classes and events that will help raise the level of performance.
- Increase sponsorship of GWCAR by looking to architects, contractors, and others with whom we work in the industry.

- Grow our community involvement through charitable giving and highlighting our beneficiary organizations.
- Play an active role in all three jurisdictions to ensure a healthy environment for commercial real estate.



Treasurer Susan Pepper stands by as Tom Fulcher is installed by the Maryland Association of REALTORS® CEO, Mary Antoun.

MARKET WRAP-UP Q4

YEAR END SURGE POINTS TO ENCOURAGING 2008

Courtesy of Grubb & Ellis

The Washington, DC metropolitan region, totaling 278 million square feet, ended the year with over 1.4 million square feet of net absorption in the fourth quarter, bringing the cumulative annual absorption to 4.5 million square feet. The metropolitan area's strengths remain the presence of the federal government, job growth, which totaled 47,000 new jobs across the region, a surging delivery pipeline, low vacancy rates and rising rents across all building Classes. The Northern Virginia market led the region's quarterly growth with 856,447 square feet of net absorption, finishing the year with over 2.5 million square feet of net absorption. The District of Columbia witnessed

another year of growth, posting 1.7 million square feet of annual net absorption. Suburban Maryland also absorbed 274,769 square feet, bringing year to date absorption into positive numbers for the year. Vacancy declined to 10.7%, a marked improvement from 11.6% at year-end 2006.

2007 presented unique opportunities and challenges for commercial real estate. Despite rising uncertainty about the state of the economy, the Washington, DC region experienced growth across most key market indicators, and while not growing at the same torrid pace of the past two years, maintained its position as one of the best performing and

continued on page 4

Quote of the Quarter

2007 presented unique opportunities and challenges for commercial real estate.

— from this issue's Market Wrap-Up

A publication of the
Greater Washington Commercial
Association of REALTORS®

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■ **Terrorism Insurance** - The commercial real estate market and the health of the nation's economy as a whole will benefit from the reauthorization of the federal government's terrorism risk insurance program, which President George W. Bush signed into law December 26. The National Association of REALTORS® has long advocated for passage of the Terrorism Risk Insurance Revision Extension Act to maintain a strong commercial market.

The terrorism insurance program, initiated after the September 11, 2001, terrorist attacks, has helped stabilize the commercial real estate industry. The new law will extend the program for seven years, covers both foreign and domestic acts of terrorism, retains the trigger level at \$100 million of damages at which point federal assistance kicks in, and establishes a blue ribbon commission tasked with recommending a long-term private market solution.

■ **National Market** - The fundamentals in commercial real estate remain healthy with only slight increases in vacancy rates expected for the office and industrial sectors during 2008, although credit restrictions have recently slowed overall investment activity, according to the latest Commercial Real Estate Outlook of the National Association of REALTORS®. A record \$325.0 billion was invested in commercial real estate in the first 10 months of 2007, up from \$325 billion for all of 2006; that total does not include transactions valued at less than \$5 million or investments in the hospitality sector, based on analysis of data from Real Capital Analytics.

■ **The National Association of REALTORS®** registered its support for the Securities and Exchange Commission's actions to quickly approve NAR's request for an exemption from securities broker/dealer registration. The exemption would allow commercial real estate professionals to provide real estate services to buyers during their consideration and purchase of Tenants-in-Common securities. NAR asked the SEC to approve the exemption to clarify the extent to which commercial real estate professionals may provide real estate assistance to buyers in connection with TIC transactions and receive payment for the services provided. Under the Paperwork Reduction Act, the SEC has published NAR's exemption request for comment by interested parties.

ALL SIGNS POINT TO...

Sales | Leasing

District of Columbia

Sales | Leasing

Suburban Maryland

Sales | Leasing

Northern Virginia

For complete details, please turn to page 1 for our quarterly market wrap-up.

The Greater Washington Commercial Association of REALTORS® is a professional trade association representing more than 550 commercial real estate practitioners.

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Letter from the President



Thomas M. Fulcher, Jr.

