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- Santa Ana Preschool/Redevelopment Opportunity [In-Escrow]
  橙縣幼稚園/重新開發機會
- Monterey Park Luxury Residence [Newly Renovated]
  蒙特利公園豪宅【全新裝修】
- Crenshaw Retail Center
  洛杉磯購物商場
- Monterey Park Retail Shopping Center [In-Escrow]
  蒙特利公園購物商場
- Rosemead Development/Mixed-Use Land
  柔似蜜公寓與商業土地開發機會
- Garfield Medical Plaza[Newly Listed]
  阿罕布拉醫療廣場【新上市】
- Profitable Downtown Los Angeles Business [Coming Soon]
  高盈利洛杉磯市中心商業【即將上市】
- Major Rowland Heights Shopping Center [Coming Soon]
  大型羅蘭崗購物商場【即將上市】
- Covina Office [Coming Soon]
  科維納辦公樓【即將上市】

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Net Lease Transactions Attract Investors in Uncertain Times

淨租賃交易成為樓市走勢不明時期的保障性投資

By Keat Foong (Commercial Property Executive)

The theory that net-leased assets are a defensive investment in uncertain times is being put to the test these days. And it is proving out. Indeed, the third quarter was the most active post-Lehman, according to Real Capital Analytics Inc. Through September, the market saw $17.5 billion in 2011 single-tenant investment sales, compared to $19.2 billion in the whole of 2010.

Dan Fasulo, RCA managing director, projects that single-tenant exchanges could easily reach $24 billion this year—which "puts us back to the levels last seen in 2004," before the advent of CMBS drove volume way up, he said.

Cap rates have also steadily narrowed. According to RCA, average cap rates for single-tenant assets have declined from 7.7 percent in the first quarter to 7.5 in the third quarter of this year. The average cap rate in 2010 was 7.9 percent, compared to 7.6 percent this year through the third quarter.

"Most surprising was that cap rates continued to compress, not flatten, throughout the year," said Daniel Herrold, executive managing director of business development at Stan Johnson Co. "We had a brokers meeting recently, and we think the cap rate compressed 10 to 15 basis points further in the past 30 days."

Hand-in-hand with the interest in net-leased properties has been an interest in the most stable properties. Trades of assets with credit-rated tenants, long-term leases and primary locations are still the norm, with much less activity trickling to the secondary or tertiary markets.

"Investors will pay aggressive yield to buy safety and security," commented Jonathan Hipp, president & CEO of Calkain Cos.

And cap rates for the most desired investment-grade net lease properties are almost back to peak levels, according to Herrold. For example, a Walgreens-occupied asset would bring a 6.25 to 6.5 percent cap today, compared to 8 to 8.25 percent at the trough of the market in 2009. During the best of times, in 2006 and 2007, Walgreens product brought cap rates that were just a shade lower—at 6 to 6.25 percent, he noted.

Of course, in the top markets, the cap rates can be even lower. Calkain closed on a Walgreens and PNC Bank ground lease in Fairfax, Va., this year. The sale price of $13.8 million represented the largest net lease transaction in the Washington, D.C., metropolitan area in the past several years, according to Calkain. The cap rate on the April sale was 5.9 percent. The asset was characterized by a few positive features that may have pressed down the rate further: The demand for ground leases, which are rarer, is relatively higher than for fee-simple leases. Moreover, both leases allowed rent increases every five years.

Sector Preference

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Retail—drug stores, casual dining, fast food—remains the most popular and populous sector of the triple-net-leased investment sphere. Companies in the sector have the advantage of name recognition for investors. REITs are buying sector leaders, such as Walgreens or Petco, said Herrold. “You get 6 to 7 percent return on your money and build diversity of retailers that investors know and shop at.”

