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RECENT LEASED
近期租出

- Stelu | Yes Plaza
  Move in 10/01/11 | 578sf

- Pacific IPA | Seasons Place
  Move in 10/01/11 | 1577sf

- Half & Half | Seasons Place
  Move in 04/01/12 | 1017sf

STC LISTINGS
STC 獨家代理物業出售

- San Gabriel Office/Retail
  聖蓋博獨棟商用物業
- Santa Ana Preschool/Redevelopment Opportunity [In-Escrow]
  橙縣幼稚園/重新開發機會
- Monterey Park Luxury Residence [Newly Renovated]
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- Crenshaw Retail Center
  洛杉磯購物商場
- Monterey Park Retail Shopping Center [In-Escrow]
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- Garfield Medical Plaza[Newly Listed]
  阿罕布拉醫療廣場【新上市】
- Profitable Downtown Los Angeles Business [Coming Soon]
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- Major Rowland Heights Shopping Center [Coming Soon]
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- Covina Office [Coming Soon]
  科維納辦公樓【即將上市】

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China's Largest Builder Intends to Buy a U.S. Construction Company and Invest $2 Billion in the U.S.

中國最大建商有意收購美國建築公司并在美投資 20 億美元

By Jasmine Wang (Bloomberg)

China State Construction Engineering Corp. (601668), the nation's biggest builder by market value, intends to buy a U.S. construction company next year as it begins investing as much as $2 billion in the world's largest economy.

The builder has shortlisted two potential takeover targets, including one with annual sales of about $1 billion, Vice President Chen Guocai said yesterday at a conference in Hong Kong. He declined to elaborate on the companies or on how much the builder may spend on its first U.S. acquisition.

China State, which renovated the Alexander Hamilton Bridge in New York, also plans private-public partnerships in the U.S. over the next five years to help pare its reliance on domestic and emerging markets. The company wants to boost the proportion of overseas sales earned in the U.S. to 15 percent from 5 percent within five years, he said.

"We need to balance our overseas business," he said. The so-called Arab Spring movements could disrupt sales in Africa and the Middle East, where the company has been "very successful," he said.

The Beijing-based company, which is the parent of Hong Kong-listed developer China Overseas Land & Investment Ltd (688), will also seek to team up with a U.S. company on real-estate projects in the country, Chen said. He didn't elaborate.

The builder closed down 1.9 percent to 3.06 yuan in Shanghai trading today. It's declined 11 percent this year, compared with a 17 percent drop in the city's benchmark Shanghai Stock Exchange Composite Index.

China State generated sales of 370.4 billion yuan last year, according to a company statement. About 15 percent of its current revenue came from overseas, Chen said.

The company boosted net profit 60 percent in the third quarter to 3.1 billion yuan, according to a statement to the Shanghai stock exchange.

Developers Waiting for Next Stage of Development of China's Real Estate Market: REITs

開發商等待中國地產市場下一階段的發展：房地產投資信託基金上市

Source: The Star Online

CapitaLand Ltd, South-East Asia's largest property developer, plans to spin off its developed Chinese projects into two mainland-listed real estate investment trusts (REITs) when China approves listing of REITs, according to its CEO.

Many developers are waiting for China to frame guidelines for the listing of REITs, which is seen as the next stage of development of China's real estate market.

“Within the next three to five years, for sure,” Liew Mun Leong, CapitaLand president and CEO, said in an interview.

“It's part of the process of the real estate industry maturing.”

Last month, CapitaLand chief operating officer Lim Ming Yan was quoted as saying the firm was considering spinning off US$5.3bil of its projects in China into a REIT.

Liew clarified that the divestment plan would involve the China assets held both by CapitaMalls Asia and CapitaLand.

It would see those companies create two real estate investment trusts listed on the mainland, one focused purely on shopping centres in China and one on mixed-use projects such as its Raffles City developments in Chengdu and Shenzhen.

“You can have two REITs,” Liew said. “One is just purely for malls, and one that is mixed development, with office and retail and residential and malls.”

Commercial Real Estate Favorable Due to Improving Fundamentals, Lack of New Supply and Low Interest Rates

基本面的改善、新供應的缺少和低利率使商業地產更受青睞

By Hessam Nadji (GlobeSt)

The U.S. debt downgrade and the bumpy road of attempted resolutions to the European debt crisis have cast a cloud of uncertainty on the global economy but failed to tip the U.S. recovery. Amid the clouds of fear and uncertainty, fundamental economic activity has proven to be quite resilient as evidenced by the string of better-than-expected economic readings since August's onset of financial-market turmoil and the roller coaster ride in Europe.

