

## *Some of the more unusual 'gifts' received this year*

Merry Christmas, dear readers! My wish for you this season is joy and happiness and HUGE profits for your commercial real. As most of you are reading this on Christmas Eve, I thought it would be fun to recap a few "gifts" I received this year, even if most initially were lumps of coal. Have you ever received such a gift — disguised as a problem? If so, you will thoroughly enjoy this column.

### **Will the REAL seller please stand up?**

Earlier this year, we received a call from a friend and client. He owned and had occupied his building since the '50s!

The building's use was environmentally questionable and antiquated (a kind description for the construction), and the owner's price expectations were, let's say, unrealistic.

BOOM! Three full price offers in the first week of marketing. Just choose the right buyer of the three and clear sailing to close. Except the ownership entity was inactive.

Whoops! Several weeks, thousands of dollars in past due franchise tax board payments later, we resolved the issue and closed the deal.

**Going once, twice — SOLD!**

We completed our first property auction last week with the good folks at Ten-X. I was quite skeptical the process would render any buyers we hadn't uncovered. Boy, was I mistaken! Bidding for the last five minutes was furious — akin to your grandma angling for a pair of handmade mittens on eBay. The reserve amount was exceeded by 5 percent.

I'm a believer!

### **The smorgasbord of issues**

We can generally count on an at least one show-stopping issue in a deal: appraisal below the contract price, environmental concerns, a nasty seller or buyer, an unconventional use, a city out for blood. Like dropping the proverbial other shoe, if the issue doesn't surface early, we start to sweat because we know it's coming. Rarely, however, is there more than one "challenge." Corrected is how I stand! We just closed a deal with not one, two, three, four, five, six or seven — but EIGHT walk-away issues in ONE deal! Where is the octopus missing a shoe?

### **Just kidding; I DON'T want to sell**

This has happened to me once in 33 years, and 2017 was the year. I received a call from my seller. He didn't want to close. Our buyer was contingency-free at this point and had spent a fair amount

of time and money becoming so. Fortunately, the buyer was cool and agreed to allow our seller to cancel in return for a small reimbursement of his due diligence costs.

Whew! Please don't try this at home.

### **New beginnings**

Sadly, businesses fail — some after decades. We benefit because a vacant building must be filled. It's refreshing when the building provides a home for a new, budding enterprise that employs dozens and generates revenue for the city in which it's located.

So, on Dasher, on Dancer — I can't wait to see what gifts 2018 proffers.

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## **COMMERCIAL REAL ESTATE**