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Daily Updates at www.naiopnj.org

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Earn CEUs [Register Now](#)

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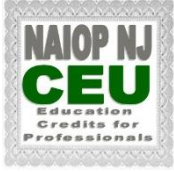
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Andrew Houston, Ed Russo, Brian Townsend and John Orrico at the January 24 Commercial Real Estate Forecast.

Master Sponsors 2012





Seminar-Earn CEUs

Mandatory LSRP Update & Roundtables with Industry Experts February 17, NJ Law Center

New Jersey's site remediation landscape changed dramatically with the passage of the Site Remediation Reform Act. Whether you are an environmental professional or a business or property owner, **March and May of 2012** will bring unprecedented and **mandatory** changes to the way site remediation is performed, and **ignorance could cost you up to \$25,000 per violation**.

Don't miss NAIOP NJ's "Mandatory LSRP Update & Roundtables with Industry Experts" at the NJ Law Center (NJ ICLE) in New Brunswick (registration begins at 7:45 AM, program begins at 8:30 AM). The program will feature a general session with some of New Jersey's top site remediation consultants: Jorge Berkowitz of Langan Engineering & Environmental Services; David Roth of Greenbaum Rowe Smith & Davis; Rich Ericsson of Cole Schotz Meisel Forman & Leonard; Sean Monaghan of Drinker Biddle & Reath; and Andrew Robins of Sills Cummis & Gross. They will discuss new issues facing those remediating sites and answer the most pressing questions:

- What happens if I take over a site which is rapidly approaching a regulatory or mandatory timeframe?
- Does the clock reset upon the takeover or does it continue to run?
- What do I look for in hiring an LSRP?
- Do I use an LSRP for performing my Due Diligence?
- What obligations does the LSRP have that could be contrary to my best interest?
- Are previously issued "No Further Action" determinations untouchable?

- What is the overall structure of the new program relative to roles and responsibilities?

After the general session, you will have the opportunity to participate in several small-group Roundtables with Industry Experts on topics including Post-Remediation Site Care, LSRP in More Detail, an Update on Insurance and Retirement & Estate Planning and more. Our Roundtable Experts will also include: George Reilly, Reilly Financial; Don Richardson, EWMA; and Gordon Duus, Mandelbaum Salsburg.

Registration at www.naiopnj.org: **Members** (must log in to access): \$85.00; **Corporate Members**: you may register yourself and any employee of your firm at the member rate of: \$85.00 by calling Kathy Iola at 732-729-9900 to access **Corporate Concierge Registration Service**; **Colleagues employed with a Member's firm** (subject to verification) \$110; Non-Members: \$145. **Students**: Call Mark Russo at 732-729-9900.

CEUs: Real Estate Brokers/Salespersons: 2 Core CE credits (pending); Engineers: 2 CPC credits (pending).

Event Sponsors: Birdsall Services Group; Sax Macy Fromm & Co., PC; T&M Associates; NJ Economic Development Authority; Greenbaum Rowe Smith & Davis; Drinker Biddle; Wilentz Goldman & Spitzer; and Langan Engineering & Environmental Services. Additional sponsorships available: please call Bonnie at 732-729-9900 to reserve yours. Media Sponsor: Real Estate Forum/GlobeSt.

Action in Trenton & Policy News

Christie Signs Critical WQMP Bill

NAIOP-backed Water Quality Management Planning legislation (S-3156 Sarlo/A-4335 Coutinho) was signed by Governor Christie on January 17. The measure extends the requirement of wastewater management planning agencies to establish or update wastewater management plans by 6 months from date of enactment, keeps existing plans in place, allows for plan amendments to continue, and gives the DEP Commissioner discretion to further extend the deadline for planning agencies by another 18 months.

The WQMP legislation will maintain sewer service areas, protect financial investments in infrastructure, uphold environmental standards and restore certainty to landowners and towns, as a comprehensive statewide approach to the treatment of wastewater is thoughtfully developed and implemented. Read the [WQMP Legislation](#) as passed.