Between August and October, private sector hiring, retail sales, manufacturing, corporate profits and Gross Domestic Product (GDP) beat expectations and were topped off by robust post-Thanksgiving retail sales gains. The key indicator of retail sales is moving at levels well beyond an economy stuck in neutral and more reminiscent of a real recovery. For example, even before the surprisingly strong 6.6 percent year-over-year rise in Black Friday sales and a 22 percent jump in Cyber Monday sales, retail sales were up 7.2 percent in October on a YOY basis and 6.1 percent for core retail (excluding auto and gasoline sales). The monthly average retail sales growth in August and September was 0.7 percent overall and 0.5 percent for core. On a macro level, it appears that European authorities are committed to saving the common currency and pursuing more systemic solutions, including the most recent measure to increase bank liquidity.

All of this positive news is encouraging, particularly the mounting evidence of a relatively strong underlying economic base in the United States. However, caution is still in order for several reasons. The European proposals to create more than a common currency and bring member countries closer together with more accountability, and execution of any new accords, are still likely to face multiple issues. Europe's economic growth has slowed and may enter recession, which would negatively impact the United States since the continent accounts for about 20 percent of U.S. exports. The domestic political log jam 2.0 was clearly evident in the failure of the "Super Committee" to reach a new deficit-reduction plan. Uncertainty in Washington is likely to linger through 2012, perhaps longer depending on the election outcome. Clearly, the economic engine is clearly not firing on all cylinders as the for-sale housing market is accounting for a meager 2 percent of economic output in the United States, unlike virtually all past recoveries. In turn, this is keeping banks, which have reserves of approximately $2 trillion, risk-averse with limited lending to consumers and small businesses. Receding recession fears and renewed geo-political problems in the Middle East have pushed oil prices back up, eating into consumption and profit margins.

In balancing the positive developments with the negative factors, one can only conclude that an organic transition from a muted recovery to a robust expansion is being held back by major macro issues in the United States and globally, and that investors need not panic or overreact to Doomsday scenarios but be prepared to endure through an extended period of slow improvement economically and in property fundamentals. In 2012, the challenge will be to balance the "wait and see" approach and the traditional need for more clarity with the established fact that by the time the macro risks are truly reduced, property pricing will have already moved.

Therefore, this is the time for market selection, asset selection, a well-thought out value creation and exit strategy – all built on an astute leveraging of incredibly low interest rates. The top-flight, low-risk acquisition strategy of 2010-2011 will not pencil out as easily in 2012 thanks to recompressed cap rates and back-to-peak pricing for many top-tier properties. One clear trend is the favorable position of commercial real estate as an asset class by multiple measures, starting from going-in yields, to improving fundamentals, lack of new supply (across most product types), increased lending sources and of course, low interest rates.

Post Office Puts Stamp of Approval on Major Downsizing

郵局將大舉縮小規模以削減成本

By Mark Heschmeyer (CoStar)

The U.S. Postal Service plans to move forward with its proposal to change service standards and massive cuts to its real estate footprint.

The Postal Service is proposing, through the rulemaking process, to move first-class mail to a two- to three-day standard for contiguous U.S. destinations.

In addition, the Postal Service is looking at eliminating 252 out of its 487 mail processing facilities.

The action is being taken in response to on-going financial challenges caused by the dramatic and continual decline in First-Class Mail volume and the resulting revenue loss.

"The U.S. Postal Service must reduce its operating costs by $20 billion by 2015 in order to return to profitability," said David Williams, vice president, Network Operations. "The proposed changes to service standards will allow for significant consolidation of the postal network in terms of facilities, processing equipment, vehicles and employee workforce and will generate projected net annual savings of approximately $2.1 billion."

This is part of the overall savings expected from the network optimization initiative, which is projected to save up to $3 billion by 2015.

The U.S. Postal Service owns or leases more than 33,000 facilities with approximately 284 million interior square feet. These facilities are in virtually every community throughout the country and range in size from 55 square feet to 32 acres under one roof.

The Postal Service estimates that it has about 67 million square feet of excess space nationwide.

In addition to an abundance of space, recent audits have disclosed that there are unmanned or underused windows in post offices around the nation, as well as more workhours at retail facilities than needed based on fiscal year 2011 workloads.

The solution most often suggested for dealing with these excess resources is to consolidate and close facilities.

Grocery-Anchored Retail with Restaurants is Resistant to Economic Downturn

超市為主要房客的購物商場聯手餐館成功對抗經濟衰退

By Matt Bechard (REIT.com)

Grocery-anchored shopping centers have held up well during the economic downturn, according to Martin "Hap" Stein, Jr., chairman and CEO of Regency Centers (NYSE: REG).

