



LOS ANGELES BUSINESS JOURNAL  
COMMERCIAL  
REAL ESTATE  
AWARDS  
2023



## THE NOMINEES

Join us in honoring the brokers of the most notable transactions in Los Angeles and recognize the most impactful projects completed within the last 12 months.

# WEDNESDAY, MARCH 1

InterContinental Los Angeles Downtown | 6:00 - 8:30PM PST

---

DIAMOND SPONSOR

**CBRE**

PLATINUM SPONSORS

**CBIZ** **MHM**

**CLAYCO**  
THE ART & SCIENCE OF BUILDING

**Colliers**

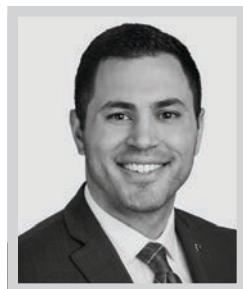
---

GOLD SPONSORS

Bridge Industrial | BLVD | Business Finance Capital | Children's Institute | Citizens Business Bank | Clune Construction  
HITT | McCarthy Builders | Millie and Severson | Newmark | Oltmans Construction | Parker Brown  
PNG Builders | Prologis | Ram Construction | Sharpe Interior Systems, Inc. | Sierra Pacific Constructors  
S/L/A/M Collaborative | Spectrum CRE | Suffolk Construction | Swinerton



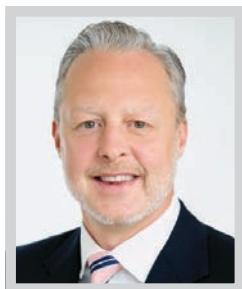
# BROKER NOMINEES

**JEFF ABRAHAM**

Newmark

**ERIC ADAMS**

Newmark

**MARTIN D. AGNEW**

Marcus &amp; Millichap

**PATRIC AMOS**

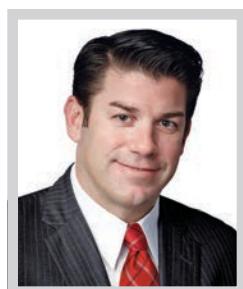
CBRE

**JOHN ANTHONY**

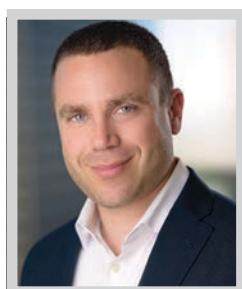
Kidder Mathews

**BARBARA ARMENDARIZ**

SharpLine

**MICHAEL ARNOLD**

NAI Capital Commercial

**DAVID ASCHKENASY**

Commercial Asset Group

**SHANE AVERA**

Matthews Real Estate Investment Services

**ALEX BANKS**

Coldwell Banker Commercial

**FRANK BARBANO**

Barbano Realty, Inc.

**JOHN BARGANSKI**

Brookfield Properties

**BILL BAUMAN**

Newmark

**MAXX BAUMAN**

Matthews Real Estate Investment Services

**HARVEY BEESEN**

Kidder Mathews

**KEVIN BENDER**

JLL

**JOHN BENDETTI**

CommonWealth Partners

**CHRIS BENTON**

Newmark

**WARREN BERZACK**

Lee &amp; Associates – LA North/Ventura

**PETE BETHEA**

Newmark

**DAVID BLACK**

Marcus &amp; Millichap

**ROBERT BLACK**

Kidder Mathews

**BILL BLOODGOOD**

Newmark

**STEVE BLUE**

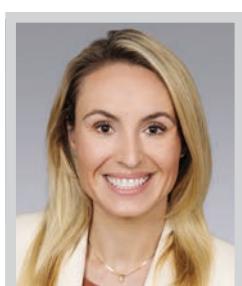
Swift Real Estate Partners

**MICHAEL BOGLE**

CBRE

**STEVE BOHANNON**

Cushman &amp; Wakefield

**KRISTEN BOWMAN**

Colliers

**DRAGANA BOZILOVIC**

illi Commercial Real Estate

**ANDREW BRINER**

Newmark

**VALERIE BRUNNER**

CBRE

# Our expertise. Your bottom line.

In 2022, CBRE consistently delivered outcomes that drive business and bottom-line performance for our clients across Los Angeles County. We congratulate the following *LABJ Real Estate Award* finalists for setting the bar and being exemplary in the industry.