It's a new year and there's a lot to look forward to at GWCAR.

In addition to the wonderful programs and events you've come to expect from your association, we have some new ideas that we'll be rolling out as the year progresses that we hope will make the association a more valuable resource for our membership.

Completing the education requirements you needed to renew a license is often seen as a chore by most commercial brokers. So much of the subject matter has a residential focus that doesn't translate well to the world of commercial real estate. Coming soon will be the launch of a series of classes, Best Practices in Commercial Leasing, which will focus on topics of interest specifically for commercial brokers. The five-course program, which will be held in DC, Maryland, and Virginia, will offer the perspectives of the tenant broker, the landlord broker, the real estate attorney, the interiors architect, and the project manager. We are in the process of getting these classes approved for continuing education credit, and hope to get them cleared soon by the Real Estate Boards and Commissions in each of the three jurisdictions.

We are also looking to expand the Association's sponsorship revenue this year. With the consolidation of many of our loyal sponsors, our sources of non-dues revenue have declined over the years. For 2008, we have formed a new committee, headed by President-elect Chris Sowick, solely focused on soliciting and securing new sponsors for our events, classes, and publications.

Last, but certainly not least, we are forming a Senior Advisory Council of the highest-level professionals working in our local industry. This group will provide valuable insights into how our association can be better and hopefully inspire professionals of all levels of experience to join our events and become members of our association.

We have a year of some uncertainty in our market and in the overall economy ahead of us. Don't miss the first GWCAR event of 2008, State of the Market, on **February 28** with an exciting keynote speaker, Vornado president Michael Fascitelli. Hear predictions on what to expect and how our industry will change.

Mark your calendars for the other big events of the year including the Awards Dinner (**April 30**) and the Golf Tournament (**October 1**).

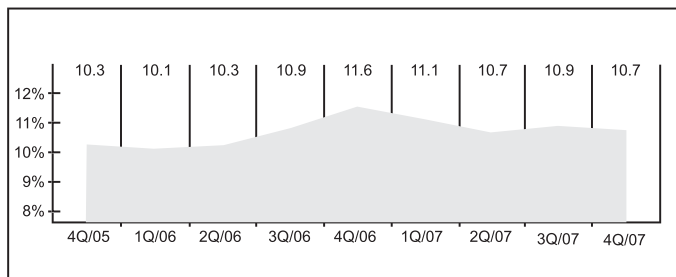
Thomas M. Fulcher, Jr.
2008 GWCAR President

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most desirable commercial real estate markets in the country.

WASHINGTON, DC

The District of Columbia's 97.4 million square foot inventory saw a flurry of activity to close the year in terms of both leasing and development. On the development side, several properties were vacated and began full renovations, leading to lower than average levels of absorption. Due to the past two years of rapid rental rate growth, many landlords have chosen to renovate buildings to Class A status in order to capture top of the market asking rates and re-tenant their holdings. The flight to quality that DC has experienced over the past three years was again apparent in the fourth quarter of 2007. The East End, which consists of a newer inventory than the CBD, benefited from the permeability that these two submarkets share, absorbing a majority of the tenants which left buildings now under renovation in the CBD. In total, the East End absorbed 521,249 square feet during fourth quarter, and 1.8 million square feet on the year, eclipsing the District total of 1.7 million square feet of absorption, as the CBD recorded 328,749 square feet of negative annual absorption. Over the course of 2007, firms such as Dewey Ballantine, DLA Piper, Cadwalader, Cooley Godward, Ernst and Young and Duane Morris represent some of the sizable tenants that migrated to the East End, many of these tenants occupied brand new buildings.



Office Vacancy Rate*
* All Classes of Space

Fourth quarter deliveries consisted of two properties totaling just under 700,000 square feet, each with significant portions preleased. Vornado's full renovation of 2101 L Street, NW delivered with

Greenberg Traurig as the lead tenant. Greenberg occupied roughly 115,000 square feet of the 373,000 square foot building. The other year-end delivery was 505 9th Street, NW, a 323,000 square foot building which was delivered 100% preleased by tenants such as the aforementioned DLA Piper and Duane Morris. Vacancy in the District, currently at 8.2%, improved dramatically when compared to the 10.5% rate posted at year-end 2006. This drop is due in part to the removal of the substantially vacant buildings undergoing renovation from the competitive inventory.

