

SPECIAL  
POINTS OF  
INTEREST:

- Special Primary
- RPAC Q&A
- Local News
- RPAC = Money in Your Pocket
- Upcoming Event: West Side Round Table: Building Your Business...[Register online.](#)

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# News You Can Use...

VOLUME 1, ISSUE 9

SEPTEMBER 2010

## VOTE! September 7th—Special Primary

Cuyahoga County is about to change the way it does business, and you have a say in what happens...**if you vote!**

On Tuesday, September 7th, Cuyahoga County Voters will take to the polls to determine whose names will appear on the ballot in the General Election.



**YOU'RE INVITED!**

*OCTOBER 18th  
STOP BY THE  
RPAC BOOTH at  
CABOR's EXPO*

*REGISTER ONLINE  
[WWW.CABOR.COM](http://WWW.CABOR.COM)*

As a real estate industry professional, it is your duty to do your part and vote! Later this month, the winners of the Primary Election on September 7th will be invited to participate in candidate interviews.

These conversations will help

**CABOR's RPAC Trustees** determine which, if any, candidates for County Executive and County Council to support in the General Election.

Watch for their recommendation in next months' newsletter.

Need to register to vote OR want to vote by mail? Want to learn more about the Special Election? Click the Board of Elections logo below:

## RPAC Fundraising Update

Last month, CABOR's RPAC trustees hosted a third fundraiser for the year.

CABOR members were invited to support the RPAC and enjoy an afternoon aboard the Nautica Queen riverboat.

Attendees were treated to a two-hour tour of the Cuyahoga River and Lake Erie, entertainment, an unlimited lunch buffet, and beverage.

**"What a fun time. Beautiful weather, good food and an afternoon with friends. Does it get any**

**better," CABOR Chair-Elect Carol Woodard commented.**

A few items were also raffled off to those in attendance.

George Pofok, Chair of the CABOR Board of Directors said, **"it is great to see the RPAC trustees doing so many new activities this year. They have really stepped up outreach and are trying to educate our members on the benefits of supporting RPAC."**

In an effort to increase membership awareness about the

RPAC, the trustees will be on hand at **CABOR's upcoming trade expo** to answer questions.

Thanks to the support of countless of its members, CABOR met its fair-share RPAC fundraising goal for the year.

Keep an eye out for more events and information in 2011. Have a suggestion? Send an email with RPAC in the subject line to [info@cabor.com](mailto:info@cabor.com).

Check out the last page of this newsletter for photos from the riverboat luncheon.



“...residents of all income levels can take advantage of the Home Enhancement Loan Program through the County Treasurer’s Office...”

# Help Wanted: Cleveland Heights

Attention! If you are a resident of Cleveland Heights, and also have an interest in public service, a fantastic opportunity is knocking at your door.

The City of Cleveland Heights is now accepting applications for a few of its boards and commissions.

## COMMISSION ON AGING

Residents 60 years of age or older may apply for this commission. An opening also ex-

ists for a person (resident or non-resident, may be under 60) with expertise in gerontology.

## LANDMARK COMMISSION

This commission designates landmarks in the city in order to preserve and protect places, buildings, structures, etc., having a special historical, community or aesthetic interest or value. Members must be residents who have lived in

the city for at least five years prior to their three-year terms.

## RECREATION ADVISORY BOARD

If your interest and experience leans toward recreation or sports, consider applying for a five-year term on this board.

For an application, [click here](#), call 216-291-3925 or stop by City Hall, 40 Severance Circle.

# Local News: Mayfield Heights



Mayfield Heights Mayor, Gregory S. Costabile, Esq.

Mayor Gregory S. Costabile will meet with members of CABOR’s Government Affairs Committee, and invited guests on September 2, 2010.

Costabile serves as Mayor of Mayfield Heights.

According to the City’s website, “Mayfield Heights residents of all income levels can take advantage of the Home Enhancement Loan Program through the County Treasurer’s Office. It provides low interest home loans (3% be-

low market rate) for alteration, repair, maintenance or improvement to homes. It can also be used for code violation compliance and property upgrades. Call 216-443-7400 for information or visit their website at

<http://treasurer.cuyahogacounty.us/homeimprove.”>

For more information about Mayfield Heights, visit <http://www.mayfieldheights.org/>, or call (440) 442-2626.

# Administration Undecided about Another Tax Credit

Reprinted from REALTOR Magazine: Daily Real Estate News

August 30, 2010

Housing and Urban Development Secretary Shaun Donovan said Sunday on CNN’s “State of the Union” that the administration

would “do everything we can” to stabilize the U.S. housing market.