## DOWNTOWN LA OFFICE

### **Phillip Ruhl & John Zanotos**

Finalists  
Best Office Lease of the Year

### **John Zanotos**

Finalist  
Best Office Lease of the Year

## WEST LA OFFICE

### **Dean Zander & Stew Weston**

Finalists  
Best Multi-Family Deal of the Year

## GLENDALE OFFICE

### **Michael Bogle**

Finalist  
Best Industrial Sale of the Year

### **Doug Marlow**

Finalist  
Best Office Lease of the Year

### **Steve Nelson**

Finalist  
Best Retail Lease of the Year

## SOUTH BAY OFFICE

### **Tres Reid**

Finalist  
Brokerage Executive of the Year

### Finalist

Best Industrial Lease of the Year



### **Lewis C. Horne**

President,  
GLA-OC-IE  
lew.horne@cbre.com  
+1 213 613 3305

### **Robert Peddicord**

Executive Managing  
Director, South Bay  
robert.peddicord@cbre.com  
+1 213 613 3346

### **Andrew D. Ratner**

Executive Managing  
Director, West LA  
andrew.ratner@cbre.com  
+1 213 613 3320

### **Jessica Lall**

Managing Director,  
Downtown LA  
jessica.lall@cbre.com  
+1 213 613 3560



# BROKER NOMINEES

**RICK BUCKLEY**

NAI Capital Commercial

**NANCY BUSH**

Lyon Stahl Investment Real Estate

**AMANDA CALOF**

CBRE

**RYAN CAMPBELL**

NAI Capital Commercial

**RICHARD CHENG**

Urbanlime Real Estate

**JAYSEN CHIARAMONTE**

Kennedy Wilson

**TOMMY CHRISTMAN**

Swift Real Estate Partners

**MICHAEL CONDON, SR.**

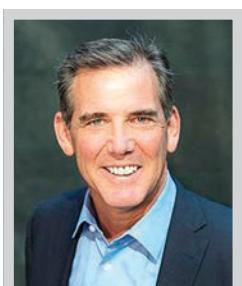
Cushman &amp; Wakefield

**CHRISTOPHER COOPER**

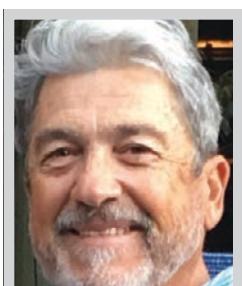
Avison Young

**KEVIN COOPER**

Delphi Business Properties Inc.

**FREDERICK CORDOVA**

Corion Enterprises

**TIM CRISSMAN**

Re/Max Crissman Commercial Services

**RANDY CUDE**

Spectrum Commercial Real Estate

**JACK CULLEN**

Swift Real Estate Partners

**SIMON DARVISH**

Westbrook Advisors Inc.

**SEAN DARYANI**

Re/Max of Valencia

**REMY DAVARENNE**

CBRE

**JOHN DEGRINIS**

Newmark

**TYLER DEL RE**

Urbanlime Real Estate

**LALO DIAZ**

JLL

**ANDREW DILFER**

Kidder Mathews

**NICK DIPAOLO**

Newmark

**SANDY DUNKLEY**

Equity Real Estate

**DEMARCO DURAN**

Savills

**PATRICK DUROSS**

Newmark

**BILL DURSLAG**

CBRE

**TOM DWYER**

CBRE

**MATT EHRLICH**

NAI Capital Commercial

**JOHN ERICKSON**

Colliers

**DAN FAGAN**

Urbanlime Real Estate



Accounting | Tax | Advisory

# Scaling TO NEW HEIGHTS

**Don't wait for the future:  
PLAN FOR IT.**

Take a proactive approach to your business  
with CBIZ's commercial real estate services.