Speaking with REIT.com during REITWorld 2011: NAREIT's Annual Convention for All Things REIT in Dallas this month, Stein discussed how his company fared during the recent recession.

The fact that Regency Centers focuses on grocery-anchored centers with restaurants has helped the company weather the storm, according Stein, who said that eating is a necessity.

"People have to eat and they are still spending money in restaurants. The supermarkets at Regency Centers average over 25 million in sales," Stein said.

Throughout the recession he said that the 92 percent occupancy was a testament to the benefits of grocery-anchored shopping center properties. Stein added that the occupancy number is currently moving back up to 93 percent.

Despite challenges in the economy, when it comes to attracting new tenants, he said the demand for shopping center space is picking up. This is true for both the larger chain tenants and the smaller tenants including those like Starbucks Coffee, Panera Bread, and other quick service establishments.

"They are looking for locations and no new supply has been added to the market. I think that has helped make the demand for better shopping centers and the result in the pick in occupancy that we've seen," Stein said.

Regency has been active in acquisitions in order to strengthen its portfolio. Stein said the company is selling shopping centers that don't meet Regency's standards of strong anchored supermarket sales in excess of $25 million dollars.

"So we are investing that capital in shopping centers that do meet our criteria," Stein said.

Big Chain Stores Get Bigger, and Richer

得益于高效率和低雇傭成本，大型連鎖店近二十年變更大更賺錢

By Michael E. Kanell (ajc.com)

The call to the Chandlery comes from a frazzled mother. She sits in a car not far away. There's just one item she needs at the Roswell store.

"She'll say, 'I've got a sleeping baby. Can you meet me at the curb?'" said Sally Johnson, co-owner of Chandlery, a "mini" department store that's been in business since 1977. "We say, 'What's your credit card number? We'll come out.' It happens a lot."

You might not get such indulgences at Walmart or Target. But most consumers — in this, the busiest of shopping seasons — are looking for the lowest prices, even if it means taking a pass on personal service. A handful of chains is all but certain to command an overwhelming share of holiday spending.

In the past two decades, the share of sales going to the top general merchandise stores has soared from 47 percent annually to 73 percent, according to an analysis of census data by University of Oregon sociologist John Bellamy Foster and University of Illinois at Urbana-Champaign communications professor Robert McChesney.

"I do shop at Walmart," said Amy Nichols of Marietta, carrying a shopping bag through Perimeter Mall in Dunwoody. "The price is cheaper. And I go for things I can't find anywhere else."

Experts agree that the trend is clear.

Many independent stores like Atlanta-based Rich's and smaller chains like Burdines have been absorbed into big chains. Meanwhile, the big chains themselves have kept growing.

"In pretty much every category, you'll see that the biggest guys are a lot bigger today than they were 10 years or 20 years ago," said Lawrence Ring, business professor at the College of William & Mary in Virginia.

The implications of retail consolidation are varied: lower prices for consumers, but also less energetic hiring of workers and a more streamlined economy overall.

Efficiency of going big

National brands, on average, are 6 percent to 7 percent less expensive, thanks to consolidation, said David Weiskopf, senior vice president at Compass Lexecon and adjunct economics professor at Johns Hopkins University.

Bigger can be more efficient — and most analysts say that the triumph of huge retailers, led by Walmart, has made the economy more efficient as well.

Big chains can buy in massive bulk, invest in new technologies, pressure suppliers to meet ever-lower benchmarks for price and make up for thin profit margins with tens of billions of dollars in sales.

The effect on consumers is cheaper goods, but less choice, said Elaine Buxton, president of Confero, a “customer experience measurement firm” based in Cary, N.C.

Lynne Andrews of Cumming remembers shopping at Rich’s and other stores that no longer exist.

“It has definitely changed, and I feel like there are not as many choices,” Andrews said.

And while she does some shopping at the big stores, she also spends time and money at the small ones. Her favorite might be a local store: Straw Dog, a women’s apparel store.

“Those kinds of stores are a little more expensive. But at Straw Dog, they have a gal there who is like my personal shopper. I just feel like a person, not a number.

“I feel like they are working for my business.”

As the big stores squeeze for lower costs, they also push some suppliers into consolidation, Buxton said. “Instead of 18 lines of cosmetics, they may offer seven — and then, they can squeeze those seven.”

So, consumers may find that the shelves are full, but certain items may actually come from just one or two companies.

And big stores often create their own brands — items that are generally cheaper than the well-known names but more profitable to the store, Buxton said.

Whatever the big stores are doing has been working: Walmart’s U.S. sales last year were $308 billion. Target’s were $78 billion; Costco’s, $59 billion; Sears, $35 billion; Macy’s, $25 billion; Kohl’s, $18 billion; and J.C. Penney, $18 billion.