Leasing velocity in the fourth quarter was driven by large law firm activity, highlighted by Mayer Brown's prelease of the 243,000 square foot 1999 K Street, NW in its entirety and Bryan Cave's lease of 88,000 square feet at 1155 F Street, NW, both of which will deliver in 2009. The large preleases are further indication of the demand for new construction in the District.

Rental rates continue their climb, with a market wide average asking rate of \$46.78 per square foot. Class A average asking rates were \$52.37 per rentable square foot, up 7% from \$48.93 at year-end 2006.

NORTHERN VIRGINIA

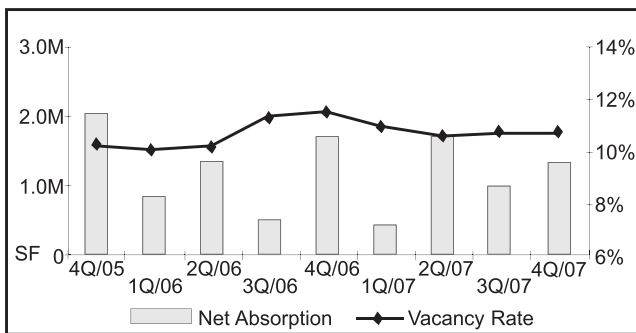
Northern Virginia closed 2007 with a strong performance, as a late surge in absorption bolstered overall market dynamics. Absorption in the fourth quarter topped 775,000 square feet, due in part to the Tysons Corner submarket where the FBI occupied 154,000 square feet at the Page Building; GSA occupied 81,000 square feet at the Culpeper Building; and SAIC renewed for 36,000 square feet at Courthouse Centre. Despite construction slated to commence in 2008 for the Metrorail to Dulles, demand has not waned in Tysons Corner, underlined by strong rental rate growth. In the fourth quarter of 2007, Tysons Corner had an average asking rate of \$36.57 per square foot for Class A space, up from \$36.07 in the third quarter. New buildings in the best locations will continue to command strong rental rates. Asking rental rates at two prime buildings currently under construction in Tysons Corner, Park Place II and Towers Crescent, are \$45.00 and \$52.00 per square foot, respectively.

The 123 million square foot Northern Virginia

MARKET WRAP-UP — FOURTH QUARTER 2007

market absorbed 2.5 million square feet for the year, and had a vacancy rate of 12.3%, down from year-end 2006's mark of 13.1%. 3.3 million square feet delivered in 2007; during fourth quarter alone, 884,000 square feet were delivered.

Northern Virginia is trending towards a tenant-driven market in some submarkets, with owners offering larger leasing concessions to attract tenants. Overall, economic indicators remained strong for the market, as 42,000 jobs were created in 2007 and another 47,000 new jobs are expected in 2008. Industries of strength in the fourth quarter continued to be defense contractors, due to federal spending, and law firms, capitalizing on 2007's boom in mergers and acquisitions.



**Net Absorption vs. Vacancy
DC Metro**

On the traffic front, the \$2.4 billion Wilson Bridge replacement is in its final stages with the second span of the 12 lane bridge expected to open in the second quarter of 2008. High Occupancy Toll Lanes (HOT) construction will begin in early 2008, and will encompass a 14-mile segment of the Capital Beltway from Springfield to the Maryland border.

SUBURBAN MARYLAND

Despite some softening, the Suburban Maryland office market's overall performance was stable in the fourth quarter of 2007. New deliveries, leasing, and speculative construction continued at a steady clip. Net absorption for the quarter was 274,769 square feet, up from 95,768 square feet one quarter ago.

