

Commercial Real Estate

news and more

CRC Partners

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A "GOOD NEWS" NEWSLETTER FULL OF FUN AND INTERESTING FACTS FOR YOU FEBRUARY 2014

Crazy Science Facts

An average cloud weighs about 216,000 pounds – making it as heavy as about two thirds of the weight of a blue whale. A dark storm cloud on the other hand weighs an average of around 105 million pounds – making it equal to the full weight of not one but three blue whales. It sounds unbelievable, but the naked human eye can actually see up to 2.5 million light years away – or to put it another way, to the Andromeda Galaxy, which is the farthest object that can be seen in plain sight in the night sky above us. Toads can sense earthquakes. Scientists are still unclear as to how they are able to do this, but the fact remains that three days prior to an earthquake striking L'Aquila, Italy back in 2009, an entire toad population decided to vacate their breeding grounds and head for somewhere safer.



From the desk of
Edward A. Collantes, SIOR

Here is some market information

160 Produce, SSF – If you see tractors moving dirt, it is because Park & Fly has obtained a permit to operate new airport parking facility with a new 3,200sf office building.

(Withheld), SSF – 60,000sf sport recreation facility, commercial zoning. Needs major improvements but lease rate is low.

325 Valley Dr., Brisbane – Went on the market for \$16.5 million and received 4 offers with none acceptable. Now a solid lease offer is on the table.

160 Beacon, SSF – Deerfield Realty paid \$9.2 million (\$153psf) in an off market deal. Some sellers prefer these type of deals. Seller paid \$7.5 million 18 months earlier.

Investment Capital – The market is flooded with institutional money looking for anything from fixer uppers to leased investments, preferably \$10 million and above. If you want to test the waters in a confidential offering of your property, we can put your property in front of the right people. Please send me an email at edward@crc-sfo.com and I will keep your inquiry confidential.

Have a great day! Ed

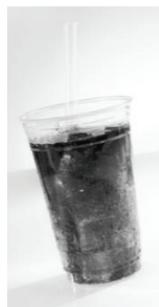
Change Your Drink

The average American drinks as much as fifty gallons of soda, and similarly sweetened beverages per annum. A regular twenty-ounce drink of cola contains around 17 teaspoons of sugar, and such drinks represent the single biggest source of extra sugar in the American diet.

The average adolescent in California consumes thirty-nine pounds worth of sugar from such drinks every year, with the risk of obesity jumping by sixty percent with every extra drink of this size being consumed by a child on the average each day.

To avoid this health trap, you need to take action. Water should be the first choice to drink when people are thirsty, and should also be ordered in preference to high-calorie drinks when eating out. Apart from water, drink more fat-free or low-fat milk and consume fewer sweetened drinks. You can infuse water with flavor by adding lemons, berries, mint leaves, limes, cucumbers, and other natural flavors.

If you drink tea or coffee, drink it unsweetened, and if you cannot go without a sweetened drink, make it a small instead of a large!



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FEBRUARY 2014

Hello!

This issue of *Commercial Real Estate News* is being sent to you courtesy of

Edward A. Collantes

It is my way of saying that you're important and that I truly value your business. Please feel free to pass this newsletter on to friends and business associates.

Off Market Deals

SSF Retail Site – 30,000sf
Corner, Downtown location
Quick Close, All Cash Needed

SSF 75K Warehouse
4th Qtr. 2014
For Lease, Below
Market Rate for Quality Tenant

High Density Housing
Sites (Various) Up to 1,000 Units.
Peninsula Location

SSF Leased Warehouse with
Good Credit Tenant for \$1.8 million.

SSF Office Space
4,800sf with 10 Parking Spaces.
Move In Condition and Well Priced
\$1.50 psf.

Confidential Inquiries
offmarket@crsfo.com

Here's What We Can Predict About Financing in 2014

Financing is vitally important to the commercial real estate market. It is also an indication of the general confidence that the lending community has about the overall economy, and about whether or not both people and companies will have the ability to repay their loans.

