



Tips & TRENDS

Commercial Real Estate News

www.tsquareproperties.com

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"The only way of finding the limits of the possible
is by going beyond them into the impossible"
- Arthur C. Clarke

IS THERE ANY WAY TO MAKE MONEY INVESTING IN COMMERCIAL REAL ESTATE TODAY?

T SQUARE PROPERTIES RECEIVES CERTIFICATION FROM NYS MINORITY AND WOMAN OWNED BUSINESSES

Yes, there is.
Utilizing time tested fundamentals combined with
creative thinking can position you to reap future
rewards.

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BACK TO BASICS

There is no specific "good time" to buy. The cost
of the property is a function of the income,
expenses, management and your investment
goals. Take the time, run the numbers and focus
on cash flow.



MANAGEMENT

A dollar of cost savings has the same positive
impact on net operating income as a dollar
of increased rent. Maintaining tenant friendly and
proactive management tends to keep existing
tenants in place and secure new leases.

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and parking issues
Yet convenient to all Village amenities

Q & A

WHAT IS THE DIFFERENCE BETWEEN A NET LEASE and A GROSS LEASE ?

NET LEASE / TRIPLE NET LEASE - Typical of Retail Sites. In addition to the monthly rent, the tenant is responsible for its share of property taxes, insurance and common area maintenance. The tenant pays directly for utilities and janitorial service.

GROSS LEASE / FULL SERVICE LEASE
Typical of multi-tenant office buildings. In this type of lease, all expenses except utilities are included in the monthly rent. Utilities are paid by direct meter or most commonly an additional monthly charge. Generally, tenants pick up proportionate share of increased expenses over the base year.

SUBMIT YOUR COMMERCIAL REAL ESTATE QUESTIONS TO
toni@tsquareproperties.com



INVESTMENT HORIZON

Holding periods for real estate will have to be extended to allow the economy and real estate values recovery time. The benefits of hands on management, cost savings strategies and good tenant relations will be rewarded.

EXPAND YOUR NETWORK

Highly publicized offerings with competitive bidding and minimum due diligence periods are gone. Finding the deal is key. Talk to everyone, especially your Commercial Real Estate Broker.

USE SELLER FINANCING

Seller financing can unify the price expectations of sellers and purchasers. The seller becomes a member of the buyer's team for the amount financed and receives a fixed return on investment.

JOINT VENTURE

Partner with the current owner or another investor to conclude a transaction. This arrangement gives the seller who may be resistant to selling in a down market, a chance to realize some of the potential property upsides.

Don't get discouraged. Sellers have unrealistic expectations and lenders are scarce and difficult to satisfy. However, if you are diligent, persistent and willing to analyze the uniqueness of today's Commercial Real Estate market with all of its variables, opportunities can be created with corresponding rewards.



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ON GOING HEALTH CARE DEBATE

Open debate on health care issues is democracy in action. Town meetings are full of rhetoric and angry outbursts depicting socialized medicine, pulling the plug on grandma and rationing if a national health care program is approved. The issue is cost - the cost of continuing with our current system versus the cost of change including a public option. Can we afford insurance as usual?

According to the Mellman Medical Index (MMI), between 2001 and 2009, premiums for a family of 4 doubled from \$8446 to \$16,771. If this trend continues, the same premium would cost \$36,000 in 2019. These rising costs will impact business decisions in the future. WHO WILL PAY?

This debate will continue. Get involved ! Get the facts ! Go beyond the rhetoric !

***WE'D LOVE TO HEAR FROM YOU
PLEASE SEND YOUR COMMENTS TO
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