

BROKER EXCHANGE PRESS RELEASE – APRIL 16, 2013

Newport Beach, CA – On Thursday, April 11th, Sperry Commercial hosted their quarterly **Broker Exchange** at the Pacific Club. Hundreds of brokers from around Southern California convened for the sold out event which had become standing room only for the opportunity to share their listings, meet with sponsors, and gain insight from industry insiders on the current state of distressed commercial real estate. The subject of the Broker Exchange was titled “Distressed/REO Commercial Real Estate Update-2013”, and opened with keynote speaker **Allen Greer**, managing member of Greer Advisors, LLC.

Allen Greer provided an in-depth analysis explaining that, “across the board, rents and vacancies are better than they were in the fourth quarter” and that Orange County, in particular, “has seen good growth.” Further, he stated that California, and Orange County and Los Angeles County in particular, both plunged first and harder than other markets, but are recovering at a faster and stronger pace due to the increasing demand that money which was once sitting on the sidelines now chasing product. Additionally, publically traded REITS, which Greer defined as “the best of the best”, are still very popular due to the market wanting to place money in higher yielding investments other than safe T-Bills. REITs are performing at an “all new high this month, at or better than we were in ‘05/’07.”

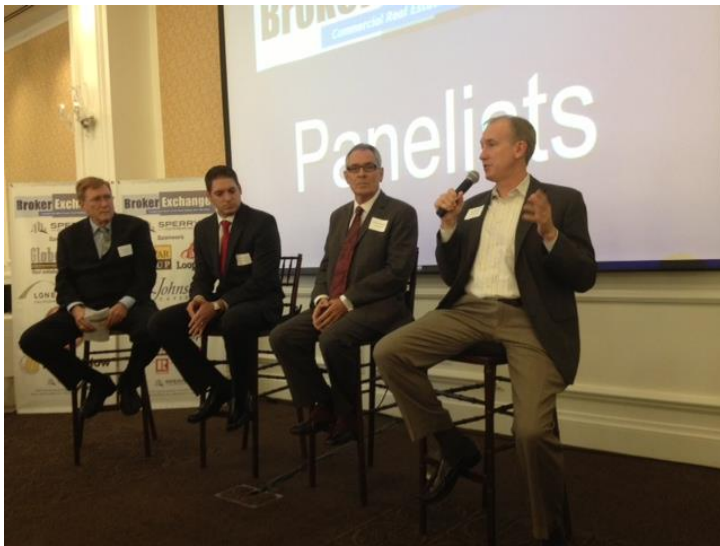
Included in the program was a panel discussion amongst four industry insiders-**Ray McLaine**, President of the Commercial REO Brokers Association (CREOBA), **Richard Yarbrough**, President of CAL-TEX REO Brokerage, **Eric Paulsen**, President of the Commercial Division of Auction.com, and **Erik Koentje**, Senior Executive of CoStar Group.

Overall, the panelists shared that the market in Orange County is performing better than anywhere else in the country, with “fewer distressed opportunities in the immediate area.” The rate of distressed deals in the rest of the country is approximately 12%, with Orange County’s at 8%. The panelists agreed that this is the opportune market to buy in, with banks now letting go of the non-performing notes that they had been holding onto for the past five years. Many brokers in attendance admitted that they were presently in contact with a lot more people who are eager to buy commercial real estate now than even from a year ago.

By the end of the panelists discussion everyone agreed that the market is finally back on the rise, at least in Southern California. Rand Sperry, CEO of Sperry Commercial, echoed this sentiment when his declaration that, “now is a good time for brokers.” The takeaway of Thursday’s event is encapsulated in panelist Erik Koentje’s declaration that, today’s real estate is “the perfect storm...with a lot of real estate in the wrong hands...and a lot of dollars trading hands. Money is cheap and prices are low.”



Allen Greer



From Left to Right

Ray McLaine, Erik Koentje, Rich Yarbrough, Eric Paulsen



Standing Room Only – Sold Out Crowd