



## Shagam of Coldwell Banker Comm'l. gives advice to real estate "rookies"

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What advice would you offer to individuals just starting a career in commercial real estate?

I think the most useful input to commercial real estate "rookies" would include the following hints/admonitions/caveats:

1. The context in which the commercial real estate practice appears bears little in common with the residential side of the world (except for the impact of ethics rules, common sense, and legislation). So don't even think "residential" when approaching the commercial world.
2. Start with an open mind: a commercial transaction entails many considerations that are impacted far less by aesthetics than in the case of other real estate (i.e., residential) transactions.
3. Probe your client extensively as to what factors are most important to him or her—and then on those that are less important but still could impact a decision. So once you learn what size and location preferences are determined look to other issues like gross cost; long-term vs. short-term lease; and option to purchase to name a few. What would an annual P&L look like? If retail, what are traffic counts, demographics, etc., the possible impact on his business of other tenants in the building, room to expand without eventually having to relocate, and many other considerations.
4. Become adept with financial concepts and considerations. Rely heavily upon "schooling" such as local seminars, networking groups, CCIM, and commercial specialty groups (for example, SIOR). In the commercial realm the lingo is one of the first things to conquer.

What do you consider to be your most important assets?

My most important asset used to be my 401(k) but now, that's another (sorry) story.

My other (and thank goodness, always valuable and increasing) assets are...

- \* My focus upon listening to my client and probing for his/her needs and wants. I have to be an excellent listener and questioner so that I can show respect for the client's thought process and then, when the timing is right, expose him to factors he hasn't expressed or considered.
- \* My awareness and ability to help the client focus on current developments, business, accounting, and other disciplines that could impact a transaction but are not peculiar solely to commercial real estate deals.

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