Our team of experts understands the changing regulations and local market trends affecting the real estate industry. We will assist you in meeting them while giving you tailored financial solutions to focus on what really matters: building success.

---

TO LEARN MORE ABOUT WHAT'S ON THE HORIZON  
**CONTACT US TODAY: [CBIZ.COM/LOSANGELES](http://CBIZ.COM/LOSANGELES)**

MHM (Mayer Hoffman McCann P.C.) is an independent CPA firm that provides audit, review and other attest services, and works closely with CBIZ, a business consulting, tax and financial services provider. CBIZ and MHM are members of Kreston Global, a worldwide network of independent accounting firms.



# BROKER NOMINEES

**GRANT FULKESON**Lee & Associates –  
LA North/Ventura**SEAN FULP**

Colliers

**DAWN FUQUA**

illi Commercial Real Estate

**JAVI GALVAN**

Delphi Business Properties, Inc.

**GREG GERACI**

Colliers

**ANDREW GHASSEMI**Spectrum Commercial  
Real Estate**IAN GILBERT**

Brookfield Properties

**CHRISTOPHER GIORDANO**

Kidder Mathews

**RODRIGO GONZALEZ**

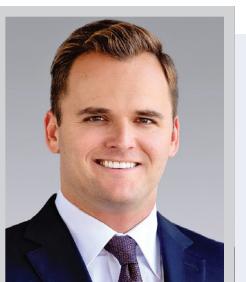
DEODEATE

**JOE GRABIEC**

Institutional Property Advisors

**RYAN GRANITO**

Fundrise

**JB GREEN**

Colliers

**KEVIN GREEN**

Institutional Property Advisors

**GEORGE GROSS**

Coldwell Banker Commercial

**YAIR HAIMOFF**Spectrum Commercial  
Real Estate**DANIEL HAKIMPOUR**Spectrum Commercial  
Real Estate**ROB HANNAN**

Newmark

**RYAN HARDING**

Newmark

**BRET HARDY**

Newmark

**DAVID HARRINGTON**Matthews Real Estate  
Investment Services**GREG HARRIS**

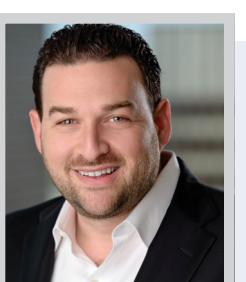
Institutional Property Advisors

**ROBERT HELD**

Held Properties

**DAVID HOFFBERG**

Delphi Business Properties, Inc.

**DAVID IKOVICS**

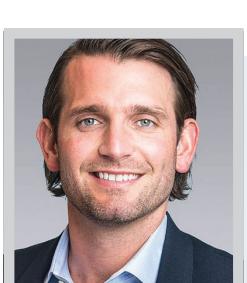
Commercial Asset Group

**ROB IPPOLITO**

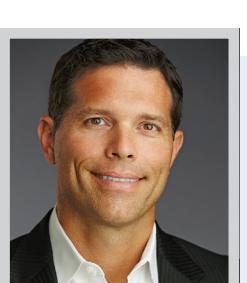
Newmark

**BARRY JAKOV**Spectrum Commercial  
Real Estate**SEVAK KESHISHIAN**

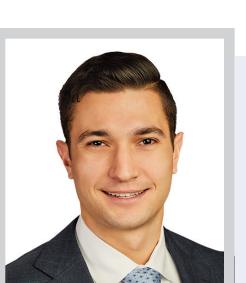
Marcus &amp; Millichap

**TERENCE KIRK**

Colliers

**CRAIG KISH**

Newmark

**MICHAEL KOLCUM**

Newmark



**BEYOND THESE WALLS...**

To do more than build. To **create**. To **innovate**. And to do it with a holistic, intelligent balance of **art and science** that's unmatched anywhere.