Societal Benefits Bill Signed

On January 17, Gov. Christie signed legislation (A-2528/Chivukula, S-2344/Smith) to allow commercial and industrial ratepayers to take a credit of up to 50 percent of the Societal

Benefits Charge to offset the cost of BPU-approved energy efficient projects. [Read the bill as passed.](#)

Next Up: Permit Extension

Assembly Majority Leader Lou Greenwald has introduced legislation (A-1338) to extend the permit/approval deadline to December 31, 2014. The Senate version is S-743 (Sarlo/Oroho). NAIOP is working with the sponsors and legislative leadership to ensure this measure moves quickly. A-1338 is scheduled to be considered in the Assembly Housing & Local Government Committee on January 30.

Christie Calls for 10% Tax Cut in "State of the State" Address

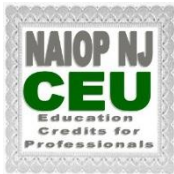
"The New Jersey comeback has begun" was the takeaway catch phrase from Governor Chris Christie's State of the State address delivered to a joint session of the Legislature on January 17. The Governor recited a list of companies that have moved to the state because "We have changed the

business environment in this state and, as a result, we are changing the jobs environment." He then called for an across-the-board 10 percent cut in the state income tax (to be phased in over three years), which Senate President Sweeney termed "another windfall for multimillionaires across the state at the expense of schools." Read the entire [State of the State Address](#).

Bramnick Assumes Republican Leader Role

Assembly Republicans chose Jon Bramnick (R-District 21) to assume the Assembly Republican Leadership position previously held by the late Alex DeCroce. An attorney by profession, Bramnick has served in the Assembly since 2003.

Did You Qualify to Attend the First Big Public Policy Event of 2012 at Half Price? If you paid your 2012 annual dues by January 15, you were emailed a special code (on January 25) to register for the March 7 Public Policy Symposium at a 50% discount! If you have any questions about your membership status, please contact Bonnie Sovinee at 732-729-9900.



Signature Event-Earn CEUs

Senate President Sweeney Confirmed for March 7 Public Policy Symposium

The New Year brings a new format for our Annual Public Policy Symposium. You've told us you want to hear more from Senate President Steve Sweeney, and this is your opportunity to hear his plans for the 215th Legislative Session and ask him questions directly. The Symposium, to be held March 7 at the East Brunswick Hilton, will also feature a Public/Private Panel Discussion on "The NJ Comeback: Attracting and Retaining Jobs and Tenants". "Business Incentives" has become a hotly debated topic in New Jersey, and our discussion will cover everything from the details of the new Grow NJ Assistance program, "net benefits" tests, the "fine print" of qualifying for programs, and engaging brokers and tenants in the process to the future of business incentives in New Jersey, financial and otherwise.

Registration/breakfast/networking begins at 7:45 AM, followed by the program at 8:30 AM: **\$60 for Members who paid their 2012 dues by January 15, 2012** (you will need

your code to get this rate: if you missed the email, call Bonnie at 732-729-9900); \$120 for **Members** who paid their dues after January 15, 2012; **Corporate Members**: you may register yourself and any employee of your firm at the member rate of: \$120 by calling Kathy Iola at 732-729-9900 to access **Corporate Concierge Registration Service**; \$135 for **Colleagues** employed with a member's firm (subject to verification). This event is not open to non-members. Join now for access to and the best price for this event! Visit www.naiopnj.org/Membership.

CEUs: This program is applying for CEUs for NJ Licensed Brokers & Salespersons.

Thank you to our Media Sponsor **Real Estate Forum/GlobeSt. Event Sponsorships Available:** Contact Bonnie Sovinee at 732-729-9900.

Gala News



And the Honorees Are...

The recipients of the 25th Annual Commercial Real Estate Awards were announced at NAIOP NJ's Annual Meeting & Commercial Real Estate Forecast on January 24. A sell-out crowd of 280 was on hand as President George Sowa revealed the Gala Design Competition winner and the 2012 honorees:

L. Robert “Bob” Lieb will receive the **Lifetime Achievement Award**, which recognizes an individual with a distinguished and longstanding record of service to the industry and community, as well as significant personal accomplishments.

The **Impact Awards**, which recognize firms and/or individuals that have had a significant impact on New Jersey’s commercial and industrial real estate development industry, will be presented to **T&M Associates**, and **Andrew Merin of Cushman & Wakefield of New Jersey, Inc.**

Wilentz Goldman & Spitzer, P.A., will receive the **Industry Service Award**, in recognition of the firm’s substantial contribution to the commercial and industrial real estate industry in support of the industry’s goals.