Available financing also has a direct impact on the market value of commercial properties. When a property is for sale for \$1,000,000.00, and a potential purchaser can buy the property with just 10% down, there will be more people interested in purchasing the property because they need just \$100,000.00 to do so. But if financing was extremely tight and the property had to be purchased for all cash, there would be a lot less people who would have the \$1,000,000.00 in cash needed to purchase it, and many of the potential purchasers would then disappear. In a situation like this, all cash buyers would be hard to come by, and they'd demand to buy the property for less money... for a price of maybe \$850,000.00. So this then shows how the availability of financing alone can impact the value of commercial properties.

When the financial crisis hit us in 2008, the amount of available financing dried up. But for the past several years now financing has been loosening-up once again, and people are beginning to feel more confident about the economy. People who couldn't obtain financing 2-4 years ago can now get it, and this has been increasing the number of buyers in the market.

So what can we expect to see with the amount of available financing throughout the rest of 2014? It's very likely that financing will become easier for more people to obtain as the year progresses. The economy is now moving in the right direction, the financing market has been improving, and there is very little suggesting that the commercial real estate market is going to put the brakes on, reverse itself, and begin slowing down. The commercial real estate market may not be completely on fire, but it's better than it was just several years ago, and people are feeling more positive about the future.

Commercial Mortgage-Backed Securities (CMBS) have now become an important source of funding for commercial real estate financing. But after the financial crisis hit us in 2008, the funding from these securities dried up dramatically. However, the trend has now been reversing itself, and it has become more positive within recent years. In 2012, for example, the total amount of CMBS securities issued was \$48 billion, and in 2013 this amount rose to \$75 billion, representing the greatest amount of CMBS securities issued since 2007, which is an extremely positive sign. In addition, according to a study conducted by the Urban Land Institute and Ernst & Young, the total amount of CMBS securities issued in 2014 may reach \$88 billion, and grow to exceed \$100 billion in 2015.

So financing for commercial real estate is definitely moving in the right direction. This arena has improved substantially since the financial downturn of 2008, and it is projected to improve even more.

As financing continues to improve, this helps to support both the value and the appreciation of commercial properties, as it allows more buyers to then enter into the market, submitting multiple bids and competing against each other to own the same commercial properties.



Over 50 Nutrition Tips For Men

Adults over the age of 50 have to practice healthy eating in order to gain benefits such as resistance to disease and illness, better management of chronic health issues, increased mental acuteness, faster recovery times and higher energy levels. Eating well can also help you stay emotionally balanced and have a positive attitude. The nutritional requirements of men change as a result of natural aging.

Many people get sick, especially as they get older, due to making poor food choices, getting no exercise, and smoking cigarettes, but the good news is that this can be reversed providing you do so in time. One good tip is to take B12 supplements. This vitamin is used to support healthy nerve and blood cells, and to make DNA. B12 becomes more difficult to absorb from food as we age because of a decrease in stomach acid. B12 supplements are particularly recommended for vegans, due to most B12 being mainly found in meat and fish. Vitamin D levels and our rate of calcium absorption tend to drop drastically after we reach the age of 40. Adding rich sources of calcium to your diet such as low-fat milk, yogurt, sardines, kale, broccoli and spinach is always a good idea.

How to Generate Great Ideas

When you have an article that needs to be written, a project that requires new insights or ideas, or a meeting with the boss, you cannot just sit and wait to be inspired. It helps if you have a collection of tools which you can turn to, and some sort of system that can generate ideas...even when your cupboard feels bare. One good tip is to always carry a journal with you. Keeping a journal exclusively for ideas is an excellent way of making sure that your creative well remains full. Another good idea is to make use of the alphabet, and try to generate at least one idea for every single letter. In addition, another idea is to use index cards and brainstorm one specific idea on each card, coming back to review all of your ideas later.

It can also be helpful to engage more with your surroundings – such as by looking at books on your shelves that you may not have perused for many years. Great ideas are all around us, just waiting to be noticed.

Tips That Are Easy to Forget

People are always on the lookout for tips and little strategies that can help them to get and stay healthy, and there are plenty of such tips out there...some of which you may have already heard about but have forgotten.

One such tip is setting an exact time for doing exercise, including any workout routines that you may want to do.

You need to determine the days and times you can fit these in, and then make sure that you stick to the schedule. Exercise – and many other things – is far more likely to get done if you know precisely where and when you're going to do it.

