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FOR IMMEDIATE RELEASE

INDUSTRY CONSOLIDATION, TERRORISM INSURANCE
TOP LIST OF BOMA INTERNATIONAL CONCERNS,
CO-CHAIRMAN KURT PADOVANO TELLS BOMA/NY

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Left to right: BOMA/NY Programs Chair Gail P. Duke, RPA/CPM; BOMA/NY Executive Director Bobbi McGowan, CAE; BOMA/NY President Betsy Jacobs; BOMA International Vice Chairman Kurt Padovano, RPA/CPM/ FMA/SMA; BOMA/NY Vice President Anthony S. Lifrieri, RPA; BOMA/NY Secretary, Angelo J. Grima.

NEW YORK, NY --- BOMA International Vice Chairman Kurt Padovano, RPA/CPM/FMA/SMA, told 200 members of BOMA/NY at its January luncheon meeting that the biggest industry trend to watch for in 2005 is the continued consolidation of firms into national and even international mega-firms. And that trend could bode well for the industry as it ramps up its advocacy efforts on Capitol Hill as BOMA International brings the strength of 19,000 members and 108 local associations to the table in its negotiations on issues and pending legislation as diverse as the renewal of terrorism insurance, to leasehold depreciation, forced building access re: telecommunications, the repercussions of the Patriot Act and a national energy policy.

“We have won every major battle we have fought in Washington, DC,” reported Padovano, as a preface to describing the battles he foresees for 2005.

With so many legislative battles a top priority, BOMA International looks for support from the locals, and no issue resonates as strongly with New York as the expansion of the Terrorism Risk Insurance Act’s (TRIA), whose mandatory availability provision was extended through the end of this year. Under TRIA, federal funds of up to \$100 billion were to be made available to cover losses should another terrorist attack occur. The federal government's share would be 90 percent of losses above the deductible. Without TRIA, a significant portion of the private sector would be unable to purchase terrorism insurance, which has become an essential commodity in a post-9/11 environment. It is noteworthy that since no large-scale terrorist attacks have occurred in the U.S. since the implementation of TRIA, there have been no costs to the federal government – and taxpayers.

Other issues BOMA International will be focusing on this year include:

- Extending its considerable victory in having leasehold depreciation reduced for another year, thereby saving \$1.5 billion for the industry.

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BOMA's Top Concerns/2

- Pressing for a federal energy policy that guarantees consumers nationwide with adequate access and supply, as well as reasonably priced energy
- And it will continue to monitor the proposed revisions in ADA legislation, mold legislation, and the on-going adoption and adaptation of the International Building Code by cities and states.

Helping to provide BOMA International's advocacy leverage is the sheer size of the industry it represents: real estate equals 20% of the GDP, pays \$300 billion in federal tax revenues, and an average of 70% of local tax revenues. BOMA International members collectively represent 9 billion square feet of space, produce \$100 billion in goods and services and pay \$22 billion in taxes.

And while it may have grabbed fewer headlines, the recent adoption of the model International Building Code by many local municipalities is among the accomplishments of which Padovano is most proud. Such a move not only provides a more effective, efficient code, but it has saved those affected to date more than \$800 million in expenses.

BOMA/NY is the greater New York area Association of BOMA International, with more than 850 members active in all areas affecting the industry—from continuing education to advocacy to codes & regulations updates. It is the sponsor of the real estate's industry most prestigious awards, the Pinnacle Awards, recognizing excellence in operations and personal contribution to the Association. BOMA/NY is a major source for continuing education and the exclusive provider of the BOMI coursework required for the RPA, SMA, SMT and FMA professional designations. In recent years, BOMA/NY has become an increasingly influential voice at City Hall, the State House in Albany and in Washington, DC, lobbying for issues as diverse as air quality protocols to the extension of the Terrorism Risk Insurance Act and the adaptation/adoption of the International Building Code for New York City.