Those revenues far outweigh the totals for the tens of thousands of small stores.

“I’ll admit that the service isn’t that great at the big stores, but if you want somebody to hold your hand, you go to the corner guy,” Ring said. “And you’ll pay for it.”

There is nothing new about chains surging to national preeminence — and facing criticism.

Older Americans can remember when food sales were dominated by a massive network of A&P stores, and the heights of retail were commanded by Sears Roebuck and F.W. Woolworth.

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Consumers flocked to those stores too, despite charges that they were crushing competition and undercutting small business with their buying power.

And just as those retail dynasties were eroded by new circumstances and technology, changes could weaken today's behemoths.

Size does not always triumph — the impact of big on small is not so simple, said Weiskopf.

As the largest player, Walmart has the greatest impact, and "it is uncontroversial" that wages in general tend to go down when Walmart enters a community, he said.

"It depends on the business and how close to Walmart you are," Weiskopf said. "In fact, small business revenue tends to go up when they are close to the Walmart."

Walmart officials declined comment. So price is not the whole game — not for the small stores and not for customers like Brenda Carreras of Atlanta.

Walmart is too chaotic and too crowded, she said. "I know Walmart is probably cheaper than other places. I don't care. I just can't go there."

That doesn't mean she's headed for a boutique — she's more likely to shop at Target.

Big and small each play to different strengths, said Buxton. "What the big stores can't do is figure out how to compete on customer experience. Someone can say 'welcome to the store,' but can that person direct you to a product you want?"

Or for that matter, can they analyze your gait? For that, you might go to Big Peach Running Co., a six-store, 75-employee retailer based in Atlanta.

With shoes ranging from $85 to $200, Big Peach prices are not going to siphon customers from the mall. But for advice, guidance, expert chat and even a running group to join, it's an option.

"You can come in here and spend two hours picking the brains of these people," said Karen Kaye, director of communications and community relations. "Everybody who works here is an experienced runner, walker or hiker. We don't hire high school students. We don't hire temp workers."

The advantage of a small store is in having a relationship with customers, said Melissa Murdock, owner of the Sandpiper at Vinings Jubilee.

Big stores may amass information about their customers by toting up credit card data, but she knows hers by name, she said. "It all starts with my customers and knowing them better than anyone else knows them — where they'll be shopping, what will they be looking for, what is the ceiling on their price points."

Controlling labor costs

Consolidation seems to have put a mild chill on hiring.

Not only do the big stores keep labor costs low, they pressure suppliers to do the same. Some of them will be run out of business. Others will look overseas for cheaper workers.

All of that seems to mean that lower prices for consumers are escorted by lower costs for companies and a slower pace of hiring. There are now about 11.8 million workers in retail, according to the most recent government data.

During the past two decades, those payrolls have grown by 16.8 percent. But in that same time period, retail revenues have surged by 147 percent.

That means that, in 1991, there were nearly 70 retail employees for every $1 million in revenue for the sector. Now, for each $1 million in revenue, there are only about 33 workers.

Walmart and Target each have a little more than five employees for each million dollars in sales. So if hiring now were still at the 1991 pace, the economy would have 13.1 million more jobs.

That might be wishful thinking: Perhaps it was only big retail's hard-headed efficiency and low-cost policies that fueled the sector's strong growth these past two decades. Retail was never a source of many high-paying jobs anyhow.

In a $15 trillion-a-year economy, the consolidation in retail is not the only cause for job losses and weak wage gains, said Josh Bivens, senior economist at the Economic Policy Institute. "I am really not sure how much this explains — but it's on my list of suspects."

Enclosed Shopping Mall Giving Way to Popular Outdoor, Pedestrian-Friendly “Town Center” Concept

封閉式購物中心讓位於露天花園式的“城鎮中心”概念購物中心

By Roger K. Lewis (The Washington Post)

Indoor shopping malls often are mobbed and their parking lots full during this holiday season, yet the viability of some malls and mall architecture seems in doubt. Recently, The Washington Post reported on plans to eventually demolish the White Flint shopping center on Rockville Pike in Montgomery County and completely redevelop its site. In the past few years, only a couple of large enclosed malls have been proposed in the United States. Meanwhile, many malls and shopping centers are falling on hard times, some of them falling apart.

What explains these trends? Are people’s shopping needs and habits changing? Are national economic conditions or competition from Internet sites the cause? Perhaps national retail chains and retail real estate developers, in an attempt to stimulate market demand, are cooking up alternative design formulas just for the sake of novelty.