The **Chairman’s Award**, which honors a person, entity or real estate transaction that has had a profound influence on the industry, will be presented to **Seena Stein of Newmark Knight Frank**.

The 25th Annual Commercial Real Estate Awards Gala will be held May 17 at The Palace at Somerset Park. **The members-only Gala Ticket Presale begins January 31.** For more information, please visit www.naiopnj.org/25Gala.

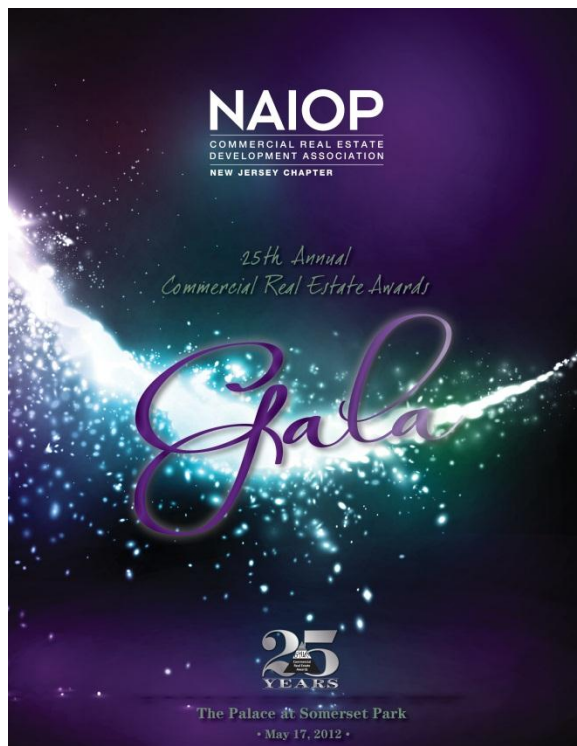
Deal of the Year Entries are Due February 17

We are accepting submissions for the NAIOP NJ Annual Deal of the Year Awards. Among the most coveted honors in the real estate community, the Deal of the Year Awards will be presented at the 25th Annual Commercial Real Estate Awards Gala on May 17 at The Palace at Somerset Park. Up to three Deal of the Year Awards will be presented: **Economic Impact; Creative Office; and Creative Industrial.**

An independent panel of judges will evaluate the merits of all submissions and their impact on the community and the real estate market. All deals submitted for consideration must have a commercial (office/ industrial) component. Finalists in all categories will be asked to make an in-person

presentation before the judges. At least one principal partner in the deal must be a NAIOP New Jersey member in good standing (currently and at the time of the deal), and all deals must have been completed by December 31, 2011.

There is no limit to the number of deals that may be submitted by any one entity, and deals may be submitted for one or more categories. **The deadline for submissions is Friday, February 17.** For a submission form, please visit www.naiopnj.org/25Gala, or contact Bonnie Sovinee by phone (732-729-9900) or email sovinee@naiopnj.org. Finalists will be announced in March. The winners will be revealed at the Gala on May 17.



Our Winning Design

For the second year in a row, our winning entry came from designer Elizabeth Geary of K923, LLC.

Geary's striking design for the cover of the 25th Anniversary Gala Journal will inspire the color scheme, lighting and staging, and will be the template for marketing materials, signs, invitations, cocktail napkins, linens and the PowerPoint Awards Presentation.

K923, LLC has offered graphic design services to local, national and international clients for more than 25 years. Over those years their graphic skills have been applied to advertising and educational print publishing, fundraiser and community-support projects, and in recent years vanity publishing and Web projects. Learn more at www.k923.net.

For submitting the winning design, Geary will receive: a framed copy of the 2012 Gala Journal Cover, ½ page space in the Journal to profile the winning artist/firm, one ticket to the 25th Annual Commercial Real Estate Awards Gala and \$500 cash in the form of a check made payable to the winning designer (total value of prize approximately \$2,000).

The competition drew a record number of entries this year! Thank you to all the designers who participated.



Commercial Real Estate Forecast

The Economy is Moving Forward, but Job Deficits Remain

By Eric Peterson, Caryl Communications

◀ Ed Russo and Andrew Houston chat over dinner before their panel discussion. The event attracted a sell-out crowd of over 280.