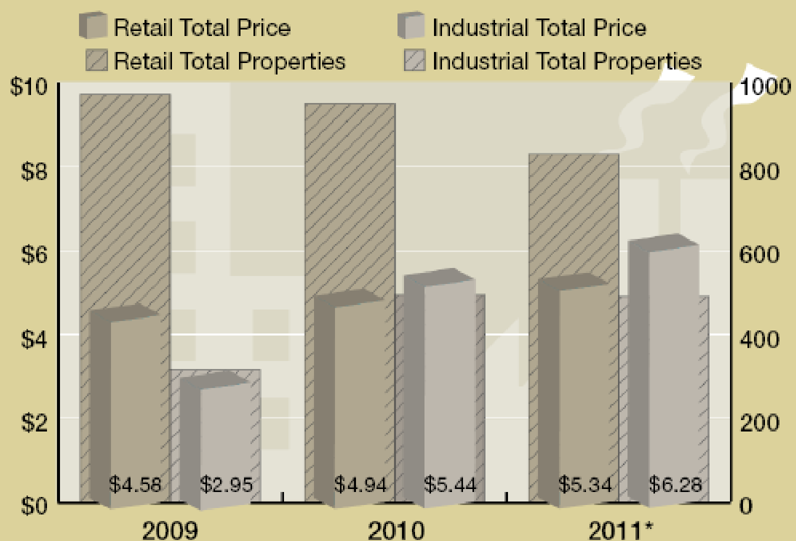
Indeed, RCA data shows that there have been 829 retail assets changing hands this year, compared to 491 industrial and 238 office assets.

The value, though, is reversed: This year so far, the total value of the properties exchanged for office ($6.5 billion) and industrial ($6.3 billion) has exceeded that for retail properties ($5.3 billion).

Active net lease investor Cole Real Estate Investments has been placing capital in retail assets, along with some office and industrial. The company was built on discount and value-oriented retail tenants “because of their necessity-based business models and their earnings endurance, even through recessions,” said Thomas Roberts, Cole ex ecutive vice president & head of real estate investments.

Among the assets Cole brought on this year are a Walmart Supercenter and Sam’s Club in Douglasville, Ga., for which it paid $32.8 million in the third quarter. Cole also acquired a portfolio of 11 PetSmart retail stores in 11 states for $74 million and 23 Walgreens in 18 states for $108 million. In all, the company has made about $1.6 billion in net lease buys toward the end of this year, said Roberts.

Players also cite the increasing prominence of industrial net-leased assets this year. The attractiveness of distribution centers is driven by increased Internet shopping and the opening of new retail stores, according to Hipp.



“After retail space, industrials are the second most attractive (asset class),” agreed Herrold, citing the relatively more dependable characteristics of some industrial properties as investments. For example, companies such as Home Depot may have only a few, critical distribution centers and are less likely to vacate them than an offi ce or a retail space.

In September, Calkain closed on the acquisition of an eight-state portfolio of industrial properties representing about 300,000 square feet leased to one of the nation’s largest environmental services companies. The tenant had recently acquired its largest competitor, and sold and leased back the assets. Further terms

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of the transaction could not be disclosed, but Calkain executive vice president David Sobelman said the size of the transaction, coupled with the 20-year lease term, made this an attractive asset to institutional buyers throughout the country. Also in the third quarter, Cole purchased a 496,000-square-foot Walmart warehouse and distribution center in Riverside, Calif., for $91.5 million.

"Companies are again able to immediately monetize their real estate in an effort to use that newly found capital in other areas of their business," Sobelman said.

Although there is still a dearth of new supply coming onto the market from sale-leasebacks, sources say the trickle may be just a little larger in 2011. "There are more sale-leasebacks than last year," observed Hipp, while Herrold noted that "sale-leasebacks are starting to pick up." Stan Johnson closed three such transactions with Store Capital involving 20-year lease terms. "Sale-leasebacks are typically larger transactions, and usually have a financial element to them," said Herrold.

Build-to-suit activity may be similarly seeing some signs of life, although to a lesser degree. Herrold noted that new development both is tied to and lags economic conditions and job growth. "Without job growth, we will not see retailers expand and new distribution facilities."

Stan Johnson's own activity is a case in point: About one third of the assets it sells this year will be brand-new, versus two thirds in the past.