We see our work through the **eyes of the people** who will use them every day. Through their eyes, we see places of entertainment, education, innovation, technology, healing and research.

**The result? Powerful structures with impacts that reach far beyond these walls.**





# BROKER NOMINEES

**LARRY KOSMONT**

Kosmont Realty

**JIM KRUSE**

Kidder Mathews

**JOHN LALLY**

Marcus &amp; Millichap

**JONATHAN LARSEN**

Avison Young

**ERIC LASTITION**

Newmark

**ANDREW LEFF**

Marcus &amp; Millichap

**SAM LIBEROW**

Marcus &amp; Millichap

**RYAN LIN**

CBRE

**JIM LINN**

Newmark

**CASEY LINS**

Kidder Mathews

**JEFF LOUKS**

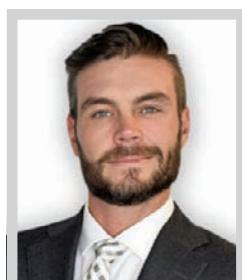
Marcus &amp; Millichap

**MATTHEW LUCHS**

Marcus &amp; Millichap

**GEOFFREY LUDWIG**

Newmark

**BRETT LYON**

Lyon Stahl Investment Real Estate

**DAVE MACKENBACK**

Cushman &amp; Wakefield

**MIKE MALICK**

Marcus &amp; Millichap

**TOM MALONEY**

Newmark

**DOUG MARLOW**

CBRE

**LAWSON MARTIN**

Cresa

**SIMON MATTOX**

CBRE

**PAT MCCROSKEY**

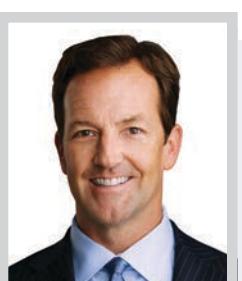
CBRE

**RONNIE McDERMOTT**

Marcus &amp; Millichap

**MIKE MCKINNEY**

Lyon Stahl Investment Real Estate

**JOHN MCMILLAN**

Newmark

**SEAN MCNEE**

Kidder Mathews

**JOAQUIN MEDRANO**

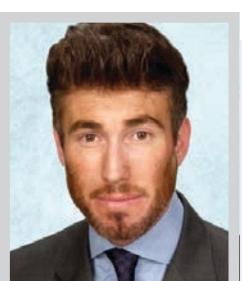
Fundrise

**SHERI MESSERLIAN**

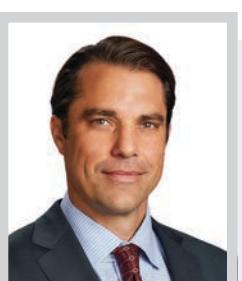
NAI Capital Commercial

**KEN MEYERSON**

CBRE

**BRANDON MICHAELS**

Marcus &amp; Millichap

**KYLE MILLER**

Newmark

# The market is shifting, but the opportunities remain endless.

In this dynamic climate, Colliers continues to cultivate an environment of growth. Our robust platform and entrepreneurial spirit allow us to harness the potential of every market and every opportunity.

**Join us and accelerate your success.**



**Amanda Spangler**

Managing Director  
Inland Empire & Orange County

**Jodie Poirier**

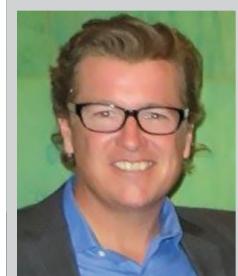
Executive Managing Director  
Greater Los Angeles

**Ricardo Pacheco**

Managing Director  
Los Angeles



# BROKER NOMINEES

**BRENDAN MONAGHAN**

Barbano Realty, Inc.