Is economic recovery truly underway? Will industrial real estate keep its momentum? Is New Jersey winning the war for jobs? How are retail trends impacting other industry sectors, notably industrial? Those questions and more were on the table at NAIOP New Jersey's 2012 Commercial Real Estate Forecast and Annual Meeting at the Sheraton Meadowlands.

"We are moving forward, but there are still steep employment deficits and skepticism about recovery," said Dr. James Hughes, Dean of The Bloustein School at Rutgers University.

Noting that as of December 2011 there remained a deficit of 5.6 million jobs nationally from pre-recession totals, "we have fully recovered the nation's output, but not the jobs."

While placing the current jobs deficit in New Jersey at 187,900, "the state has made an upturn and recovery is on track," Hughes said. "From December 2010 to December 2011, the nation gained 1.9 million jobs, and New Jersey gained 39,400 jobs. Progress is being made.

"The recovery in New Jersey will continue to track the nation, and that's the first time we can say that in many years," Hughes said. "The Great Recession and its aftermath have returned New Jersey to the top 10 nationally in employment. The virtues and values of New Jersey are being rediscovered, and this state can effectively be remarketed and re-branded as a result."

Turning specifically to commercial real estate, panel moderator Andrew Houston, Vice President and Principal of Cassidy Turley, termed 2011 "schizophrenic" with its ups and downs. Still, "we are seeing positive momentum."

Responding to Houston's question on whether the low cap rates are sustainable, "current cap rates will continue for the rest of the year," predicted Ed Russo, President and COO of Russo Development. "We've seen more demand for industrial product in the last six months to a year than we've ever seen from institutions looking to buy real estate in New Jersey."

Putting current New Jersey cap rates in the six to 6.5 percent range, Brian Townsend, Senior Vice President of CenterPoint Properties agreed with that prediction: "Those rates are at historic lows, and I believe they will stay there."

"There is so much cash sitting on the sidelines," said John Orrico, President of National Realty & Development Corp., noting, "Canadian money is part of that. There is a belief that the economy is getting better."

Orrico also expressed the view that "the retail landscape is changing, noting the disappearance of some retail names, the growth of others, and the repositioning of still others. What's growing is discounting. Ironically, the holiday season saw December sales lower than November because of all the deep discounts as the season progressed.

"Retail real estate is dynamic," he said. "We're always waiting to see what's going to happen with our tenants."

Townsend made the connection between retail and industrial; i.e., retail sales drive the demand for warehousing/distribution space. "The big box retailers in particular must have that space within 24 hours of consumers." Another factor driving W/D space: "E-commerce is the most active right now."

As far as the demand for W/D space, Townsend likened New Jersey to trends in California, where spec building has resumed, and compared that to Chicago, where there is no new construction. "Demand exists in some markets where you can't find what you need," he said.

In Chapter business, members approved the 2012 slate of officers: George Sowa, President (Brandywine Realty Trust); Michael A. Seeve, President-Elect and Vice President Public Affairs (Mountain Development Corp.); Clark Machemer, Vice President Special Events (Rockefeller Group Development Corp.); Jeffrey Schotz, Vice President Education (SJP Properties); Richard Cureton, Vice President Membership & Communications (Whitesell Construction Co., Inc.); Gualberto Medina, Vice President Associate Affairs (Cushman & Wakefield of NJ); and Frank D. Visceglia, Jr., Treasurer/Secretary (Federal Business Centers).

The following Trustees were elected to a three-year term that will run through January 2015: Ralph Orlando, Birdsall Services Group; Dave Gibbons, Elberon Development Co.; Gretchen Wilcox, G.S. Wilcox & Co.; Omer Ahmed, Russo Development; Elliot Kosoffsky, F. Greek Development; Mark Goldstein, Liberty Property Trust; and Joshua Adler, Adler Development.

“What a difference a year makes,” said Sowa. “Membership is at an all-time high of nearly 600, and we have had significant public policy successes. Our thanks to the leadership and staff that have led us through difficult times. I urge all members to stay well-informed on the important industry issues we continue to face.”



2012 Leadership Team: Left to right-CEO Michael McGuinness, VP Education Jeff Schotz, VP Public Affairs & President-Elect Michael Seeve, Treasurer/Secretary Frank Visceglia, VP Associate Affairs Gil Medina, President George Sowa, and VP Special Events Clark Machemer.