But Cole has started a program to invest in new development. Cole's build-to-suit efforts, plus its undertakings to develop multi-tenant centers on a value-added basis, will total about $100 million this year, said

Roberts. One new build-to-suit project is its 64,000-square-foot Kohl's in Rice Lake, Wis., to be developed by Continental Properties.

"A lot of retailers are talking of expansion," said Hipp, "although that is a 12- to 24-month process."

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Profitable Holiday Season Could Boost Demand for Retail Property

利潤豐厚的聖誕假期或促進商家對購物商場店面的需求

By A.D. Pruitt (Wall Street Journal)

NEW YORK (Dow Jones)--Stronger-than-expected Black Friday sales have buoyed mall owners that are hoping it is a sign they will see a decline in the nation's persistently high vacancy rate.

Although robust holiday sales aren't usually a make or break period for the mall operators, they're an important indicator if tenants are healthy enough to expand into new markets, sign new leases and pay higher rents.

Mall operators also enjoy some financial benefit from a strong shopping season. Many tenants pay their rent, plus a percentage of the sales, although this bonus usually represents only 2% to 5% of landlord's revenues.

"Typically (holiday) retail sales do not have a material effect on earnings immediately," says Jay Leupp, a portfolio manager on Lazard Asset Management's global real estate securities team. "It's a better sign and predictor of what retail tenant renewal and expansion activity is going to be going forward, particularly if retail sales are meaningfully stronger than expected."

Analysts question, however, whether the strong sales will continue. They point out consumers are using money from their savings to spend on retail items and may pullback on purchases if the economy doesn't improve.

A resurgence in consumer spending has defied a rather gloomy outlook for the global economy and anemic job growth in the U.S. Consumer spending on discretionary items rose 4.7% in October from a year-over-year period and inched up 0.7% since September, marking the 16th consecutive month of retail sales increases, according to the National Retail Federation.

Black Friday lived up to its moniker, with total spending over the weekend totaling $52.2 billion, a record high, according the trade group's survey conducted by BIGresearch.

But some mall owners are benefiting from this spending more than others. Mall and outlet real estate investment trusts have produced a total return of 14% and 15.7% in the past 52-weeks, significantly outperforming a 2.51% gain for the overall REIT sector, as measured by the Dow Jones Equity All REIT Index on a total return basis.

Mall REITs generally have better quality malls compared to their privately-owned competitors because their access to equity and debt markets makes it easier to raise financing for development, acquisitions and renovations. The mall sector as a whole recorded vacancy rates at 9.4% at the end of the third quarter, according to Reis Inc. The vacancy rate marked the highest the firm had on record since it started tracking mall data in 2000.

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The rising mall vacancies are mostly driven by a reluctance of retailers to open new stores and a growing number of national chains, like electronics goods company Best Buy (BBY), are opting for much smaller spaces. This is making it difficult for landlords, especially operators of lower-quality malls, to fill the dark stores left vacant by the recession-induced store closures in 2009 and 2010.

If the strong spending continues all landlords stand to benefit. "If the retail season is positive, some of the retailers who have been thinking about closing stores may decide not to close those locations or some retailers may think to enter into new markets or expand," says Carol Kemple, an analyst at Hilliard Lyons.

She also noted that entrepreneurs leasing vacant space on a short-term basis, like kiosks, may also become permanent tenants or sign longer leases for one to two years.

A significant pool of the nation's lower-end malls are struggling to fill big swaths of vacant space left dark during the downturn. The rise of Internet shopping is also a growing threat.

Bottom Dollar Stores to Expand

低價雜貨店 Bottom Dollar 將擴張

By Ely Portillo (NewsObserver)

The Belgian conglomerate that owns Food Lion plans to open hundreds of Bottom Dollar grocery stores, part of a strategy to increase sales and compete with low-cost grocers such as Aldi and Wal-Mart.

Pierre-Olivier Beckers, CEO of Brussels-based Delhaize Group, discussed the plans with analysts at a meeting in Raleigh on Thursday. The plan represents a major expansion for Bottom Dollar, which currently has 53 stores clustered in a few cities.