Montgomery County

At year-end, the 58.2 million square foot Suburban Maryland market recorded an overall vacancy rate of

11.8%, a slight improvement from the third quarter. The North Rockville submarket had the quarter's largest positive net absorption number at 165,965 square feet; more than one-third of this occurred when AARP occupied over 58,000 square feet at 15 West Gude Drive. Nearly 290,000 square feet were delivered in the fourth quarter. As some of this space came online with significant preleasing activity, the market's overall vacancy rate was virtually unchanged at 11.8%, compared to 11.9% last quarter. Suburban Maryland's rental rates also fared well in the fourth quarter of 2007. The overall average asking rate rose \$.66 over last quarter to \$27.80 per square foot. The fourth quarter Class A rate was \$30.12 per square foot, up from \$29.46 in the third quarter, and the average rate for Class B space increased over the last three months from \$26.32 to \$26.58 per square foot.

Bethesda remained the tightest submarket in Montgomery County in the fourth quarter of 2007, with an overall vacancy rate of 8.5% and a Class A vacancy rate of 6.7%; each of these rates represents a less-than-one-percent increase over last quarter. The submarket's 51,442 square feet of negative absorption for the quarter was a result of several smaller tenants moving out and does not reflect a large tenant contraction; year-to-date net absorption stands at a healthy 263,647 square feet. Further stimulated by little available existing or new space, overall average rents and Class A rates rose to \$34.67 and \$40.33 per square foot, respectively. Bethesda's Class A prices are \$5.62 per square foot above those of the second highest submarket, North Bethesda, where Class A space averaged \$34.71 per square foot in the fourth quarter.

Several large leases defined the market's leasing activity for the fourth quarter. For the second quarter in a row, Prince George's County recorded the largest lease, with Comcast taking over 92,000 square feet at 1301 McCormick Drive in Largo. SGT also signed for approximately 41,500 square feet at 7515 Mission Drive in Lanham. In Montgomery County, JBS International committed to 50,000 square feet at 5515 Security Lane in North Bethesda, and The Travel Channel took more than 30,000 square feet at 5425 Wisconsin Avenue in Bethesda. At One Preserve Parkway in Rockville,

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MARKET WRAP-UP — FOURTH QUARTER 2007

continued from page 5

Booz Allen Hamilton preleased nearly 31,000 square feet, and Merchant-Link took 25,000 square feet at 8401 Colesville Road in Silver Spring.

Suburban Maryland's construction starts remain strong. Several buildings broke ground in the fourth quarter of 2007, adding over 1.2 million square feet to the delivery pipeline. Market watchers are keeping careful track of the level of speculative construction occurring along the I-270 Corridor. Historically, Suburban Maryland has performed consistently but modestly and Grubb and Ellis anticipates some submarkets could see their vacancy levels climb over the next year.