Continuing Education Update

◀ NAIOP NJ President George Sowa signs in for his CEU credit at the January 24 Annual Meeting. Chapter Administrator Kathy Iola and Student Members Portia Henry and Joe Zagari signed in over 100 CEU seekers.

NAIOP NJ offers Continuing Education Credits for several professions to allow licensed real estate brokers, attorneys, professional planners, accountants and civil engineers to earn required credits for attending our seminars. Our January 24 Commercial Real Estate Forecast has been approved for 1 CEU each for Accountants and Professional Planners, and has applied for CEU credit for Licensed Real Estate Brokers & Salespersons and Engineers.

Upcoming CEU opportunities include the February 17 Mandatory LSRP Update & Roundtables with Industry Experts, and the March 7 Public Policy Symposium. Details and registration at www.naiopnj.org.

We have devoted a section of our website to Continuing Education information, so be sure to bookmark www.naiopnj.org/ceu and check for frequent updates. This section includes general information, upcoming CEU programs, an FAQ page, and a dedicated page for each discipline. Contact Education Coordinator [Mark Russo](mailto:Mark.Russo@naiopnj.org) for more information (732-729-9900).

Welcome to Our Newest Members



Jessica Vail is Marketing Manager with **Sordoni Construction Co.**, a leading provider of construction management services to the commercial real estate market. "We strive to be recognized industry wide for extraordinary service, creative thinking and breakthrough results," says Jessica. "By joining NAIOP, we hope to strengthen our

relationships with current commercial real estate clients while building new relationships with potential clients."

Connect with Jessica on LinkedIn, or contact her directly at jessvail@sordoni.com. Learn more about Sordoni Construction Co. at <http://sordonionline.com/SCC/>.

The New Jersey Chapter has also welcomed the following new members since our last issue:

- TD Bank and Sun Farm Network are our newest Corporate Members
- Joseph Zagari, Student
- Robert Bryant, Sun Farm Network

- Pam Frank, Sun Farm Network
- PJ Pernot, Sun Farm Network
- Jermaine Suggs, Sun Farm Network
- Laurence Casey, Cassidy Turley
- Stan Kurzweil, Cassidy Turley
- Grayson Murray, Bohler Engineering
- Michael Flett, Flett Exchange
- Burton Jaffe, Fox Rothschild LLP
- Mitchell Katz, Newmark Knight Frank
- Andrea Kelliher, Mercadien Technologies
- Alex Previdi, Cassidy Turley
- Monica Thatcher, Maser Consulting PA
- Jordan Shea, TD Bank
- Mark Santasieri, TD Bank
- Roy Chin, TD Bank
- Ken Oettinger, H&C Metals, Inc.
- Lisa Fisher, Paulus Sokolowski & Sartor
- Dani El-Haj, Two River Community Bank
- Marc Lebovitz, Woodmont Industrial Partners

Not a member? Read about the many benefits of membership [here](#).

Do You Need Professional Help?

Are you looking for a Broker, Engineer or Solar Consultant? It's good business to do business with your fellow NAIOP NJ members! Log in at www.naiopnj.org for access to our exclusive [New Jersey Chapter Member Directory](#) and find the professionals you need.

New at www.naiopnj.org

Our Continuing Education section has been expanded to include an FAQ page and individual pages for each profession. "In case you missed it" in our members-only section has been updated with speaker presentations from our January 24 Commercial Real Estate Forecast, October Social Media for Real Estate Professionals seminar and our December Transportation & Logistics Update seminar.

NAIOP NJ Calendar

Details at www.naiopnj.org

February 17: Seminar
Mandatory LSRP Update & Roundtables with Industry Experts
NJ Law Center, New Brunswick

March 7: Signature Event
Public Policy Symposium
Senate President Steve Sweeney Confirmed
East Brunswick Hilton

May 17
The 25th Annual Commercial Real Estate Awards Gala
The Palace at Somerset Park

June 14 & 15
I.con The Industrial Conference for Commercial Real Estate
Hyatt Regency, Jersey City

September 24, 2012
NAIOP NJ Annual Golf Classic
Trump National Golf Club, Bedminster