Both Food Lion and Bottom Dollar are based in Salisbury, where Food Lion was founded. Delhaize, which operates thousands of supermarkets in the U.S., Europe and Indonesia, is in the midst of a "new game plan" to revive slumping sales.

"We are making a lot of progress in a difficult environment," Beckers said. "While we continue to be focused on the disciplined execution of the many projects that are ongoing, we are ready to accelerate our store opening plans."

Bottom Dollar offers lower prices in a smaller store, carrying 6,500 to 8,000 products. That's less than half of a typical Food Lion, which carries between 15,000 and 20,000 products. The first Bottom Dollar opened in High Point in 2005.

Discount chains such as Aldi, Costco and Wal-Mart are expected to grow faster than traditional supermarkets and account for about 37 percent of retail grocery sales by 2014. Such chains made up about 33 percent of retail sales in 2009, according to Delhaize.

Although Bottom Dollar was started in North Carolina, expansion of the chain has recently been focused on markets farther north. Bottom Dollar will have 29 stores in and around Philadelphia by year-end, and plans to open at least 10 more there in 2012. The next new market for Bottom Dollar is Pittsburgh, where the chain plans 14 new stores in the first quarter next year.

There are five Bottom Dollar stores in North Carolina, including locations in Mooresville and Hickory. Spokeswoman Christy Phillips Brown said the retailer isn't specifying where the new Bottom Dollar stores will open.

The stores will be part of a push by Delhaize to open some 450 new stores by 2014. Currently, Delhaize operates about 1,600 stores in the U.S., including the Harvey's, Hannaford and Sweetbay chains.

Delhaize has been tinkering with different store formats and areas, looking for the right combination for growth. After pioneering the Bloom concept in the Charlotte market, Delhaize recently converted Bloom stores in the Carolinas back to Food Lion, while expanding the Bloom chain around Washington, D.C.

The chain has also remodeled some 200 Food Lion stores in Raleigh and Chattanooga and plans to update all of the approximately 1,100 Food Lions by 2013.

In November, Delhaize reported its third-quarter U.S. revenue was up 3.5 percent, to $4.9 billion. Sales at U.S. stores open a year or more rose 1.9 percent, but Delhaize said inflation accounted for most of that increase.

With Mall Vacancies at a High, Food Court Becoming More Important

商場空置率高，美食廣場成為吸引顧客的關鍵

Source: QSR Magazine.com

Ever since the first farmers packed up their produce to sell in the town square, food has been an important part of the shopping experience. But lately, it seems the food is better than ever.

At the Macy's in Chicago, celebrity chefs like Rick Bayless have set up shop with their own quick-service or fast-casual restaurants. In London, luxury department store Harrods boasts 30 restaurants ranging from casual to opulent. And these aren't the only places beefing up their food offerings.

Shopping centers across the country are investing, turning to food as a way to lure guests back.

Les Morris, spokesman for major mall owner Simon Property Group, says that the best way to a customer's heart is through his stomach.

"The role of food in a mall is important and will continue to be," Morris says. "Mall food-hall offerings will only continue to evolve."

Evolution is a matter of survival of the fittest, and the food court business is no exception. While mall industry representatives insist their industry is booming, those closer to the business tell a different story.

California-based Hot Dog on a Stick has 102 mall locations out of a 104-store system, and executive vice president Laurie Sonia is keenly aware that traffic is down.

"Malls in the last few years have changed dramatically because of the economy, and also because online shopping has become so easy," Sonia says. "I honestly don't think the demographics have changed, I just think there's less people going to malls."

Those changes have had real impact on mall tenants. Dippin' Dots, a longtime mall favorite, recently filed for bankruptcy, and Hot Dog on a Stick saw its sales fall in 2009 and 2010. Sonia says the percentage her sales fell was more or less the same percentage total mall traffic fell.

"The last two years before this one our sales had decreased, anywhere between 5 and 10 percent [a year]," Sonia says. "I think that's why you've seen so many retailers go out of business—it's hard to sustain those kind of losses."

