

Learning the ABCs of the broker 'alphabet'

Here's a test. Try and guess what any of the following initials stand for (hint – they can all be held by a commercial real estate broker). CCIM, ARM, CRB, SIOR, ALC, CRS, LTG, RRC, CPM, MAI, CRE, FIPC, EMS, CREBB, ABR, CBR, CRS, CEA, GRI, CAM, CIPS, RICS. Confused? Give up? In this article, I am going to try and offer some guidance to the commercial real estate user that will make some sense out of this alphabet of designations. I am not going to spell out each and every one of these (check out www.edesignations.com if you are interested) but I do believe that several designations are more widely recognized and more highly regarded among my real estate colleagues than others.

Each of these designations can be earned, achieved or in some cases, simply acquired, by a commercial real estate practitioner. Many of them derive from one of the National Association of Realtors nine affiliated Institutes, Societies and Councils. For most of them, the designations are an

acknowledgement of experience and/or expertise in various real estate sectors by each Affiliated group and require the completion of one or more courses. But how does the average lay person know what to look for when seeking a real estate professional for a specific need?

Looking for a qualified property manager is relatively simple – find a Certified Property Manager (CPM). They go through one of the most rigorous and demanding series of courses and exams to earn the CPM. There are currently 11 CPM's listed in New Hampshire. If it's an appraisal you need and you want it to be acceptable to your banker, make sure your appraiser has the MAI (Master Appraisal Institute) designation. Their requirements include a four-year college education, successful completion of a difficult comprehensive examination, an exacting demonstration appraisal report, and credit for the equivalent of five years of experience. There are currently 26 MAI's in New Hampshire.

If you are selling, buying or leasing commercial property there are three designations to look for – CCIM, CRE, & SIOR

– any one of which will assure you of a high level of competence and experience from your broker. I do not want to imply that any other designations are unimportant but within my industry, these three are the most highly regarded and respected designations. All three member organizations require that their members must adhere to a strict Code of Ethics and Standards of Professional Practice.

A Certified Commercial Investment Member (CCIM) is, according to the parent organization, “ a recognized expert in the disciplines of commercial and investment real estate. A CCIM is an invaluable resource to the commercial real estate owner, investor, and user, and is among an elite corps of more than 6,000 professionals across North America who hold the CCIM designation -- the "Ph.D. of commercial real estate. The CCIM curriculum consists of four core courses that incorporate the essential CCIM skill sets: financial analysis, market analysis, lease analysis, and investment analysis for commercial investment real estate. Additional curriculum requirements may be completed through CCIM elective courses. Following the course work,

candidates must submit a resume of closed transactions and/or consultations showing a depth of experience in the commercial investment field. After fulfilling these requirements, candidates must successfully complete a comprehensive examination to earn the CCIM designation. There are 29 CCIM's currently listed in New Hampshire.

A Counselor of Real Estate (CRE) is a real estate professional whose primary business is providing expert advisory services to clients. Only 1,100 practitioners throughout the world carry the CRE Designation with members averaging 20 years of experience in the real estate industry. Membership is selective, extended by invitation only on either a sponsored or self-initiated basis. The organization's CRE Designation is awarded to all members in recognition of superior problem solving ability in various areas of specialization such as litigation support, asset management, valuation, feasibility studies,

acquisitions/dispositions and general analysis. In New Hampshire you will find only five CRE designees.

The SIOR designation is given by the Society of Industrial and Office REALTORS®. Any SIOR applicant must: 1) demonstrate at least five years of experience in the field; 2) pass a written entrance exam; 3) receive recommendations from current professionals holding the SIOR designation; 4) operate according to the Society's strict code of ethics, a code to which all designees are legally bound, and 5) maintain a minimum dollar volume of sales per year and a minimum number of transactions or square footage. Most real estate brokers have the toughest time fulfilling the volume requirements, a distinguishing feature of the SIOR designation. There are some 2,200 SIOR members around the world. Members regularly tap into this network on behalf of their clients. If a client has specific needs outside one SIOR's geographic market or

field of expertise, that Society member can reach out to other members – whether they are across the country or they have unique experiences that will be of value. SIOR members also assemble teams of specialists from the ranks of the Society, a strategy for more effectively completing specified projects for clients. There are only 4 SIOR designees in New Hampshire.

By choosing a professional who has earned either the CCIM, CRE or SIOR designation, you know that you are working with a credentialed, capable, and ethical professional with a proven track record to serve your real estate needs.

Brad Vear is principal of Vear Commercial Properties, Inc. He is a CCIM and SIOR, one of only two professionals in New Hampshire that has achieved both of these designations. He can be reached at 603-882-6000 or email to btv@TeamVear.com.