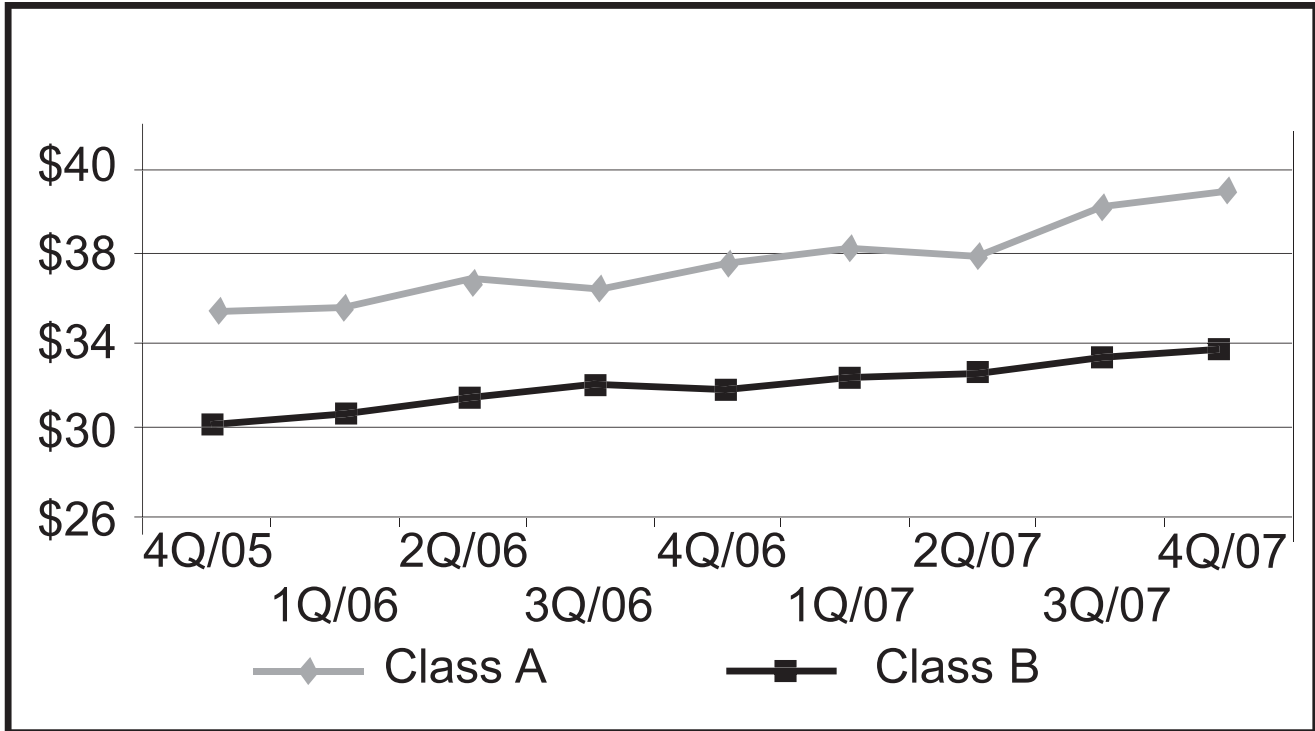
Forecast

Throughout the Washington, DC region overall rental rates are expected to level off in 2008. In 2008, expect to see both higher vacancy rates and strong leasing velocity in select submarkets with elevated

levels of speculative construction. While there has been a recent trend of relocations from the District to proximate submarkets in Arlington, there has been no appreciable increase in vacancy and the vacated space has been quickly reabsorbed.

Northern Virginia will be increasingly bifurcated in 2008 with sharp performance distinctions between close-in submarkets such as the Rosslyn-Ballston Corridor and outside the beltway submarkets. Close-in Virginia markets will see ongoing interest from District tenants who can secure a Class A building for the District's Class B prices.

In Suburban Maryland, development and tenant demand will follow north along I-270, as closer-in submarkets, such as the supply constrained Bethesda, offer few economic opportunities for tenants. In Prince George's County, access is key. Buildings that will perform best in 2008 will feature access to Metrorail or major roadways or visibility from the Capital Beltway.



Class A and B Rents
DC Metro

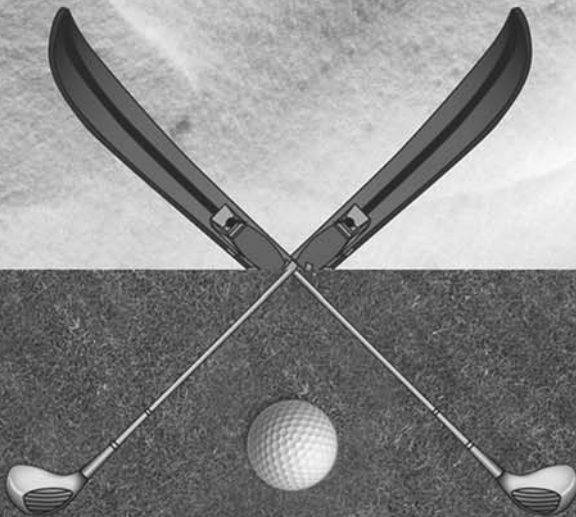
PICK YOUR STICK 2008

Make a deal with Opus East in one of the following categories and you'll join us on an all expense paid trip of your choice to either golf in Arizona or ski in Colorado.