Whether it will resurrect the first-time home buyer tax credit is up in the air. Donovan said that the drop in home sales in July was worse than the administration expected.

Donovan also said that the Federal Housing Administration will launch an emergency loan program to help unemployed borrowers stay in their homes and a program to help underwater borrowers refinance.

Source: Bloomberg, Holly Rosenkrantz (08/29/2010)

# NAIOP

COMMERCIAL REAL ESTATE  
DEVELOPMENT ASSOCIATION  
NORTHERN OHIO CHAPTER



## Save the Date



### Meet the Candidates for Cuyahoga County Executive

**DATE:** September 30, 2010

**TIME:** 5:00 - 7:00 p.m.

**LOCATION:** The Forum  
(One Cleveland Center)

**MORE:** Registration available soon at  
[www.CABOR.com](http://www.CABOR.com)

Cleveland Area Board of REALTORS  
5633 Brecksville Road  
Independence, Ohio 44131  
216-901-0130



## Mock Mediation

September 24  
9:30 a.m. - 11:00 a.m.  
CABOR Classroom  
5633 Brecksville Rd.

FREE to Attend  
RSVP (216) 901-0130



### Other Upcoming Events:

- ◇ *Oct. 8—West Side Roundtable: The Power of Building Your Business*
- ◇ *Oct. 18—REALTOR® Trade Show & Expo*

*For more information on these and other CABOR events, please visit [www.cabor.com](http://www.cabor.com) or call (216) 901-0130.*

# RPAC Q&A



**Q:** Does my entire RPAC contribution go to federal candidates only? I am more interested in local races.

**A:** Thank you for your question. It is true that 30% of your RPAC contribution goes to support federal candidates.

However, as much as 70% will remain right here in Ohio for use in supporting state candidates, such as State Representatives and State Senators, and local candidates, including Mayors and City Council candidates.

By making one contribution to RPAC, you can help support good candidates at the federal, state, and local levels.

Remember, RPAC is nonpartisan in its selection of candidates to support: mere party labels are not considered. The record, program and quality of each candidate, plus the recommendations of the CABOR's RPAC Trustees and those at OAR, determine who gets support from RPAC.

## NAR: Commercial Real Estate Soft but Favors Business Expansion

Washington, August 26, 2010

Commercial real estate sectors, hurt by weak job growth, are offering incentives in many areas that are conducive to business expansion, according to the National Association of Realtors®.

Lawrence Yun, NAR chief economist, said fallout from the recession continues to impact commercial real estate.

**“Vacancy rates are beginning to level off in some sectors, but rent discounts and moderate levels of landlord concessions are widespread,” he said. “This is very much a tenant’s market, which is quite favorable for businesses that are considering expansion. It’s also encouraging that there is a modest improvement in the sentiment of commercial real estate practitioners.”**

The Society of Industrial and Office Realtors®, in its SIOR Commercial Real Estate Index, an attitudinal survey of more than 600 local market experts, 1 shows vacancy rates are beginning to level, but rents remain depressed, and subleasing space is high.

The SIOR index, measuring 10 variables, rose 2.8 percentage points to 41.0 in the second quarter, but remains well below a level of 100 that represents a balanced marketplace. This is the third consecutive quarterly improvement after nearly three years of decline; the last time the commercial market was in equilibrium at the 100

level was in the third quarter of 2007...

Looking at the overall market, vacancy rates will shift modestly in the coming year according to NAR's latest COMMERCIAL REAL ESTATE OUTLOOK.2 The NAR forecast for four major commercial sectors analyzes quarterly data in the office, industrial, retail and multifamily markets. Historic data were provided by CBRE Econometric Advisors.

### Office Markets

Vacancy rates in the office sector, with high levels of available sublease space, are expected to increase from 16.7 percent in the second quarter of this year to 17.0 percent in the second quarter of 2011, and then ease later next year.

The markets with the lowest office vacancy rates in the second quarter were New York City, Honolulu and Long Island, N.Y., with vacancies around the 9 to 11 percent range. Annual office rent should fall 2.7 percent this year and decline another 2.1 percent in 2011. In 57 markets tracked, net absorption of office space, which includes the leasing of new space coming on the market as well as space in existing properties, is projected to be a negative 13.6 million square feet this year and then a positive 22.6 million in 2011.

### Industrial Markets

Industrial vacancy rates are likely to decline from 14.1 percent in the second quarter of 2010 to 13.7 percent in the second quarter of 2011, and then continue to ease modestly as the year progresses.

