



Bill Doumar presents

Commercial Real Estate

news and more

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

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Hello!

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

Bill Doumar

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.

Funny Bone

Making light of a lousy economy



The economy is so bad that ...

- I got a pre-declined notice for a credit card.
- I ordered a burger at a fast-food joint and the kid behind the counter asked, "Can you afford fries with that?"
- CEOs are now playing miniature golf.
- My ATM gave me an IOU.
- A picture is now worth only 200 words.
- I bought a toaster oven, and my free gift with purchase was a bank.
- The Treasure Island Casino in Las Vegas is now managed by Somali pirates.

The Hidden Problems Within Today's Commercial Real Estate Financing Market

This current financing market is unlike anything most of us have ever experienced in commercial real estate. Not only are both prices and the demand to buy and lease properties down as compared with just several years ago, but the lack of good available financing is greatly adding to our problems.

This would be a very different market if financing were still available similar to how it was just 3-5 years ago. Yes, property values would still be down, but there would be more properties selling, and this in itself would be helping to stabilize property values. Several years ago you could buy property with 30% down, and today you're looking at needing 50% or more to put down, and this in itself is impacting today's property values.



This is similar to why major auto manufacturers have their own financing companies. Because if they relied purely upon people getting their auto loans from their own banks, the auto manufacturers would sell far fewer vehicles. Your bank won't give you 100% financing to buy your car, but the automobile manufacturers often will do this, and this gets a lot more people buying cars from them...similar to how a lot of people were buying homes when they could get 100% financing on them, too

So this lack of good available financing in today's commercial real estate market is contributing to reducing overall property values, because the higher the amount of the required down payment to buy a property, the lower the number of interested buyers there will be to buy that property. And this lower number of interested buyers means that owners will end up getting lower prices.

In addition, another hidden problem within today's financing market is the following...Since lenders aren't foreclosing on properties as they normally have been in the past, allowing owners instead to hold onto their properties that are now upside down with their loans, and whose due dates for the loans have already come, deferred maintenance on these properties is becoming a problem. As an example of this, let's say an owner owns a building that a prospective tenant wants to lease a unit in, and the tenant needs \$40,000.00 worth of work done by the owner on that section, in order for the tenant to sign the lease and take possession of it. But if the building is worth \$800,000.00 right now, and the loan against the property is now \$1,000,000.00, the owner has an interesting decision to make. Do they spend the \$40,000.00 on doing the work on the building plus pay the commissions on the transaction, adding to their already being upside down on the property as previously mentioned by \$200,000.00? Or do they just pass on the transaction?

Under normal circumstances the lender would have probably already foreclosed instead of negotiating a "workout" on the loan with the owner, the property would have been sold to the highest bidder, and the new owner would now be in a position to accept this deal from the tenant, because it would now make good economic sense for them to do so. But that's not what's going on in many situations in today's commercial real estate market.

So recognize that what's going on with financing today isn't just making it more difficult for people to buy and sell, it's directly impacting the prices that sellers will ultimately receive for their properties, creating more deferred maintenance on buildings, and causing owners to pass on completing transactions that they normally would have consummated.

English Might Be the International Language, but It's Not the Only One

Whether you are simply taking a foreign vacation or you live or work abroad, being able to speak to others in their own language is much more than just good manners.

It not only allows a unique insight into the cultures, traditions, attitudes and lifestyles that are predominant in the host country, but it also lets you integrate more easily with the local people.

While it undoubtedly makes life easier, being a native speaker of the world's international language can also rob us of valuable opportunities and learning experiences.

Plunging in and trying out a few words of a foreign language can, however, be quite daunting for native English speakers who are more used to communicating in their own tongue and who are typically afraid of making embarrassing mistakes.

Far from finding our attempts funny or even pathetic, though, foreigners, almost without exception, admire and respect any attempt to converse in their language, and they will do their utmost to help you to learn.

Stores are full of foreign language textbooks, phrase books, tapes and CDs in just about every language imaginable, and just a few minutes devoted to study each day will see you able to say the basics in no time at all.

If you want to enrich your experience, enrich your language skills and win the hearts of the locals at the same time.

Understanding Your Clients' Problems

“This is what I sell. Buy some.” Sadly, this is the attitude that all too many businesses take, regardless of whether they are trying to sell to the general public or to other companies. They become so fixated on expounding on all the great features of their products or services that they forget the only thing that really matters – that their product or service has to fulfill some basic and often urgent need. It has to help clients solve a problem or in some way assist them in meeting their business objectives.



In order to build strong and profitable relationships with business clients, it is absolutely essential that you understand what their problems and their priorities are so that you can focus on how your product or service addresses those needs. Far from being something that you can afford to pay lip service to, this involves really putting yourself in other parties' shoes and feeling their pain.