**TONY MORALES**

JLL

**ANTHONY MUHLSTEIN**

Newmark

**TODD NATHANSON**

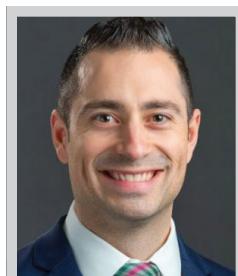
illi Commercial Real Estate

**STEVE NELSON**

CBRE

**EDDY NEVAREZ**

Marcus &amp; Millichap

**FILIP NICULETE**

Marcus &amp; Millichap

**BRIAN NIEHAUS**

JLL

**DAVID NORIE**

CBRE

**GREG OFFSAY**

illi Commercial Real Estate

**JOHN OLLEN**

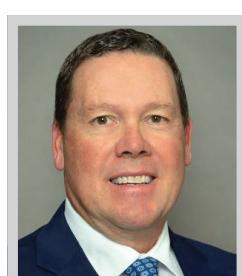
Newmark

**LAUREN PEDDICORD**

CBRE

**BILL PEDERSEN**Matthews Real Estate  
Investment Services**ASHER PERGAMENT**

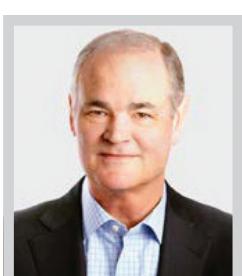
illi Commercial Real Estate

**KEITH PHILLIPS**

Marcus &amp; Millichap

**RYAN PLUMMER**

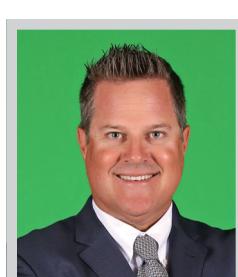
Colliers

**GERALD PORTER**

Cresa

**JACK POSTHAUER**

JLL

**JEFF PUFFER**

Delphi Business Properties, Inc.

**CONNOR QUAN**Spectrum Commercial  
Real Estate**ZACK RABINOWITZ**Spectrum Commercial  
Real Estate**DANIEL RAINER**

JLL

**ART RASMUSSEN**

CBRE

**LIOR REGENSTREIF**

Marcus &amp; Millichap

**TRES REID**

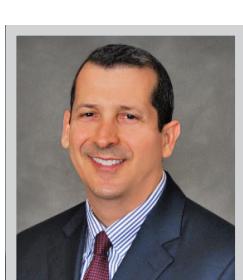
CBRE

**KELLY REINKER**

Newmark

**DAN RILEY**

CBRE

**BENNETT ROBINSON**

CBRE

**RYAN ROTHSTEIN-SERLING**

Marcus &amp; Millichap

**ROB RUBANO**

Cushman &amp; Wakefield



## Before we build a workplace, we build a relationship.

At KPRS, we create modern workplaces where people thrive. Whether it's making flexible structures for future growth or including features that promote work-life balance to attract and retain talent, we listen to our clients' needs and realize their visions. Build with us and build on a foundation of trust.

**Let's build  
together.**



# BROKER NOMINEES



GLENN RUDY

Newmark



PHILLIP RULH

CBRE



STEVEN SALAS

Newmark



JULIANA SAMPSON

CBRE



JEFF SANITA

Newmark



BRETT SANSON

Marcus &amp; Millichap



GLEN SCHER

Marcus &amp; Millichap



SCOTT SCHINDLER

JLL



SCOTT SCHUMACHER

Newmark



NICK SCRIBANI

Newmark



JOHN SCRUGGS

Newmark



TOM SEXTON

NAI Capital Commercial



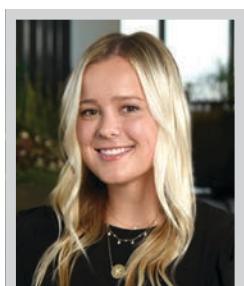
KEVIN SHANNON

Newmark



LEE SHAPIRO

Kennedy Wilson



KELLI SNYDER

CBRE



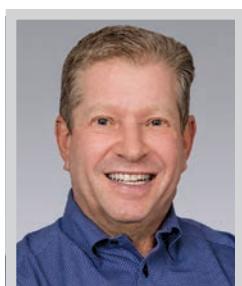
FRANK SOBOLESKE

Vino Vino Realty Group (VVRG)