Any build-to-suit of any size
Office lease of 10,000+ square feet
Industrial lease of 20,000+ square feet
Retail lease of 5,000+ square feet

The entire Baltimore/Washington, DC area Opus East inventory qualifies.

SKI IN COLORADO



GOLF IN ARIZONA

All leases must be executed between January 1, 2008 and December 31, 2008 and must be non-contingent. Opus East real estate staff and the listing broker for each of the qualifying projects will accompany the various trip recipients. The trips will take place in February and March of 2009 respectively. Recipients may choose to attend either the golf or the ski trip.

For more information, contact Scott Brody at scott.brody@opus-east.com

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Community Involvement Contributions in 2007

ChildHelp

February 2007

Proceeds from the 2007 State of the Market event benefited ChildHelp.

Komen National Race for the Cure

April 2007

Proceeds from the 2007 GWCAR Annual Awards Dinner benefited the Komen National Race for the Cure on behalf of Brendan McCarthy Award winner Susan Sonley.

Hokie Spirit Fund

May 2007

To remember and honor the victims of the tragic events at Virginia Tech, GWCAR made a donation to provide assistance to victims and their families.

Perry Center Community Services, Inc.

June 2007

Proceeds from the 2007 RealTOUR event benefited the Perry Center.

Ken Berkman Foundation

October 2007

A portion of the proceeds from the annual golf outing were donated to education funds for Ken Berkman's children.

Maryland Legislative Update

2007 Special Session

Governor O'Malley officially called for a special session in mid-October to address the budget shortfall. The session began on October 29 and lasted through mid-November. The proposed expansion of the sales tax to real property management services was included as part of the budget packages to address a \$1.7 billion dollar shortfall. The Maryland Association of REALTORS® held a REALTOR® rally on November 1, the same day as the hearing on the sales tax expansion bills. MAR along with all the other local boards in Maryland worked round the clock to stop the property management tax. The tax package, which was passed, did not include the Property Management Tax but extended the tax to Computer Services. The Act goes into effect on July 1, 2008 and has a sunset date June 30, 2013.

Other real estate related items:

- The Green Fund legislation passed but it is not a tax on any real property
- Maryland Resident Withholding Tax did not pass.
- Changing the residency requirements from six months to three months did not pass.
- Controlling Interest Legislation did pass

The new Income Tax that passed was not as bad as its original proposal and most Montgomery County residents will only see a ¼% increase on next year's state income tax.

Other tax changes:

- Business and Corporate taxes went up
- Vehicle Title Tax went to 6% after January 1
- Sales Tax increased to 6% after January 3

Montgomery County Public Policy Update

Montgomery County Council Passes Growth Policy – Recordation Tax Increase Goes Into Effect March 1, 2008

The County Council had their final voting session on the growth policy for 2007-2009 on Tuesday, November 13. The Council voted to increase impact taxes, impose new school and transportation adequacy tests as well as increase the recordation tax. New revenues from the recordation tax increase will go towards rental assistance programs and County Government capital projects like roads, police and fire stations, etc. Below is the final version of the recordation tax increase that was approved:

- The current law of \$6.90/\$1000 with the \$50,000 exemption (for principal residence) still applies on ALL home sales.
- Starting March 1, 2008 for a sales price above \$500,000 you will have to charge an ADDITIONAL \$3.10/\$1000 on any increment above \$500,000. So an \$800,000 sales price will be charged an additional \$3.10/\$1000 on \$300,000. The current law of \$6.90/\$1000 with the \$50,000 principal residence exemption still applies. There is a recordation tax of \$6.90/\$1000 on the total sales price with \$50,000 exemption AND then if you have a sales price above \$500,000, you will need to charge \$3.10/\$1000 on whatever amount is above \$500,000.

