



Bill Doumar presents

Commercial Real Estate

news and more

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

MARCH 2011

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

Science: Nothing to laugh about?



Some jokes from the world of science:

- A neutron walks into a bar and orders a drink. He asks the bartender for his bill and the bartender says, "For you, no charge."
- A neutrino walks into a bar. The bartender says, "We don't serve neutrinos in here." The neutrino says, "That's OK—I was just passing through."
- Two atoms were walking down the street. One said to the other, "I think I lost an electron!" The other asked, "Are you sure?" The first replied, "I'm positive!"
- There are only 10 types of people in the world—those who understand binary and those who don't.
- "This computer virus works on the honor system. Please delete all the files on your hard disk, then forward this message to everyone you know."

What Do All These Loan Workouts Mean for Commercial Real Estate?

Several years ago when the economy turned south and it was clear that the commercial real estate industry was in trouble, it looked like a ton of distressed-sale properties would be coming onto the market. But as we've seen over the past few years that simply hasn't happened, and a large part of the reason this hasn't happened is because of all of the loan workouts that lenders have been doing with commercial real estate owners.

Many people believe that these workouts, which have come to be known as "extend and pretend", are simply delaying the inevitable...a ton of distressed properties eventually coming onto the market. Then there are others who believe that this practice is warranted, and that it allows both lenders and property owners a certain grace period, in the hope that our economy will eventually turn around and both parties will be spared any significant losses.

One thing is for certain, though, around all of this...it's caused a major slowdown in overall sale transactions within our industry, as owners either won't sell because prices are down, or can't sell because they're upside down. And with lenders doing these loan workouts with their owners, both foreclosures and distressed-sale activity are considerably lower than they would have been otherwise. And as a result, cap rates are often lower than they would have been otherwise, too, because all the buyers are now chasing fewer investment opportunities.

Although the number of distressed properties is continuing to build, there's little incentive for the lenders to open the floodgates for buyers by bringing more of these properties onto the market. The lenders are being allowed to show their upside down loans on their books at their full, original amounts, despite whether or not the property is now worth less than the amount of the loan. And in situations where the borrower has stopped making their monthly loan payments altogether, the lenders, according to a recent *Forbes* article, are being allowed to still accrue and book those loan payments as incoming revenue, even though those payments are no longer being received by the lenders.

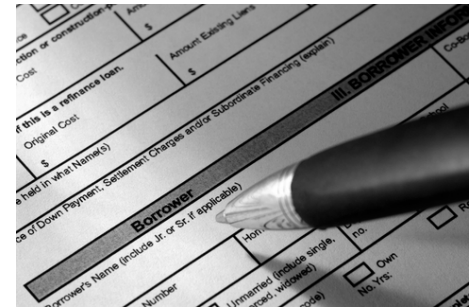
So as you can see, despite the fact that properties may be in default or be upside down, the lenders are looking much better on paper these days than would otherwise be warranted, as long as they don't foreclose on their distressed loans, and then take the writedown.

So what this all does is leave people in a state of hope...hope that this will all pass and will finally turnaround, and that everything will be fine.

If you're an owner, this can be good for you, as it can allow you to hold onto property that you otherwise could have lost. And if you're having a difficult time financially with your property, your lender may be willing to reduce your monthly payments. In addition, this practice by lenders is serving to keep property values higher than they otherwise would be, because if there were a flood of distressed properties hitting the market for sale, this abundance of lower-priced properties would decrease the prices of the local sales comps, thereby decreasing the value of other comparable properties within the area.

And if you're a buyer this can all be frustrating to you, because in the absence of all of these loan workouts and these lenders not foreclosing, you'd be able to buy properties for lower prices in many situations today than what you're currently experiencing.

So with all of this being said the question now becomes, "When this is all said and done, will we think that it was a good idea that the lenders implemented this practice of 'extend and pretend'?" And the answer to that question probably is, "The lenders will probably be happy that this practice was implemented, but the rest of us will have to wait and see."



Learning Tips for Students With ADHD

Attention-deficit/hyperactivity disorder (ADHD) and studying don't easily go hand in hand, and regardless of age, students with ADHD typically experience a lack of patience and an inability to concentrate, which leaves them feeling angry, frustrated and discouraged.

Here are a few useful tips for getting more out of classroom and individual studies.

- Rather than interrupt the teacher and disturb the logical flow of information to ask questions, write the questions down as they come to you and ask them when the teacher has finished speaking.
- Raise your hand before asking questions.
- Take notes to capture key information, or record the lessons so that you can refer back to them.
- Ask the teacher to provide you a printed summary of the lesson.
- Keep a diary for homework assignments, and always enter them as soon as they are given out.
- When studying at home, find somewhere to work that is quiet and free from interruptions.
- Set aside specific times to study, and stick to your schedule.
- Study with a classmate to help keep you on track.
- Go over your homework with someone else to make sure that you have done what was required and to check your answers.