While the newspapers have backed off from the doom-and-gloom predictions they made in 2009 (the Wall Street Journal talked about "ghost towns" then), the mall situation is still far from rosy.

An October 23 article in USA Today quotes a study by Commercial real estate research firm Reis that shows mall vacancies at an 11-year high in the third quarter of 2011.

With big retailers like Border, Blockbuster, and Linens N' Things shut down and hundreds of other stores closing, mall owners are turning to other things to attract traffic.

"Coming out of the recession, there's been an increase in importance in dining and entertainment," International Council of Shopping Centers spokesman Jesse Tron says. "Basically right now the focus is redevelopment."

Tron says the general plan is to give customers more reasons to come into the mall. Since eating at a restaurant is a fundamentally social activity, bringing in more eating options encourages people to come and bring their friends.

Suzyn Cragin, manager of Superior, Wisconsin's Mariner Mall, says her mall's two restaurants have been helpful in boosting traffic.

"Both of them draw people," Cragin says. "When people are shopping they need places to dine. [It] makes people stay a little bit longer and shop a little bit longer."

Tron says as businesses emerge from the recession, the emphasis has been on more traditional restaurants, which have a larger footprint and provide more of a destination feel to a mall.

"Outside of the food court is where you're seeing those changes," Tron says. "Those larger chain-style restaurants are pretty popular, as well as coffeeshop/cafes."

This increased emphasis on sit-down dining means more competition for quick serves.

Tron says, however, that food courts are changing as well. An attractive central eating space serves as a gathering point, and malls have been quick to jump in and make them as comfortable and eye-catching as possible.

Part of the spirit of providing more options means developing and expanding quick serves along with sit-down restaurants.

"You have certain consumers who want to come in and grab a quick bite," Tron says. "[The] food court's still certainly integral."

Even when the tenant mix doesn't change, the ambiance does.

Fixtures, carpeting, and lighting can freshen up a food court, especially when more expensive materials are used.

Sonia notices this trend in some of the malls where Hot Dog on a Stick has a presence.

"They are getting more upscale," Sonia says. "I think in general they're trying to take it in a more upscale direction."

One mall that has invested significant money into its food court is San Diego's Fashion Valley. As part of the first phase of the multimillion-dollar renovation project, the mall updated and modernized the food court space. It added contemporary tables and chairs, along with banquette and bar seating that increased the total seating by about 10 percent. Vertical landscaping, large ceramic potted plants, skylights streaming natural light, and freshly repainted surfaces made the food court inviting. Morris says it's all about getting guests to linger.

Wingstop Secures $15 Million to Support Franchisees

為快速擴張，雞翅連鎖餐廳 Wing Chain 向其加盟商提供融資支持

Source: QSR Magazine.com

Wingstop, the rapidly expanding wing chain with almost 500 locations in the U.S. and Mexico, announced a new program designed to provide financing for franchisees. The financing will be provided through Franchise America Finance (FAF) and The Bancorp Bank, a wholly owned subsidiary of The Bancorp, Inc.

Under the terms of the partnership, Wingstop has $15 million available to assist with financing franchisees in the development of new restaurants.

“This collaboration allows us to provide national funding for our current brand partners and new franchise candidates,” says Dave Vernon, vice president of franchise sales for Wingstop. “Wingstop is adding new stores on a regular basis, and will open our 500th location this month. This funding will give us even more momentum as we grow the brand in new markets and expand within our core markets.”

FAF is a full service, small-to middle market commercial franchise finance firm that was founded in 2010 with a focus on franchising and SBA lending.

“We are excited Wingstop has joined our franchise lending program,” says Ronald Feldman, CEO of Franchise America Finance. “Since we started this program last year, we have allocated more than $300 million for franchisee financing for our member franchise systems.”

Can Landlord Evict Adults Who Are Not on the Lease?

