

COMMERCIAL REAL ESTATE

In this field, just where is our bread buttered?

Today, I will share with you two of the ways I look at my business — the source of transactions and the reasons.



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Contributing Columnist

Although not terribly scientific, these two metrics can recap where marketing time

has been expended (the source). And where future deals might lie (the reasons). I'm only talking about deals we've completed, not our pipeline of future business.

And as I'm fond of saying — if it happens once, it's an exception; twice, a trend; and three times, an epidemic.

So far this year, our team has completed 23 transactions with an aggregate consideration of over \$43 million. Projected for the balance of the year is an additional \$10 million in closed deals. Below I'll break down how we came to these deals.

Sources of closed business

Prospecting: That knock on your door or that annoying mailer you receive is probably from me. Yes, I still prospect. Generally, our calling surrounds an initiative — a



Selling commercial real estate comes down to a few key networking strategies: repeat customers, social networks and good, old-fashioned door pounding.

general trend we see — and touches that result or makes the neighbors aware of activity of a new availability or a recent sale (one deal).

Social media: LinkedIn, Facebook, Twitter and YouTube are our team's go-to media sources. We have found that consistency, authenticity and targeted content are the keys to

generating visibility (two deals).

Sign calls: Folks still drive around and call us, and we love it (one deal)!

Referrals from brokers: This is our single biggest source of business. These referrals come in two forms — cooperation on a listing or an occupant requirement, or a colleague requesting our involve-

ment to secure an assignment (seven deals).

Referrals from clients: If you do a good job, these follow (two deals).

Other referrals: Critical to our success is networking with those who talk to business owners yet don't compete with our services. Our network is filled with CPAs, attorneys, insurance brokers, commercial bank-

ers and wealth advisers (six deals).

Repeat business: Probably the finest validation we receive is when that group calls you years after your deal to do another deal (six deals).

Reasons folks are transacting

Expansion: As you

would expect in a robust economy, close to half of our closed transactions were caused by the need for additional space (10 deals).

Contraction: An emerging trend recently discussed was the utilization of a third-party logistics provider. The goal is less space with minimal disruption to the operation (two deals).

Reallocation of portfolio: Some would suggest we are close to the top of the market cycle. If not, we can see it from here. Consequently, several of our clients have "taken chips off the table" and sold some buildings (three deals).

Merger or acquisition: The "Brady Bunch" of business activity causes commercial real estate activity. Period (two deals).

Renewals: Many of our clients are disappointed to discover the deficit of available buildings. Worse, their owner understands choices are limited and jacks up their rent. Our involvement results in a win for both sides — vacancy and a move avoided (six deals).

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