EXAMPLE: \$800,000 Sales price calculations

STEP 1: \$800,000 - \$50,000 exemption if principal residence = \$750,000

STEP 2: \$750,000 X \$6.90/\$1000 = \$5175 recordation tax

STEP 3: \$300,000 (increment above \$500,000) X \$3.10/\$1000 = \$930 additional recordation tax

STEP 4: Add result of step 2 and step 3 (\$5175 + \$930) = **\$6105 TOTAL Recordation Tax**

- Effective Date of \$3.10 increase would be March 1, 2008 and apply to any transaction that occurs on or after that date.

-Any settlement which occurs on or after March 1, 2008 will be subject to the new rates.

- Any settlement that occurs prior to March 1, 2008, will be subject to the old rates notwithstanding the date the deed is recorded.
- Contracts that are written prior to March 1, 2008, but go to settlement on or after March 1, 2008 are subject to the new rates.

Montgomery County Council Passes Anti-Discrimination Bill to Protect Gender Identity

On Tuesday, November 13, the Montgomery County Council passed a new anti-discrimination law that adds “gender identity” to the list of protected classes in housing and commercial real estate, employment, cable television services and taxicab service. “Gender identity” is defined as an individual’s actual or perceived gender, including a person’s gender-related appearance, expression, image, identity, or behavior, whether or not those gender-related characteristics differ from the characteristics customarily associated with the person’s assigned sex at birth.

District of Columbia

Your comments and suggestions on any of these pieces of legislation would be greatly appreciated. Contact, Ed Krauze, Vice-President, Public Policy, ekrauze@gcaar.com.

B 17-20, “Commercial Real Property Tax Credit of 2007”

This legislation takes existing residential property tax concepts and applies them to commercial property taxes. First, the language allows for an increase in the personal property taxes deductions for commercial businesses from \$50,000 to \$225,000 (similar to the residential homestead deductions). Second, the legislation creates a calculate rate mechanism for the first \$3 million in commercial property taxes. Creating a mechanism where if

commercial property taxes reach a certain set amount and percentage of the District’s budget, it will trigger a commercial property rate reduction on the first \$3 million of assessed property taxes (that could go as low as \$.90 of each \$100 of assessed value). This allows for commercial property tax relief for all those entities paying commercial property taxes while trying to focus on smaller businesses and tenants.

This bill will become effective later this year.

B17-112, “Mixed-Income Housing Amendment Act of 2006”

Legislation introduced to require the District’s Office of Property Management to secure an affordable housing requirement as part of certain disposition of real property.

<http://www.dccouncil.washington.dc.us/images/00001/20070212162159.pdf>

B17-159, “Southeast Water and Sewer Improvement Special Assessment Authorization Act of 2007”

Legislation proposed by the Mayor to authorize a special assessment on properties located in Southeast (near the new stadium) that would specifically benefit by the improvements and upgrades to the water and sewer system.

After discussion with affected property owners, the bill was revised to incorporate a cap on projects costs to be borne by private property owners and to provide the DC Government funding of 46% of total project costs. The bill passed final reading November 6.

<http://www.dccouncil.washington.dc.us/images/00001/20070405153304.pdf>

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B17-197, “Paid Sick and Safe Days Act of 2007”

Legislation to require all employers in the District of Columbia to provide a certain number days paid leave to employees for physical or mental illness, preventive medical care, family care, parental leave and absences associated with stalking, domestic violence or sexual abuse. This bill appears to be the second of its kind in the country modeled after somewhat similar sick day (but not safe day) legislation in San Francisco.

<http://www.dccouncil.washington.dc.us/images/0001/20070502095325.pdf>

B17-326, “Emergency Closure of Dangerous Business Act of 2007”

Legislation introduced that would “authorize the Chief of Police to close a licensed business for up to 96 hours if the Chief believes that continued operation of the business presents an imminent danger to the health and safety of the public.”

This legislation is causing some concern within the business community because of its broad language that would allow the police to close any business where the Chief of Police identifies a correlation between a business and illegal activities within 1,000 yards of that business.

<http://www.dccouncil.washington.dc.us/images/00001/20070801122921.pdf>

B17-451, “Downtown Retail TIF Amendment Act of 2007”

Legislation to amend the Retail Incentive Act of 2004 to clarify the type of project, which is considered an eligible project which contributes to the urban economic developmental goal of a living downtown. In particular, the legislation hopes to allow TIF

opportunities that include projects “providing a unique entertainment attraction.”