In many locations, the enclosed shopping mall seems to be giving way to the popular “town center” concept, which seeks to create a pedestrian-friendly, outdoor environment with animated streetscapes and citylike, street-block patterns. Some town centers, like Bowie Town Center, have been built from scratch, while others have been created through the successful redevelopment of buildings and neighborhoods, including Bethesda Row in Montgomery County and Shirlington in Arlington County.

Larger stores can exist within the fabric of a retail town center, but big-box and department stores must usually remain peripheral, if they are present at all. Town centers also can be made denser and encompass other uses — offices and housing — above or alongside retail uses. Town centers’ parking garages and surface lots are generally embedded within block interiors and behind stores instead of facing streets in front of stores.

Of course, many new town center developments are occupied by the same national chain stores and franchises that are in conventional enclosed malls. Indeed, the town center’s retailing formula generates the same challenge as the old enclosed shopping mall formula: Rents typically are too high and unaffordable for most locally owned, community-oriented shops and stores. This problem also arises when older buildings are repurposed and modernized to include upgraded or new street-facing retail space.

Retail architectural paradigm shifts are not the result of developers and retailers merely deciding to try something different. Rather, these shifts are a response to social, demographic, cultural and geographic changes that are an integral part of changing American history.

After World War II, the enclosed regional shopping mall emerged because of two interdependent American phenomena: construction of the interstate highway system and rapid growth of low-density metropolitan suburbs.

Starting in the early 1950s, residents and many businesses fled cities, populating the expanding outer suburbs. Downtown department stores and smaller shops had ever fewer customers, but suburbanites still needed a place to shop, and the regional shopping center satisfied that need perfectly.

With affordable cars, cheap gas, a growing network of arterial roads and a seemingly endless supply of inexpensive land, the regional shopping mall was a logical invention. Equally logical was the real estate and mall design formula: acquire land with access to a major highway; assemble enough acreage to build a very large, weatherproof structure surrounded by parking lots; construct long concourses (often two levels high) lined on each side by scores of shops; and plug the ends of concourses with anchor department stores. To complete and enhance the formulaic picture, provide a food court, pump up concourse light levels, design enticing storefronts, pipe in music and pleasant scents, and install seasonal decorations, including Santa Claus.

This formula proved extremely successful throughout America.

Today, however, middle-class flight from cities has ebbed. Adult children of the generations that inhabited post-war suburbia often choose not to stay in the the suburban settings where they grew up. Even their parents, tired of maintaining a house bigger than they now need, are heading back toward or into cities. Others (the young, middle-aged or elderly) are choosing to live in denser, walkable communities, where there is more to do and where shopping does not require driving several miles. This is one reason why town centers are being built, even in suburban locations, and why huge shopping malls are not.

Traditional nuclear families (mother, father, two kids) are now less than half of all American households. Coupled with falling home values, mortgage foreclosures and unemployment, demographic reality is contributing to the depopulation of many suburban and exurban communities. A shopping mall cannot survive without population growth and customers who can afford to shop.

Also, for essentially aesthetic reasons, more people prefer not to shop in fading, older retail facilities that may be poorly maintained and perhaps half-empty. This suggests that Americans' taste and appreciation of good architecture is improving.

Of course, many enclosed shopping malls are not in jeopardy. Because of strategic location, better design, a healthy mix of retail tenants and tributary market stability, many existing malls will remain successful.

Some mall sites will undergo intense redevelopment, such as that planned for the Columbia, Md., regional shopping mall and surrounding property. Howard County has approved a plan and zoning for a radical transformation of Columbia's "downtown," centered on the mall. Plans envision a new street-block pattern, mixed uses, higher density, taller buildings and thousands of new housing units.

Like Columbia's mall, Tysons Corner's two shopping malls aren't going away anytime soon. But Fairfax County's plan for Tysons will urbanize the malls' unattractive, dysfunctional suburban environment. Finally, in a citylike Tysons Corner, shoppers will be able to walk safely between retail destinations.

Franchising is Doing Better than Most Industries

連鎖加盟店比大多行業經營得好

By Laurie Kulikowski (The Street)

NEW YORK (MainStreet) -- Even with predictions the economy in 2012 is expected to be as fickle as 2011's, many companies are still setting their sights on growth, so why shouldn't you?

One of the easiest and more predictable ways to do that is to look for those companies aiming to grow and buy a franchise.

Franchising means you run a business of your own, but with a proven method of success as well as support and marketing assistance from the franchisor.

Joel Libava, a franchise-acquisition consultant and author of Become a Franchise Owner! says franchising means building equity in a business, controlling the circumstances to reach your career goals and dreams and creating an opportunity for your children to join you.