Regular and meaningful communication is clearly vital to this process in the B2B environment if the necessary trust and respect are to be established, but so too is working on developing mutually beneficial, collaborative partnerships with clients. Repeat business is some of the most profitable and easiest to come by, so concentrate on forging lasting partnerships where you are an “insider” rather than just a supplier.

Take the Hassle Out of Driving Vacations With GPS and Sat Nav

With a long journey ahead and a car full of fractious children, the last thing that any family needs is for arguments to erupt about which direction to take, or worse still, which direction they should have taken as they find themselves hopelessly lost.

With GPS and satellite navigation (sat nav) on board, however, you can say goodbye to family feuds and really enjoy a hassle-free family driving vacation.

Of course nowadays, many new cars come with GPS and sat nav devices already installed in the vehicle, but if yours happens to be an older model, you may not have this luxury. For a relatively low cost, however, you can buy your own system to install in your car or, if you own a smartphone such as Apple's iPhone, you can use this to guide you.

Of course the main purpose of GPS and sat nav systems is to get you quickly and easily to your destination. But most of the systems on sale today also provide you with the functionality to find out where the nearest facilities are, and again, this can save all those unnecessary squabbles about why you didn't bother to fill up at the last gas station as you grind to a halt in the middle of nowhere, or the endless whining from the children about how much longer they are going to have to wait before you stop for something to eat.

Laughter – The Best Medicine

Laughter – it's natural, it's free and it's totally contagious. It helps to bring people together, aids communication and reduces conflict. Did you know, though, that a daily dose of laughter is good for your physical health, too?



When we laugh, our bodies release endorphins, commonly known as “feel good hormones.” These chemicals not only promote an overall sense of well-being, but they can even help to provide temporary pain relief. At the same time, levels of stress hormones are reduced and our muscles loosen up so that both mental and physical relaxation is achieved. The production of immune cells and antibodies that are necessary to fight infection receives a boost, making our immune systems stronger.

As well as lifting our spirits and making our hearts feel lighter, laughter also increases the blood flow around the body, and researchers have found that it may even protect us from developing heart disease. By causing the lining of the arteries to expand, a good chuckle effectively allows blood to circulate more quickly, keeping not only the heart but the rest of the body well supplied and reducing the potential for blockages to form.

Studies carried out in the healthcare fields, in the workplace and in the classroom have all demonstrated the benefits of laughter, so what are you waiting for? Go and dig out that favorite comedy movie and laugh your way to better health!

If You're Selling Technology, You'd Better Know Your Stuff!

A good salesperson always knows his product. Especially in today's high-tech world, where many customers are so tech-savvy that anyone in the business of selling the latest technological products who doesn't know his or her stuff could be losing out on countless sales.

Whether they are in the market for cell phones, computers, cameras, GPS tracking devices or any one of the thousands of other electronic gadgets on sale these days, customers want to know precisely how a product works, and perhaps even more important, what it will do to fulfill a need and make their lives easier. If their enquiries are met with vague responses that show a lack of understanding of the product, customers simply will not be convinced enough to part with their cash.

Most customers of today's technology want to know that what they are buying is simple to use, has a good range of functionality and represents good value for their money, and of course it is the job of the salesperson to demonstrate these things. How can you make sure that you are knowledgeable about the products with the products you are selling? First of all, study the product catalogs and the brochures that come with the products themselves. Second, speak to the salespeople who represent your suppliers – after all, it is in their interest that you be fully informed. Third, put in the time and effort to do your own research on the Internet.

Financially Speaking

Ever Thought About Downsizing?

The concept of downsizing didn't, of course, just come along as a result of this latest recession.

For a number of years before that, more and more people had come to question the logic of rattling around in large family homes long after their children had flown the coop, and of having all their money tied up in property when they were unable to do the things that they wanted to do in life.

Having something to leave to the children is all very well, but if, for example, the children live on the other side of the world and you cannot afford to visit them, does it really make sense to hang on to a house that is excessive for your needs?

Years ago, downsizing was something about which many people felt embarrassed. All too often they were concerned about what the neighbors, friends and family might think about their financial situation.

Nowadays though, increasing numbers of homeowners are less worried about what others think and are using their hard-earned investments to get the most out of their lives while they still have the time, the health and the energy to do so.

Freeing up cash through downsizing can offer endless possibilities. Whether you want to travel, invest in a second property abroad or start your own business, releasing the equity in your property could help to make your dreams come true.

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Are you thinking of buying or selling a property in the coming weeks and months? If so, please let me know what your requirements are.

1. Will You Be Buying or Selling? _____

2. Please Describe the Property You Will Be Buying or Selling _____

3. What Would You Like Me to Do To Assist You With Your Requirements? _____

4. When Would You like Me to Contact You To Follow-Up On Your Requirement? _____

5. Please Let Me Know Your Name and Telephone Number(s) You'd like Me to Contact You at on the Date You've Mentioned Above. _____