Choosing Childcare

Returning to work after maternity leave or even several years away from the workplace, typically means having to find paid childcare facilities. With so many different options to choose from, however, just what can parents do to ensure that their chosen childcare provider can offer good-quality care facilities and guarantee their child's safety? Here are a few tips to bear in mind when investigating your options:



- Check with the day care centers to ensure that they can fit in with your planned working hours and offer some degree of flexibility if, for example, you're running late.
- Consider whether your child's personality would be better suited to the group care that is typically offered in nurseries, or the more personal at-home care provided by child minders.
- Talk to friends and family members about their childcare providers and always aim to get personal recommendations for any options that you consider.
- Always visit the nurseries, day care centers or child minders that you are considering, to get a feel for the atmosphere and routine.
- Check the indoor and outdoor space available to the children, to make sure that it is adequate and safe.
- Check out the facilities and the equipment provided for the children, to ensure that these meet high standards.
- Ask to see the childcare provider's formal inspection reports.

De-Clutter Your Life and Keep Things Simple

Time is one of the most precious commodities in our lives, if not the most precious of all, and it is one of the few things that we can never get back. Today's lifestyles, however, are so filled with responsibilities and with clutter that we are just left chasing our tails, as valuable seconds, minutes and hours slip by. Both at home and at work we try to fit more and more into our already full lives, not just in terms of activities, but also in terms of possessions.



Some of the happiest and most contented people in the world today are those whose lives are simple. They work hard during the day, but their evenings are reserved for the simple pleasures instead of being packed with yet more tasks and responsibilities.

One of the reasons that people in other cultures are able to achieve a healthier work/life balance comes down to possessions, or rather, the lack of them. The more we own, the more we have to take care of, and the more there is that can go wrong.

Why not de-clutter your home and get rid of all those things that you rarely use, but that take precious time to clean and maintain, create more space for yourself? A little less "stuff" is a small price to pay when compared to enjoying quality time with our families and friends, and taking a few moments to enjoy a beautiful sunset.

The Inspirational Power of Movies

While most of us dream about being filled with thoughts that would inspire us to take action and allow us to meet our full potential in life, the well of inspiration is one that can sometimes run dry. Even if we have the ideas that could change our lives, often we lack the courage or the self-belief to take them forward, and when this happens, we need to look outside ourselves for encouragement and motivation.



Reserving a place in a seminar to listen to one of the world's great motivational speakers can be an immensely uplifting and stimulating experience, but sadly the costs can be high. Reading books written by the famous captains of industry, sports heroes and others who have overcome apparently insurmountable obstacles to achieve their greatness is another much more affordable way to find inspiration, but the quickest and easiest of all is to get inspiration from movies.

The wonderful thing about movies is that they can provide inspiration for just about anything. Whether your belief in romance has hit an all-time low, and the spiraling divorce rates have left you wondering whether true love really does still exist, whether you doubt your own ability to rise above a poor upbringing and succeed in the business world, or whether news of a chronic illness has left you fearing for your future quality of life, there is scarcely a subject left untouched by filmmakers. All you have to do is sit back, relax and be inspired!

Top Tips for Generating Leads at Trade Shows

Despite the enormous impact of technology on marketing, the good old-fashioned trade show still offers enormous lead generation potential in the B2B market. How can businesses get a greater return on investment from their event budgets, though? Here are a few suggestions:



1. Go for quality, not quantity. Spending more on each of a few well-chosen trade shows means a better booth and a better-trained and prepared staff to man it. Use the extra money that you have to spend at each show to secure a bigger booth in a more prominent location, ideally in the area with the most foot traffic, or close to a bigger competitor.
2. Don't just stick to trade shows in your local area for the sake of convenience. The chances are that your business is already known locally, so generating new leads could be more difficult locally.
3. Remember that all customers buy benefits, not features, and make sure that your booth advertises clearly the benefits of working with you.
4. Start your marketing in advance by sending out e-mail invitations to existing prospects, those who have registered to attend this year's show, and those who attended last year...and also issue press releases.
5. Never underestimate the power of social media, and use popular sites to reach more potential attendees.
6. Be sure to track and measure your success rates from each trade show that you attend, and attend only those that offer a good ROI for you.

Setting Up a Savings Plan

Changing our spending habits is hard and takes a good deal of commitment and discipline.

In fact, to demonstrate how hard it can be, it is believed that if the 90% of the world's wealth that currently belongs to just 10% of the population were to be redistributed, it would take only seven years before it was back in the hands of the 10% again!

Of course for most of us, the tendency is either to spend what we earn or to spend more than we earn, neither of which provides much opportunity to get ahead of ourselves and meet our longer-term goals.

One of the great difficulties that we have in saving, however, happens because we wait to see what is left over (which is oftentimes nothing), rather than making saving the top priority.

We start the month with all good intentions in terms of cutting back so that we can squirrel a bit of cash away, but somehow it is all gone by the time the next payday comes around.

One of the most effective ways to start saving is simply to set up a direct debit or standing order so that a certain amount of money is effectively deducted from your monthly salary, and deposited into a separate savings account before you even see it.

And if you choose a savings account that requires a period of notice before making a withdrawal, you'll be even less inclined to touch it.

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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. _____