Here are some reasons 2012 is a particularly good time to own a franchise:

1. Credit is loosening.

In 2009, the franchising industry lost 400,000 jobs. Last year, the industry grew at just 0.03%, basically flat, according to Steve Caldeira, CEO of the International Franchising Association.

This year, the industry was projected to grow jobs by 2.5% and economic output by 5%. The number of jobs added will likely come in a little below expectations, but that's better than a decline, Caldeira notes.

"The big issue has been a lack of credit to meet the demand for [franchisors' and franchisees'] growth." Caldeira says. "We've been working really hard with the banking and lending community regarding that issue, and while credit is starting to loosen up a bit, we still have a long way to go."

Additionally, there is still "trepidation" on the part of franchisors and franchisees to expand due to uncertainty and costs regarding changes in health care and what tax reform will look like in 2012 and beyond, he says.

"That being said, franchising is doing better than most industries because it a proven business model with 40% growth over the past decade [across 300 business lines], while also offering aspiring and existing entrepreneurs an opportunity to control their own destiny in a still challenging job market," Caldeira says. "That's why we're seeing a return to growth this year and why we are cautiously optimistic [as an industry] that the growth will continue to steadily improve in 2012 and beyond," both in iconic and emerging franchise brands.

Caldeira noted that franchises in industries such as health care, automotive, business services and personal services are seeing particular growth.

2. More ways to finance a franchise.

Besides bank loans, other avenues to get financing are being created, including borrowing against equity in your home at all-time lows and rolling over 401(k) investments into a business without penalty.

Next year "probably has one of the bleakest outlooks in terms of improved levels of employment," especially since midlevel manager and C-level jobs are few and far between, says Shelly Sun, CEO of BrightStar Care. "If you're going to be able to find a job, isn't it better to bet on yourself in uncertain times than hope for the best?"

But there is another trend industry participants are picking up on: Downsized co-workers are looking to partner with each other to buy and operate a franchise.

"We're starting to see a normalized set of new buyers," Sun says. "They know their chemistry, know [each other's] work ethic and work values."

Franchise partnering is also happening between strangers. Darwin Ramon launched Shareafranchise.com in June to help franchisees find partners. He calls the site a dating site for potential franchisees.

3. Commercial space is available.

Given low interest rates and market space available, it's a buyer's market not only on residential homes but commercial leases as well.

"Leasing commercial space is easier and cheaper now, so when starting a franchise that requires a commercial space, the possibilities of getting a good deal at a great location are better now than when the economy is in full steam," Ramon says.

According to the most recent economic outlook by the National Association of Realtors, vacancy rates in the commercial real estate markets are in the double digits. While they are expected to improve somewhat in 2012, of the four major sectors -- office, industrial, retail and multifamily -- none are projected to improve their vacancy rates more than 1%.

"Vacancy rates are flat, leasing is soft and concessions continue to make it a tenant's market," according to a Nov. 28 statement by Lawrence Yun, NAR's chief economist. "However, with modest economic growth and job creation, the fundamentals for commercial real estate should gradually improve in the coming year."

4. Franchisors are helping with initial and ongoing expenses.

These days, with credit so tight, franchisors are making it more affordable and offering more support to own a franchise.

Pet waste removal company DoodyCalls is offering new franchise owners partial reimbursement of their advertising expenses -- $12,500 in their first year, so long as the money was spent according to the company's approved marketing and promotion plans.

"It's just really important to advertise your business to grow," says DoodyCalls founder and CEO Jacob D'Aniello. "We wanted to put money where our mouth was in how much we truly believe in this."

DoodyCalls has three primary lines of business. The company removes pet waste from residential yards, has a kitty litter swap service and works with communities and homeowner's associations to service pet waste bags and receptacles.

The company also recently launched an e-commerce component to sell pet waste equipment, products and services to commercial properties, a major growth market for DoodyCalls. It plans to expand DoodyCalls Direct with additional pet products for homes.

D'Aniello says while the company has been around for 10 years, it's only recently that pet owners are realizing that this type of service is available. That's why DoodyCalls emphasizes local marketing when a franchisee takes over a territory.

"Pet waste is bad for the environment, and increasingly with the green movement people are more aware they need to be picking up after their pet on a regular basis," D'Aniello says. "Communities are becoming increasingly aware that they need to keep their communities clean and neat, and they are willing to pay for the service."

DoodyCalls has 55 locations and is aiming to reach 250 over the next 10 years.

"For our business specifically, the greatest hindrance is still that people don't know that they can call somebody to do this service," he says. "There is a huge opportunity to win people who are not currently in the market."

5. Plenty of talent to hire

Given the state of unemployment, it's a great time to hire talent. Franchisees can pick up some well-qualified workers who may not have been available otherwise.