<http://www.dccouncil.washington.dc.us/images/00001/20071015141939.pdf>

B17-459, “New Convention Center Hotel Bill Omnibus Financing and Development Amendment Act of 2007”

To redefine certain terms and conditions to facilitate the development of a New Convention Center Hotel.

<http://www.dccouncil.washington.dc.us/images/00001/20071022135309.pdf>

B17-478, “Neighborhood Investment Area Act of 2007”

To amend the Neighborhood Investment Act of 2004 to expand the commercial area in the Columbia Heights target area.

<http://www.dccouncil.washington.dc.us/images/00001/20071030122837.pdf>

B17-492, “Clean and Affordable Energy Act of 2007”

Omnibus energy bill that includes amending the Green Building Act of 2006 that would require certain private buildings to measure and report their energy efficiency.

<http://www.dccouncil.washington.dc.us/images/00001/20071108120109.pdf>

B17-501, “Deed Recordation Tax Equality Act of 2007”

Legislation to amend the “District of Columbia Real Estate Deed Recordation Act” to include, within the definition of transfer of economic interest in real property, those transfers involving entities that derive less than 50% of its gross receipts from the ownership or disposition of real property in the District and those entities that hold real property in the District even if that property has a value comprising 80% or less of the

value of its entire tangible asset holdings.
<http://www.dccouncil.washington.dc.us/images/00001/20071108124538.pdf>

B17-549, “District of Columbia Possessory Tax Stabilization Act of 2007”

Legislation sponsored to provide for a stabilization in the amount of assessment and taxes payable under DC Official Code Section 47-1005.01 [Interest in Real Property Belonging to Government and International Organizations] with respect to fiscal years 2008, 2009, and 2010 by all persons or entities subjected thereto.

<http://www.dccouncil.washington.dc.us/images/00001/20071228120534.pdf>

District of Columbia Issues

DC Voting Rights – Testimony before New Hampshire State House

The day after the New Hampshire primaries, Mayor Fenty and several councilmembers traveled to the New Hampshire state capitol to testify in favor of a resolution supporting DC voting rights. The resolution criticizes New Hampshire’s two United States senators for voting against a bill to give the District a voting House seat.

http://dc.gov/mayor/pdf/showpdf.asp?pdfName=20080109_New_Hampshire_Resolution.pdf

Virginia

Commercial Property Tax Increase (Local Options)

Northern Virginia’s local jurisdictions (such as Alexandria, Arlington, Fairfax, Falls Church) continue to move forward with discussions of an increase in their commercial property tax rate. However, they appear

mindful of the changes in the real estate market and Prince William County’s decision not to increase commercial property taxes this year. Any increase in the commercial property tax could only be used for transportation initiatives.

Virginia General Assembly

Convened January 8 and is scheduled to conclude March 8. In the wake of the November elections, it is unclear how the Session will unfold with Democrats now in control the Senate by a slim majority, and Republicans still in charge of the House of Delegates (albeit by a smaller majority).

Abusive driver fees, budget shortfalls, increases in pre-kindergarten programs, and mental health issues in the wake of the Virginia Tech tragedy appear to top the list of issues in front of the General Assembly.

member spot light

Robin Burke was named Senior Vice President of KBS Realty Advisors in DC.

Ed Clark and Steve Hoffeditz have been named Senior Vice Presidents of CB Richard Ellis in McLean.

Christopher Smith was named President of the District of Columbia Building Industry Association.

SAVE THE DATES!

State of the Market – February 28

at the Capital Hilton, 16th & K St, NW, Washington, DC.

Keynote Speaker: Mike Fascitelli, President, Vornado/Charles E. Smith

Registration now online at GWCAR.org.

Awards Dinner – April 30

Application now online at GWCAR.org.

Awards applications are due March 10.

GWCAR Golf Tournament – October 1



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