Another good tip is to eat healthy snacks throughout the day such as fruits and nuts. Those who do not snack regularly are more likely to get hungry, and then choose inappropriate and unhealthy foods to satisfy that hunger.

Eating breakfast every morning is vital towards making sure that you do not end up becoming too hungry at lunchtime, and as a result again making unhealthy choices or even over-indulging.



Tech Tips for Travelers

Traveling is rarely guaranteed to go smoothly, but there are at least a few travel headaches that can be kept at bay thanks to technology.

If you know how to make use of it in the proper manner, technology can increase your likelihood of having a more positive experience on your next vacation.

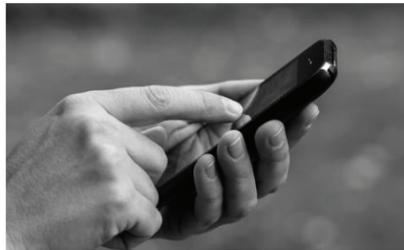
One good tip is to use technology to keep updated on your flight status. Flights are commonly disrupted due to one reason or another, and delays and cancellations can be tough to keep up with.

Many airlines today, however, enable you to track your flight status via a website or app, so if you own a smartphone you can stay updated on what is happening with your flight no matter where you are.

If an app is offered by your airline for this purpose, be sure to download it and then ensure that your smartphone has been fully charged before you set off to the airport.

Translation apps are another good idea if you are jetting off to foreign countries.

Many translation apps on tablets and smartphones are free of charge, and sometimes also have voice recognition software, meaning that communicating with people who speak a different language has never been easier.



Choosing the Right Pet for Your Family

Adopting a pet is one of the kindest acts you can perform, but it is important to be honest about exactly what it is that you're looking for in a pet.

You also need to ask a few questions, such as how healthy the animal is, if it has a history with children, and if there is already a pet in your family, how it is likely to respond to the newcomer.

You also need to know if the pet is already housebroken, whether it has been neutered or spayed yet, and whether there are any behavioral issues that will need to be taken into account. It is also a good idea to work out the budget you can afford to spend on the pet.

Many dogs can be taught to become wonderful family pets, and while some may need more effort and time to do so, if you have chosen carefully and prepared your home in the correct manner, you are much more likely to end up with a successful pairing.



How To Deal With Extreme Cold

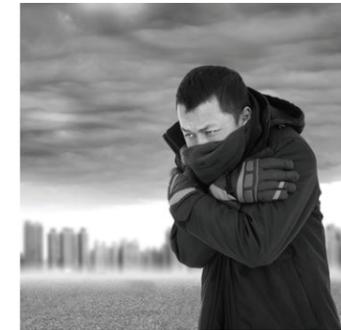
Cold weather can have a seriously adverse effect on our health, compromising a respiratory system that may already be in some distress, and also causing frostbite and hypothermia.

People who have lung problems can find extreme cold particularly troublesome, with higher virus levels causing illness and aggravating some systems even further, and cold air constricting airways.

The best prevention is staying indoors and out of the cold altogether, but the reality is that sometimes this is just not possible. Hypothermia can even be triggered inside by seemingly mildly cool temperatures between 60 to 65 degrees.

Thermostats should be set over 65 degrees and friends and neighbors should check on the elderly on a regular basis, in order to make certain that their homes are heated to an adequate degree.

Symptoms of hypothermia include drowsiness, slurred speech, slow heartbeat, the appearance of being in a coma or sometimes even dead, forgetfulness, a weak pulse, and shallow breathing. Hypothermia should not be attempted to be treated at home.



Tips to Ease Divorce Pains



The overall divorce rates in the United States have decreased over the course of the last few decades, but twenty five percent of marriages end before their tenth anniversary, and ten percent fail to make it even five years.

Adding to the drama is that many people fail to realize the financial impact that divorce will have on them, particularly in the case of women.

Everyone, including single people and people in happy marriages, needs to educate themselves on financial planning, and assume a greater degree of responsibility in regard to their financial future.

You should not rely on financial advisors exclusively, and should achieve some level of knowledge yourself, so that you ask the right questions and correctly evaluate the answers whenever you're engaging with divorce attorneys.

Taking an adult education course about investing, personal finances, and taxes is a very good idea, and you'll get unbiased and helpful advice on a variety of topics, including divorce.