MANVEL SOLAKIAN

Coldwell Banker Hallmark Realty



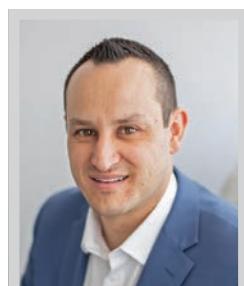
STEVE SOLOMON

Colliers



TONY SOLOMON

Marcus &amp; Millichap



MATT SREDEN

Spectrum Commercial Real Estate



WOODY STAHL

Lyon Stahl Investment Real Estate



KYLE STANICH

Colliers



LUKE STAUBITZ

Kidder Mathews



CHRISTOPHER STECK

Kidder Mathews



KIMBERLY STEPP

Stepp Commercial



ROBERT STEPP

Stepp Commercial



MICHAEL STERMAN

Marcus &amp; Millichap



TIM STEURNOL

NAI Capital Commercial



DUSTIN STOLLY

Newmark



GREG STUMM

Newmark



## BRIDGE POINT GARDENA I & II

NOMINATED FOR LABJ'S  
PROJECT OF THE YEAR



THANK YOU TO CHRIS SHEEHAN,  
MIKE FOLEY, AND CONNER REEVES  
of Colliers International for representing  
Bridge in the marketing and leasing of  
the project.