房東能否驅逐不在租賃合同上的成年房客？

By Martin Eichner (Los Angeles Times)

Question: I am leasing a house to a family. I thought there were just two parents and two children, but when I was in the house fixing the stove recently I saw two other adults living there. I have no idea who they are. My lease precludes the signatory tenants from allowing any other adults to live in the property who are not on the lease, but I have been uncertain about whether I can take action. I know that I am not allowed to discriminate based on familial status. Will I be guilty of discrimination if I take action to remove these strangers?

Answer: Discrimination based on familial status is indeed forbidden. The California Fair Employment and Housing Act forbids this form of discrimination in Government Code Section 12955. One example of this type of discrimination would be limiting the total occupants in a rental property in order to squeeze out families.

However, nothing in the act precludes a landlord from enforcing a lease provision based on a legitimate business justification. In this case, a landlord has a right to require that all adult residents in a rental property become signatory parties to the rental agreement.

This requirement gives important protections for a landlord. It provides an opportunity to properly screen any adults living in the property and it ensures that the rental agreement can be enforced against them if they fail to comply with other terms of the rental agreement.

If you are unable to obtain voluntary compliance with this requirement, you will need to serve a three-day notice on the signatory tenants to "perform covenant or quit." The notice would require them to remove these strangers or face eviction. If your property is in a "just cause" eviction jurisdiction, you should check whether there are any additional requirements.

A Changing Industrial Landscape Brings Fresh Management Challenges

變化中的工業格局給工業地產管理帶來新挑戰

By Paul Rosta (Commercial Property Executive)

The industrial sector may seem to lag other property types in glamour, but to those charged with managing distribution centers, research-and-development space and other facilities, it presents a complex, fast-changing landscape. Trade patterns, supply-chain issues, surging interest in sustainability—these and other factors all filter down to the end user's needs at the property level. A series of recent blockbuster corporate moves will also have closely watched implications. Most notably, the union of AMB Property Corp. and ProLogis under the new Prologis Inc. brand name, which was completed June 1, is influencing the market dynamics of industrial property management.

In November 2010, seven months before that merger, Blackstone Group L.P. paid $1 billion for a 23 million-square-foot, 180-property portfolio of ProLogis properties. The assets formed a significant portion of the 45 million-square-foot portfolio now held by IndCor Properties Inc., a new Blackstone affiliate. IndCor divided property management duties for a 40 million-square-foot portion of the portfolio among three service providers: CBRE Group Inc., Jones Lang LaSalle Inc. and Cassidy Turley.

To be sure, senior executives maintain a realistic view of the sector's prospects. "Overall, the industrial market is doing about like the economy," said John Dobrott, president of McShane Development. "The real growth is not as strong as we would like it to be, but it's heading in the right direction."

Confirming Dobrott's analysis, an early November assessment by the NAIOP Research Foundation projected an annualized fourth-quarter growth rate of 1.09 percent. That pace is at the low end of the historical spectrum, but would mark the sixth straight quarter of growth if it holds true. Barring unexpected shocks to the economy, NAIOP researchers said that growth should start picking up speed in 2012.

The industrial sector has proved to be something of a sleeper among property categories. Though the slow pace of growth mirrors the sketchy economic recovery, fundamentals that softened during the recession have now been firming up for more than a year. During the third quarter, availability of industrial properties dropped 20 basis points to 13.7 percent—the fourth consecutive quarter of decline, according to CBRE Econometric Advisors, the research arm of CBRE Group Inc.

Other metrics similarly suggest a tightening market. Of 60 markets surveyed by CBRE, industrial availability fell in 40, increased in 14 and remained unchanged in six, CBRE found. Gradually increasing competition for space could lead to an uptick in pricing, although that has not yet emerged as a widespread trend. For owners and managers alike, the market remains competitive and the priority is keeping the property stable. "Most of us are focused on occupancy: keeping tenants in place and getting new tenants," reported Jim Connor, senior executive vice president for Duke Realty Corp.'s Midwest region. "The market isn't so good that you've got people beating down the door to take your space."