Some franchisors also feel it's their responsibility to provide jobs. "Being an entrepreneur means you are creating jobs and helping to rebuild the economy. Simply put: it's the American thing to do," D'Aniello says.

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Food Business Trends to Watch for 2012

2012 年餐飲業趨勢關注

By Rieva Lesonsky (Small Business Trends)

Are you in the restaurant, foodservice or food manufacturing business? No matter how tough the economy is, people still need to eat. And foodservice entrepreneurs have shown a lot of creativity in the past few years—in fact, you could almost say the recession has sparked a renaissance of restaurant industry creativity. Beyond food trucks, burgers and beer, what are some of the hot food trends for 2012?

Here are 10 of the most promising trends I've featured on my food trends site, SmallBizTrendCast.

1. **Artisanal everything:** Not new, but still going strong, "artisanal" originally referred to handcrafted foods but is now springing up everywhere. The term has even trickled down to quick-service restaurants, with major chains like Jack in the Box touting "artisanal" breads as a selling point. One product that's not quite so mainstream: artisanal marshmallows.

2. **So cool it's hot:** Ice cream (especially, you guessed it, artisanal ice cream) shows no signs of slowing down. (And why should it—who doesn't love ice cream?) Next up, restaurant consulting firm Andrew Freeman & Co. predicts "snow ice"–a dessert with the flavor and creaminess of ice cream but that has a light, airy texture—will hit big in the U.S. for 2012.

3. **One potato, two potato:** They may have been banned from school lunchroom menus, but they're showing up everywhere else. Andrew Freeman & Co. says the big trend will be "have-it-your-way" potatoes, such as make-your-own mashed potatoes with customized mix-ins, fries where you can choose the cut, degree of crispness and dipping sauce; and chips with custom "dustings" and dips. If plain old potatoes sound too unhealthy for your customers, try offering sweet potato fries and dishes.

4. **Breakfast anytime:** Customers want what they want when they want it—and for many, what they want is breakfast. Restaurants are happy to oblige, since breakfast food ingredients are typically cheaper than other meals. Some are serving breakfast menus all day long; others are reinterpreting breakfast foods for dinner with items like sandwiches made of waffles, egg dishes or French toast bread puddings.

5. **Juicy news:** Depending on where you live, it might seem like juice bars are oversaturated. But Howard Schultz doesn't think so. The Starbucks entrepreneur recently bought Evolution Fresh, a super-premium juice maker with a brand presence in grocery stores on the West Coast. He plans to sell the juice to more retail outlets, put it on the menu at Starbucks and launch juice bars in 2012. If Schultz thinks this market has more room for growth, maybe you should, too—especially if you're in an area where juice bars (or Starbucks) don't have a strong presence.、

6. **Sweets from Swedes:** Scandinavian sweets, which have long been popular in places with lots of Scandinavians, like Minnesota, are now becoming trendy in urban areas like L.A. and New York. What's behind the popularity? Americans are craving small sizes and natural ingredients, both features of Scandinavian treats. One to watch: a dark treacle syrup called *stroop*, used in Dutch desserts.

7. **Healthy eating:** Trends like gluten-free foods and products catering to diners with food allergies will continue to be hot. Watch for whole grains, a wider range of salads, selection in portion size, and low-sodium options to grow in popularity as well.

8. **Appetite for appetizers:** Whether you call them tapas, small plates or appetizers, smaller-sized portions are going to keep growing strong for several reasons. They're less expensive for cost-conscious diners, offer smaller portions for health-conscious diners, and are made for sharing, which appeals to people's desire to make eating out a social experience. Chefs like them, too, because appetizers allow them to experiment with new recipes and ingredients without committing to a full-scale meal.

9. **Mostly Mediterranean:** In a recent Technomic poll, 60 percent of restaurant-goers said they are open to trying Mediterranean food, and sales of Greek, Spanish and Middle Eastern menu items grew by nearly 2 percent between 2009 and 2010. A growing interest in eating healthfully, vegetarian foods and ethnic foods are among the factors in Mediterranean food's popularity—so break out the chickpeas.

10. **Familiar favorites with a twist:** One overwhelming trend that will continue into 2012 is a yen for familiarity. Consumers battered by the economy want comfort food. But that doesn't mean plain old mac-and-cheese. Americans are eager to try new tastes, as long as it's couched in something they know. So smart chefs are putting new twists on old formats, like pizzas, wraps and sandwiches, or using exotic ingredients in familiar foods (wasabi ice cream).

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.

