

COMMERCIAL REAL ESTATE 2019 OUTLOOK

Discussing the Current Commercial Landscape

A Q&A with Compass Commercial's Tim Byrne and Dario Svidler

COMPASS Commercial's SoCal EVPs Tim Byrne and Dario Svidler sat down to share a bottle of Cab from Tim's friends at Vista Serrano Vineyards in Paso Robles and reflect on 2018, look ahead to 2019, and contemplate the future of Commercial real estate in Los Angeles.

TB: Cheers, my friend! 2018 was a fantastic year. We brought our clients a number of smart, sound investment opportunities, and I'm looking forward to hearing about their future success. So what's your take on L.A.'s commercial real estate market right now, and what are the areas of opportunity?

DS: L.A.'s commercial real estate market is really moving right now, and I anticipate this will continue for the foreseeable future. The hottest commercial development areas are Atwater Village, the Frogtown arts district, Highland Park, Chinatown, Boyle Heights, Silicon Beach, which recently welcomed Snapchat, and Playa Vista, where Google recently landed. And what about you and your team working in the retail arena?

TB: Well, the 'retail apocalypse' is certainly a myth. More stores are opening in Los Angeles than are closing. The retail landscape is certainly evolving though. To compete in today's marketplace and against the Amazon Effect, retailers are investing in their people, technology and the ambience of their stores. Customers have to enjoy the shopping experience at retail. Even Amazon sees the value of that experience and is opening brick and mortar stores! What's your 2019 outlook in development and multi-family?

DS: My focus as always is my clients. With the advent of Compass and its remarkable technology and innovation – even social media is coming into play to introduce commercial real estate to a broader consumer audience -- we have a unique opportunity to leverage our company's residential network more than ever to service our commercial clients.

COMPASS



Tim Byrne and
Dario Svidler

MICHEL PINTO

My team works with private and institutional clients and developers who are looking for new ground-up construction opportunities for apartments, mixed-use and hospitality-related uses. We look for investors seeking advice on how to increase their property value in this quickly evolving market. With the influx of Silicon Valley tech companies and the ever-expanding entertainment industry seeking new commercial space, we can advise on how to monetize these new opportunities. We also specialize in 1031 transactions, helping investors looking to complete the up-leg of their transaction for stabilized, tax-deferred investment properties. How do you see Compass Commercial evolving in 2019?

TB: We'll continue to focus on investment sales and leasing, with an emphasis in commercial land development and

apartment and commercial sales. We'll continue to focus more on the big picture than a single transaction and will continue to provide a property or portfolio analysis that focuses on increasing cashflow and value appreciation. Then we can advise on ways to enhance the value of the assets and provide other investment opportunities.

DS: Word. Compass' vast resources will allow us to further serve our clients, and the larger L.A. community, by leveraging the company's vast residential network to bring our clients largest investments – their homes and their commercial assets – under one roof supported by the strong pillars of teamwork, trust and integrity. Bring on 2019!

Learn more by visiting [Compass.com/commercial/](https://www.compass.com/commercial/)

THE OFFICE PROPERTY AND BIG DATA PUZZLE: PUTTING THE PIECES TOGETHER

A new white paper published by the NAIOP Research Foundation offers insight into the usages and challenges of big data in commercial real estate, particularly in the office sector where the data's usefulness can be used to both improve a building's operational efficiencies and attract and retain tenants.

The study, "The Office Property and Big Data Puzzle: Putting the Pieces Together" is authored by Kimberly Winsor-Geideman, Ph.D., University of Melbourne, Australia. It identifies some of the obstacles and opportunities associated with big data in the context of managing office properties – including privacy issues and data management – and includes examples of how property managers are collecting and analyzing data within their office properties.

In the white paper, big data is defined as high-volume, high-variety and high-velocity information that is produced in either structured formats, like predictable formats such as sen-

sor data, or unstructured formats, including pictures and text.

"Big data provides the greatest potential – and disruption – to the office property sector," said Marc Selvitelli, CAE, executive director of the NAIOP Research Foundation. "This white paper is practical for real estate professionals who are beginning to consider how they can identify big data and assess the relative value of the information they collect."

KEY TAKEAWAYS FOR BIG DATA IN CRE

The study identifies these critical takeaways as deserving the attention of the real estate industry in general and the office sector in particular:

Big data sets are more than just big. They are dynamic and multidimensional and can be challenging to work with, but they promise to give greater insight into some of the fundamental questions of real estate more than anything has before.

The concept of big data is not solely about the data; it is

also about the tools created to deal with the data. The collection, storage, analysis and visualization all present unique challenges that require innovative and ongoing solutions.

Small data is still important. Real estate markets are local: to make big data meaningful, sometimes the data need to be selected and sorted to such an extent that they are anything but big.

Office property managers are comfortable using non-personal big data to monitor and improve the performance of building systems but, in part because of privacy concerns, have not yet embraced tracking tenant movements to improve the tenant experience.

NAIOP, the Commercial Real Estate Development Association, is the leading organization for developers, owners and related professionals in office, industrial, retail and mixed-use real estate. For more information, visit [naiop.org](https://www.naiop.org).



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NOW AVAILABLE



**6650 RESEDA BOULEVARD
RESEDA**
205 UNITS | UNDISCLOSED
Elizabeth Clark
DRE 01811246



**8301 SANTA MONICA BOULEVARD
WEST HOLLYWOOD**
21,892 Sq Ft | \$13,000,000
Dario Svidler DRE 01884474
Morgan McMullin DRE 01716570



**DOUGLAS STREET/ CORTEZ STREET
LOS ANGELES**
CW 1.04 ACRES | \$12,495,000
Shaya Braverman DRE 01861842
Morgan McMullin DRE 01716570
Dario Svidler DRE 01884474



**6723 VAN NUYS BOULEVARD
VAN NUYS**
20,500 Sq Ft | \$7,180,000
Tom Park
DRE 01921090



**2285 NEWPORT BOULEVARD
COSTA MESA**
6,400 Sq Ft | UNDISCLOSED
Elizabeth Clark
DRE 01811246



**3230-3238 S. BARRINGTON AVENUE
LOS ANGELES**
17,409 Sq Ft | \$5,800,000
Tim Byrne
DRE 01186465



**13626 VANOWEN STREET
VAN NUYS**
14,500 Sq Ft | \$5,700,000
Elizabeth Clark DRE 01811246
Chris Chasin DRE 01789284



**4600 HOLLYWOOD BOULEVARD
LOS ANGELES**
5,897 Sq Ft | \$5,500,000
Elizabeth Clark DRE 01811246
Chris Chasin DRE 01789284



**829 N. BUNKER HILL AVENUE
LOS ANGELES**
14 UNITS | \$4,950,000
Morgan McMullin
DRE 01716570



**451 S. COCHRAN AVENUE
LOS ANGELES**
8 UNITS | \$3,700,000
Morgan McMullin
DRE 01716570



**561 N. SWEETZER AVENUE
GLENDALE**
9 UNITS | \$3,300,000
Dario Svidler
DRE 01884474



**5979 W. 3RD STREET | SOLD
LOS ANGELES**
12,831 Sq Ft | \$7,750,000
Shaya Braverman DRE 01861842
Dario Svidler DRE 01884474