

**Birtcher Development & Investments  
Legacy of Leadership, a video series**

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Heaven by 2011

A recession will end in 2011, as we like to say it will be “heaven by eleven.” It will probably take at least through 2009 and 2010, but by 2011 we see a lot of indicators that this is going to be a much more positive step forward from there. All this transformation, crisis and turmoil is going to last for at least another eighteen months or so.

Marathon not a Sprint

I think one of the key things that I have preached about, not only to our company but also to many of our clients, is that real estate is a marathon not a sprint. You can get very depressed or down in the dumps based on what you read or see on a daily basis. But when you look at real estate on a long term basis, there are so many optimistic and positive things going forward that I think you need to look at the future rather than the current picture, keep your morale up get excited about the opportunities that are about to unfold.

Signs of Recovery

The two sectors that are probably the biggest leading indicators of the recovery, and are going to succeed more into the future, will be multi-family and health care. Multi-family because many of the folks who would have been able buy homes into the future are not going to be able to, so renting will become more of a lifestyle than a matter of choice.

Health care will also grow as we have an aging population and as we have people continually focusing on the quality of medical care that they are receiving. Both of which are cornerstones of individual lives – where people live and how they take care of themselves.

Indicators to Track

The two indicators that we track on a national basis, and track quite regularly, are the Consumer Confidence Index (CCI), both consumer confidence today and also what their expectations are for tomorrow, and the Purchasing Managers Index (PMI). Consumers are 60 to 70 percent of the GDP, and if consumers are not confident it doesn't create sales opportunities or jobs.

The second thing that we tend to look to is the Purchasing Managers Index (PMI) because these are the purchasing managers across the country who are buying two, three and four months in advance. So if they're not buying, or if they're not confident in the future, that's an indicator that the recovery is not at a head, or that the sense of optimism is still not at hand.

## Blue Water Strategies

One of the blue-strategies that has become apparent is that some firms that have done a very good job of greening their buildings. They've taken a lead in providing the kinds of environmentally sensitive properties and buildings, both in their operations as well as in their design and construction, which have taken them ahead of the rest of their competitors.

The second strategy is seen by those that are able to branch out and become not just be a single dimension company, but a multi-dimension company. It would not be surprising, for example, to see multi-family companies involved with grocery delivery. I think these are the kinds of strategies that will allow companies to better serve their customers in the years ahead.

## The Future of Real Estate

The future of real estate looks very positive. We have population increases across the country, we have job growth that will begin to occur over the next couple of years and we have a whole set of generations changing. We have the baby boomer's getting older, and that's going to spawn a variety of demand for health care, senior housing, drug manufacturers, medical devices and all of the product types that serve an aging population.

We have a Y generation, nearly eighty million Y generation folks that are coming out high school and college today who are going to need apartments to live in, places to work and places to shop that are all very different from the needs of their parents or grandparents which requires a great deal of redevelopment activity. All of these factors create opportunities. I think real estate is just on the cusp of really transforming and recreating many of the cities in the country today.

Throughout 2009, Birtcher will post new videos to its website, [www.birtcherdevelopment.com](http://www.birtcherdevelopment.com).

Video produced by [Birtcher Development and Investments](#) and [Idea Hall](#).

## Christopher E. Lee Biography

Christopher E. Lee  
*President and CEO*  
CEL & Associates, Inc.

Christopher Lee brings with him over 30 years of experience in strategic and long-range planning, performance improvement, compensation and organizational development within the real estate industry. Mr. Lee's background, which includes diversified experience in real estate development, land-use economics, strategic planning, investment analysis, workouts, mergers/acquisitions, compensation, finance, and performance benchmarking, enables him to contribute an interdisciplinary approach to the overall process of analyzing and guiding real estate organizations and project teams.

Mr. Lee has been actively involved with many real estate companies as well as the financial planning and development of office, retail, mixed-use, lodging, industrial and residential projects. Mr. Lee and his company have completed assignments for approximately 500 different real estate firms including: assignments for KDC, Cushman & Wakefield, Madison Marquette, Weitzman Group, Apartment Realty Advisors, Legacy Partners, IREM, Shorenstein Company, BOMA, U.S. Dept. of Defense, General Services Admin., National Association of Realtors, RREEF, Transwestern, Crescent Real Estate Equities, Liberty Property Trust, Jones Lang LaSalle, CB Richard Ellis, AvalonBay Communities; Brandywine Realty Trust, Opus Corporation, PM Realty, Corporate Office Properties Trust, Boston Properties, Parkway Properties, Inc., Greystar, NAIOP, Liberty Property Trust, Bell Partners, Inc., Lowe Enterprises and most of the nation's largest REITs. In addition, Mr. Lee has directed the preparation of nearly 6,500 preliminary business plans for troubled assets, was involved in the liquidation of 30 savings and loans, directed several secondary marketing transactions, and developed the initial, nationwide troubled asset review data system for the Federal Home Loan Bank Board.

Mr. Lee is a frequent contributor to national journals and a keynote speaker at conferences sponsored by national associations. Mr. Lee co-authored a book on the Development Process for hotel facilities, and authored a book entitled From Good to Great to Best-in-Class, A Real Estate Leader's Guide to Optimal Performance. In addition, Mr. Lee has served on the Board of Directors for the Cogdell Spencer REIT, Advisory Board for *Apartment Finance* magazine, and the Advisory Board for the Business School and the Real Estate School at SDSU. He is a member of IFMA, NAREIT, the Urban Land Institute and the National Multifamily Housing Council, and the U.S. Green Building Council. He has authored many articles on real estate strategy, compensation, and performance benchmarking which have appeared in a number of national professional magazines. Mr. Lee also serves as the editor for *Strategic Advantage*, a nationwide publication received by approximately 20,000 senior executives of real estate companies.

Mr. Lee received his B.S. degree from San Diego State University, an M.S. degree from San Jose State University and his Ph.D. in Management and Organizational Development from Alliant University. Perhaps the best indicator of the demand for Mr. Lee's expertise is the fact that he has over 7,000,000 frequent flyer miles.

For more information, visit [www.celassociates.com](http://www.celassociates.com)