Hotel Fundamentals Expected to Strengthen In 2012 as Pullback By REITs Lures Other Buyers Hoping to Take Advantage of Competitive Pricing

地產投資信託基金走弱，私人投資者逢低加入酒店投資

By Randyl Drummer (CoStar)

Despite what is considered to be very attractive pricing, the pace of large hotel sales has slowed in the second half of 2011, with some seeing the sluggish economy and volatile stock market exacting a toll on shares of publicly traded hospitality companies that had been among the most active investors in hotel properties.

Hotel sales volume reached $3.4 billion in fourth-quarter 2010, the highest level since early 2008. The strong activity continued through the second quarter of 2011, when dollar volume rose nearly 140% to just over $3 billion from the same period a year earlier, according to CoStar sales data.

The growth rate slowed in the third quarter to about 11.5% over the year-earlier period. While the fourth quarter could see a burst of activity before Dec. 31, sales volume thus far doesn’t appear to be close to the strong pace at the same time last year.

The main reason appears to be the pullback in buying by REITs, which have seen their share prices fall in 2011. In the first nine months of the year, equity REITs declined 6% as a group, including a 16% drop in the third quarter. Lodging and resort companies sustained the largest declines, falling 33.7% in the first three quarters, according to the FTSE/NAREIT All Equity REIT Index.

REITs in most property types have scaled back acquisitions as their stock prices have declined, and Marc A. Magazine, managing director/hospitality for Savills LLC, expects that trend to continue into 2012.

While hotel acquisitions won’t be as dominated by REITs in the first half of 2012 as in 2010 and the first half of 2011, other buyers will likely step in to fill the gap, Magazine said. With trusts on the sidelines, Magazine expects activity by opportunity funds, individual investors and other players to become more competitive.

Capitalization rates will likely still be very attractive, in the sub 6% range, in the hottests gateway markets like Washington, D.C. and and Manhattan, he said. Properties in the rest of the country will attract bidders, but cap rates will probably hold steady or rise slightly in those markets in 2012 as more distressed properties enter the market.

"There have been such few hotel transactions in secondary markets that in 2012, we could see less of the trophy buys and more of the meat-and-potato buys," Magazine said. "I think lenders will be a little more aggressive to try and get these properties off their books or to get borrowers who might not have the strength to put any more money into the deal to sell the property."

"We think the patience for extend and pretend by lenders will run out in 2012 and you will see a good number of transactions, -- maybe not be high-end deals like in DC or Manhattan, but there will be good trading in 2012."

Not even the hottest hotel markets are immune to the slowdown in acquisitions by the largest REITs. One of the most aggressive hospitality investors over the last year, Host Hotels & Resorts, has curtailed acquisitions over the last two quarters and recently extended the closing date of its planned acquisition of the Grand Hyatt Washington, D.C. , "given the recent volatility in global equity markets and general uncertainty in the Eurozone and the U.S.," said CEO W. Edward Walter.

"While we are continuing to review potential acquisitions, at this point it appears unlikely that any other transactions would close before year end," Walter said.

While investment has slowed, hotel fundamentals such as room demand and revenue per available room (RevPAR) continue to improve despite the troubling news about Europe and the lagging U.S. job growth.

Based on performance data through September provided by Smith Travel Research, and Moody's Analytics' October 2011 domestic economic forecast, PKF Hospitality Research forecasts that RevPAR in the U.S. will increase by 8.1% by yearend 2011, and rise another 6.2% in 2012.

"The ongoing recovery of U.S. hotels in 2011 has continued to slightly outpace our forecasts. The 8.1% revised RevPAR forecast for the current year represents a 90-basis-point increase over our previous forecast released earlier this year," said PKF-HRR President Mark Woodworth.

"We remain very positive about the prospects for 2012. By the end of next year, the industry RevPAR level will be where we always thought it would be. It's just getting there more quickly, thus the reduced year-over-year percentage change," Woodworth said.

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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	0.54	0.53	0.54	0.25	0.24	-1.38
Money market, annual yield	0.51	0.51	0.66	0.50	-0.14	-1.82
Five-year CD, annual yield	1.46	1.45	2.08	1.45	-0.58	-2.22
30-year mortgage, fixed	4.10	4.15	5.21	4.08	-0.85	-1.73
15-year mortgage, fixed	3.46	3.53	4.57	3.46	-0.86	-2.09
Jumbo mortgages, $417,000-plus	4.85	4.87	5.86	4.85	-0.76	-2.18
Five-year adj mortgage (ARM)	3.09	3.14	5.79	3.00	-0.70	-2.83
New-car loan, 48-month	3.88	3.90	5.44	3.75	-1.55	-2.92
Home-equity loan, $30,000	4.81	4.83	5.17	4.71	-0.32	-0.63