

COMMERCIAL REAL ESTATE

Five random thoughts about your property

Every now and then, it's fun to empty the inbox of my consciousness and share with you some disparate thoughts circling my brain. So, in no particular order, here it goes!

Two types of listing presentations

If ever you've sold or leased commercial real estate, chances are you've sat through one or a dozen pitches from someone in my profession. Common with all was a request to exclusively list the property with him. You may have noticed these "pitches" fall into one of two categories: an owner-centric or brokercentric approach. A broker-centric package starts with a recap of his qualifications, years in business, all the deals he's done, his amazing marketing support — blah, blah, blah.

As your eyes glaze and your thoughts wander toward your weekend plans, two questions arise. So what? How does any of that apply to my specific situation?

Enter the owner-centric review. Demand this of your providers. Contained should be a review of your reality, a recap of your property, market stats and a plan to elevate your offering above others on the market.

Has the shutdown affected us?

Yes, in two ways — uncertainty and loan approvals. The wild stock market gyrations, news of a global slowdown, tariffs and the longest government shutdown in U.S. history have given smallbusiness owners reason to hit the pause button on long-term commitments such as hiring, machinery purchases, leasing and buying buildings, or borrowing money.

Plus a high percentage of building purchases are financed through the Small Business Administration. No SBA loan applications are being processed.

Once the government reopens its doors, plan on a severe backlog of applications

and approval delays.

What if a meeting face to face is impractical?

Presentations, building tours and discovery meetings are best accomplished in person. But what if logistics don't allow?

For example, the owner is in Germany, there are multiple decision makers or one of the parties is ill? Tools such as FaceTime, Zoom video and FreeConferenceCall.com all can replicate an in-person experience.

Supply chain improvements

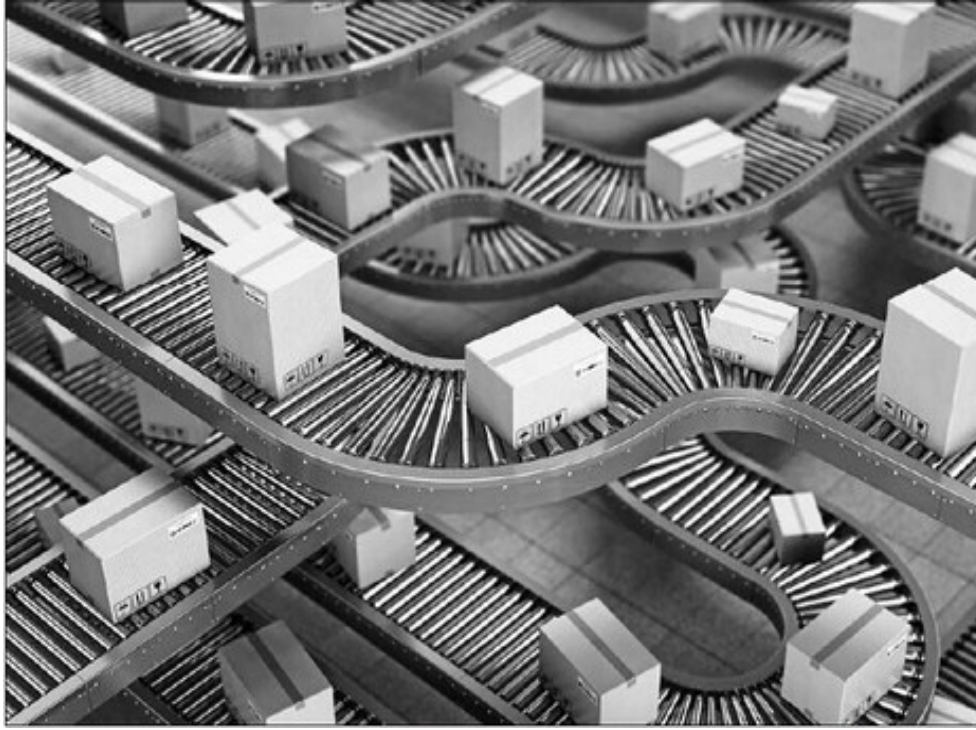
As customers demand purchases to be at their doorstep instantly, the supply chain allowing that to occur must get better. Supply chain — from manufacturer to consumer — has evolved since the catalog ordering days of the 1960s, when your item arrived seven weeks later.

Now, click an image in an app, complete the buy with PayPal or Visa and a knock on your door occurs (soon) with your purchase. What's not seen is the enormous infrastructure of shipping containers, truck terminals, warehouses and delivery vans that are required beforehand.

Look for cool new stuff in 2019 such as vendor apps and warehouse-ordering systems based on LED lighting, just to name a couple.

Are we in a recession?

Technically not. It's defined as negative growth in gross domestic product. Our economy is still expanding. However, uncertainty breeds inaction. Inaction leads to a slowdown. Voilà. Stay tuned. *Allen C. Buchanan is a principal with Lee & Associates Commercial Real Estate Services in Orange. He can be reached at abuchanan@leeassociates.com or 714-564-7104.*



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