The areas with the lowest industrial vacancy rates in the second quarter were Los Angeles, San Francisco and Kansas City, with vacancies ranging between 8 and 11 percent.

Annual industrial rent is estimated to drop 5.4 percent this year, and to decline another 4.7 percent in 2011. Net absorption of industrial space in 58 markets tracked is seen at a negative 31.7 million square feet this year and a positive 157.2 million in 2011.

### Retail Markets

Retail vacancy rates should hold steady at 13.1 percent in both the second quarter of this year and in the second quarter of 2011, with a level pattern for most of next year. Markets with the lowest retail vacancy rates in the second quarter include San Francisco, Honolulu and Miami, with vacancies of 7 to 8 percent.

Average retail rent is expected to decline 2.6 percent in 2010 and then flatten out, slipping 0.1 percent next year. Net absorption of retail space in 53 tracked markets is forecast to be a negative 2.3 million square feet this year and then a positive 6.4 million in 2011.

### Multifamily Markets

The apartment rental market – multifamily housing – is benefiting from modestly higher demand. Multifamily vacancy rates are likely to decline from 6.0 percent in the second quarter of this year to 5.6 percent in the second quarter of 2011.

Areas with the lowest multifamily vacancy rates in the second quarter include San Jose, Calif.; Pittsburgh; and Philadelphia, with vacancies of less than 4 percent. With additions from new construction, average rent should slip 0.6 percent in 2010, and then hold even in 2011. Multifamily net absorption is expected to be 105,200 units in 59 tracked metro areas this year, and another 138,000 in 2011.

###

The COMMERCIAL REAL ESTATE OUTLOOK is published by the NAR Research Division for the commercial community. NAR's Commercial Division, formed in 1990, provides targeted products and services to meet the needs of the commercial market and constituency within NAR.

The NAR commercial components include commercial members: commercial committees, subcommittees and forums; commercial real estate boards and structures; and the NAR commercial affiliate organizations – CCIM Institute, Institute of Real Estate Management, Realtors® Land Institute, Society of Industrial and Office Realtors®, and Counselors of Real Estate.

Approximately 79,000 NAR and institute affiliate members specialize in commercial brokerage services, and an additional 263,000 members offer commercial real estate as a secondary business.

“...vacancy rates will shift modestly in the coming year ...”

# RPAC: MONEY IN YOUR POCKET!



**SAVINGS = \$13,000↑ ...INVEST TODAY!**

Preserved the  
Mortgage Interest  
Deduction...  
**\$3,750** protected in  
annual commission in-  
come for average  
REALTORS®

Increased the capital  
gains tax exclusion for  
the sale of a principal  
residence...  
**\$3,825** increase in av-  
erage commission in-  
come for REALTORS®

Limited the increase in  
application fees—both  
new & renewals—for  
REALTORS® & bro-  
kers...  
**\$15** saved

Defeated a sales tax on  
real estate  
commissions...



**INVEST TODAY!**

Defeated statewide 1  
mil transfer tax...

Raised the loan limits  
for FHA & GSEs back to  
2008 levels...  
**\$6,250** increase in  
typical REALTORS®  
earnings

**\$8,000** First Time  
Home Buyer  
Tax Credit...

Obtained clarification  
from Fannie Mae in-  
structing its servicers  
NOT to negotiate real  
estate commissions on  
short sales below the  
amount in the listing  
agreement



RPAC contributions are not deductible for income tax purposes. Contributions to RPAC are voluntary and are used for political purposes. The amount suggested is merely a guideline and you may contribute more or less than the suggested amount. Do not refuse to contribute without regard and the National Association of REALTORS® or any of its state associations or local boards will not force or induce any member because of the amount contributed. 70% of each contribution is used by your state PAC to support state and local political candidates. Your state PAC makes its RPAC and 70% is sent to National RPAC to support federal candidates and is charged against your state under 2 U.S.C. 441c after the state PAC makes its RPAC and it may elect to retain your entire contribution for use in supporting state and local candidates.

For more information, or to make a contribution, visit [www.cabar.com](http://www.cabar.com).



Cleveland Area Board of  
REALTORS®

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[www.cabor.com](http://www.cabor.com)

CABOR is the voice for real estate in  
Northeast Ohio.



The mission of the  
Cleveland Area Board of REALTORS®  
(CABOR) is to be the leading resource and  
advocate for the real estate  
community, to enhance the ability, conduct  
and image of its members and to protect and  
promote real property rights.

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## Photos from the Riverboat Luncheon...