Third-quarter absorption trends offer clues to how the evolving supply-demand dynamic will affect the way property managers meet end users' needs. Through September, leasing activity hit 227.8 million square feet for the year, a nearly 20 percent year-over-year increase compared to the first three quarters of 2010, according to Cushman & Wakefield Inc.

Revealing as these statistics are in many ways, trends that are influencing how property managers meet the needs of end users are hid den between the lines. "There's starting to be an acute shortage of big-box space—500,000 square feet and up—across all tier one markets," contended Jim Dieter, executive vice president & head of industrial brokerage for Cushman & Wakefield. He named pivotal markets such as Atlanta, Dallas, New Jersey and Southern California's Inland Empire as examples of locations experiencing shortfalls.

The most important cause of the big-box squeeze is a trend toward space consolidation. Competitive pressure to deliver goods more efficiently prompts end users to replace multiple midsize distribution centers with a limited number of larger facilities. That issue, plus the aging of existing stock, is causing the stirrings of the first significant new development since the recession took hold.

Duke, to name one leading developer, has a $200 million project pipeline that will extend through 2012. And 33 top industrial markets around the country added 15.5 million square feet of new product through the first three quarters of 2011, with another 16.6 million square feet in the pipeline, according to Cushman & Wakefield.

Votes of Confidence

Major owners are giving the industrial sector a vote of confidence, a trend that bears implications for in-house and third-party real estate managers alike. For Duke, the industrial sector is the anchor of a long-term strategy. At the end of 2010, its nationwide portfolio consisted of 49 percent office properties, 42 percent industrial and 9 percent medical office buildings. By the end of 2013, the REIT wants to make that composition 60 percent industrial, 25 percent office and 15 percent medical office.

Toward that end, Duke is targeting expansion in high-growth industrial markets. During the third quarter, the firm spent $103.5 million on industrial and office properties; most of that total went toward acquiring eight industrial properties in Chicago, Dallas and Raleigh, N.C.

Earlier this year, the company paid $450 million for a 4.9 million-square-foot portfolio made up of 51 distribution buildings and five office buildings in Broward and Palm Beach counties in Florida. And in a step toward the complimentary part of its strategy—trimming its office portfolio—this month the company is scheduled to close the $1.1 billion sale of an 82-property, seven-state suburban office portfolio to Blackstone. Duke self-manages almost all of its industrial properties, but its aggressive expansion plan may yet breed confidence in other investors to buy—and then retain management services for—industrial assets.

As third-party property managers jockey for leadership, some are using transaction services as a launching pad. Jones Lang LaSalle is expanding its property management services through its leasing and investment sales teams, which are introducing the services to their clients. "We want to be involved from cradle to grave," explained Dan Pufunt, president of Jones Lang LaSalle's property management business.

At the moment, the company's industrial property management business focuses much of its energy on eight major industrial markets: Northern California, the Inland Empire, New Jersey, Dallas, Houston, Chicago, Atlanta and Philadelphia. A big win for Jones Lang LaSalle this year was its selection by IndCor to manage a 15.4 million-square-foot portfolio in Pennsylvania, New Jersey, Maryland and Virginia.

What appears to be an industrial market in transition puts a different spin on how owners and managers market properties and serve end users' needs. Demand will continue to grow for distribution centers that offer up-to-date specifications like 32-foot vertical clear space, cross-dock facilities and truck courts sized to permit proper circulation of big rigs.

Another issue on the radar of industrial real estate managers and owners is the changing dynamics between older and newer product. "The biggest challenge of the older stock of buildings today is competition with newer buildings," contends Dieter.

In a relatively healthy economy, older properties can use price discounts as an effective selling point to help them stay competitive with newer industrial facilities. But a weaker economy like today's reduces the value of that selling point by shrinking the pricing differential between new and older properties. "That puts extra pressure on older-generation buildings," Dieter explained.

This generation gap is also reflected in the sustainability movement, which continues to pick up speed in the industrial sector. Industry veterans point out that green features are incorporated more effectively in new development than retrofit older building stock.

Partly because the recession has narrowed the pricing gap between brand-new and older product, owners are often unable to charge a premium rate for newer, greener facilities. But green features can still provide a competitive edge. When a prospective customer has narrowed the choice of a new distribution center to two facilities that are otherwise closely matched, if one of those properties offers up-to- date sustainable features, "it's a tiebreaker," Connor observed.

New twists and complications flow into the industrial property sector by the week, yet in the midst of accelerating change, sticking to a few principles will also help property management professionals at all levels steer a successful course. To begin with, Pufunt suggested, try to understand where clients need to be and why— then work backwards to determine the appropriate location.

Raising that deceptively simple question enables property managers to fit together pieces of the puzzle like supply chain, transportation and facility size. And professionals who can answer the question accurately will lead their industrial clients to the most effective and competitive use of space.

What is a Real Estate Syndication and How Does it Work?

地產合資是什麼，如何運作？

How different would your life would be if you owned numerous properties diversified properly across the real estate landscape? As real estate investor, it is critical that one has the readily available capital to act on the many potential opportunities in today's market.

By pooling funds from multiple investors and channeling them into real estate projects, investors can utilize the strength of their combined resources to create significant wealth. Coupled with the expertise of a Sponsor, investment opportunities can be identified quickly and capitalized upon.

如果您擁有許多多元化的房地產，您的生活會否不同？在當今的市場，擁有現成資本來購買眾多潛在的機會對房地產投資者事關重要。

通過彙集多位投資者的資金，再加上基金負責人的專業知識，投資者可以聯合彼此的資源迅速開發投資機會，從而創造巨大的財富。

How Does Syndication Work?

First, a Sponsor identifies investment opportunities and creates a legal entity designed to limit liability for its investors.

The Sponsor, an expert in navigating the complexities of the market, can provide expertise in evaluating investment properties. The result of extensive due diligence is a balance between risks and returns for the investors. The role of the Sponsor involves:

- Searching for viable investments and choosing the best opportunities for investors
- Coordinating a thorough due diligence process
- Working with lenders to secure financing
- Drafting the offering and disclosure documents for investors
- Raising investor capital
- Representing the buyer entity at close
- Actively managing the investments for the investors to preserve and add value

STC 資產管理 MANAGEMENT
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如何運作合資？

首先，基金負責人會標識投資機會，並為投資者建立合适的運作實體。

基金負責人一个能够導航複雜市場并提供投資可行性評價的專家。其結果是為投資者在風險與回報之間取得平衡。基金負責人的作用包括：

- 尋找可行的投資，並為投資者選擇最佳機會
- 進行詳盡的調查分析
- 與銀行協調來籌措資金
- 為投資者擬定合約
- 集合投資者資金
- 代表買方完成交易
- 用適當管理來維護以及增值投資者的地產

Consumer Money Rates (Mortgage Rate, Prime Rate, etc.)

消費者市場利率：房貸、基本利率、等等

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	Yield/Rate (%)		52-Week		Change in PCT. PTS	
Interest Rate	Last	Wk Ago	High	Low	52-week	3-yr
Federal-Funds rate target	0-0.25	0-0.25	0-0.25	0-0.25	-	-1.00
Prime rate*	3.25	3.25	3.25	3.25	-	-0.75
Libor, 3-month	0.52	0.52	0.53	0.25	0.22	-1.68
Money market, annual yield	0.51	0.52	0.66	0.50	-0.13	-1.89
Five-year CD, annual yield	1.46	1.51	2.08	1.46	-0.57	-2.37
30-year mortgage, fixed	4.17	4.17	5.21	4.15	-0.63	-1.64
15-year mortgage, fixed	3.55	3.56	4.57	3.46	-0.61	-2.05
Jumbo mortgages, $417,000-plus	4.86	4.90	5.89	4.86	-0.70	-2.36
Five-year adj mortgage (ARM)	3.13	3.15	5.79	3.00	-0.55	-2.84
New-car loan, 48-month	3.90	4.17	5.46	3.75	-1.56	-2.93
Home-equity loan, $30,000	4.83	4.82	5.17	4.71	-0.27	-0.32