LOS ANGELES/SAN FRANCISCO | CHICAGO | NEW JERSEY | NEW YORK | MIAMI | SEATTLE | LONDON

**LOS ANGELES/SAN FRANCISCO OFFICE**

11100 Santa Monica Blvd., Suite 700, Los Angeles, CA 90025

**WWW.BRIDGEINDUSTRIAL.COM**



# BROKER NOMINEES



LAURA STUMM

Newmark



MIKE TINGUS

Lee & Associates –  
LA North/Ventura

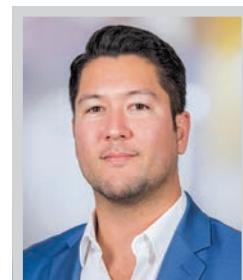
LORENA TOMB

Urbanlime Real Estate



JAMES TRAVERS

Cresa



LUKE TROEDSON

Savills



BILL UKROPINA

Coldwell Banker Commercial



ROB URY

Beta



JOHN WADSWORTH

Colliers



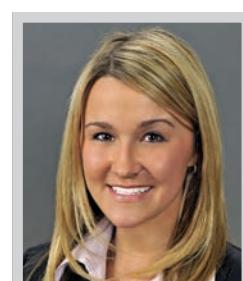
TIM WALLACE

Cushman &amp; Wakefield



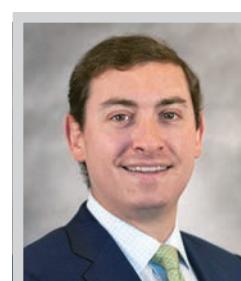
ROB WALLER

CBRE



JACLYN WARD

JLL



ZACHARY WEIL

CBRE



STEW WESTON

CBRE



KEN WHITE

Newmark



DANNY WILLIAMS

Newmark

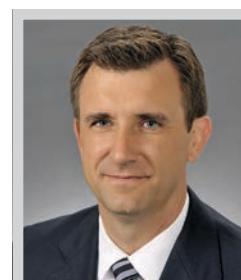


DANIEL WITHERS

Matthews Real Estate  
Investment Services

AUSTIN WOLITARSKY

CBRE



JOSH WROBEL

JLL



JOSH YARIS

Marcus &amp; Millichap



JOHN YERESSIAN

John Yeressian &amp; Associates



JENNIFER YIP

JLL



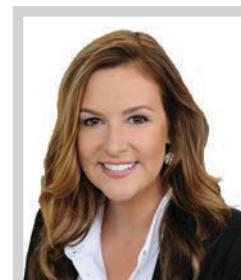
DEAN ZANDER

CBRE



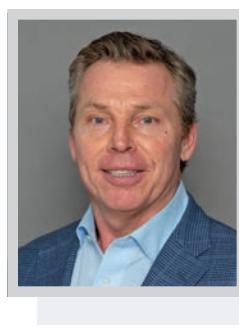
JOHN ZANOTOS

CBRE



SALLY ZESUT

Avison Young



MATTHEW ZIEGLER

Marcus &amp; Millichap

**CONGRATULATIONS  
TO OUR 2023  
BROKER NOMINEES**

LOS ANGELES REGION

# Newmark is Proud to Congratulate our 2022 Top Producers



**Jay Luchs**  
*Vice Chairman*



**Kevin Shannon**  
*Co-Head of U.S. Capital Markets*



**John McMillan, SIOR**  
*Vice Chairman*



**David Milestone**  
*Vice Chairman*



**John DeGrinis, SIOR**  
*Vice Chairman*



**Craig Kish**  
*Senior Managing Director*



**Patrick DuRoss, SIOR**  
*Executive Managing Director*



**Bill Bauman**  
*Vice Chairman*



**Bryan Norcott**  
*Executive Managing Director*



**Ryan Harding**  
*Executive Managing Director*

**NEWMARK**

**Nick DiPaolo**  
*Executive Vice President, Market Leader  
Greater Los Angeles Region*  
t. 213-596-2260  
nick.dipaolo@nmrk.com



# PROJECT NOMINEES

| DEVELOPER

| GENERAL CONTRACTOR

| ARCHITECT



## 15601 S. AVALON

Rexford Industrial  
Pacific Construction Group  
RGA Architects



## 6TH AND SAN JULIAN

Mercy Housing California  
Suffolk  
TCA Architects



## 2130 VIOLET ST.

Lowe  
Swinerton  
Ware Malcomb



## 800|900 CULVER POINTE

Northwood Investors LLC  
Morley Builders /  
Benchmark Contractors, Inc.  
RIOS



## 3516 SCHAEFER ST.

Redcar Properties, Ltd.  
Del Amo Construction  
RAC Design Build



## 821 TRACTION AVE. ADAPTIVE REUSE

821 FM LLC.  
Swinerton  
Loescher Meachem Architects, Inc.

# GROW

Choose a team that can help  
you achieve your goals

Powerful financial solutions tailored  
to your unique business needs

[cbbank.com](http://cbbank.com) | [in](https://www.linkedin.com/company/citizens-business-bank/)

Equal Housing Lender | Member FDIC

03.22

CITIZENS  
BUSINESS BANK  
A Financial Services Company

## HELPING SMALL BUSINESSES THINK BIG



### THE SBA 504 LOAN

The SBA 504 Loan Program puts owner-occupied real estate financing within reach for small businesses through low down payments and low, long-term fixed interest rates.



### SBA 504 REFINANCE

Need to refinance an existing commercial real estate loan for your business? The SBA 504 Refinance Program can help lower your monthly payments and stabilize occupancy costs for the long term.



### BENEFITS TO BUSINESSES

- Low down payments on owner-occupied real estate debt
- Below-market, long-term fixed rates
- No balloon payments
- Save cash for working capital

JACKY DILFER,  
EXECUTIVE DIRECTOR

**We're here to help your business get funded to grow and thrive in California.**



1-800-SBA-REAL



[bfcfunding.com](http://bfcfunding.com)



Business Finance Capital  
1055 W. 7th Street, Suite 2250  
Los Angeles, CA 90017



# PROJECT NOMINEES

| DEVELOPER

| GENERAL CONTRACTOR

| ARCHITECT



## 843 N. SPRING ST.

- Redcar Properties
- Shawmut Design and Construction
- LEVER Architecture



## ALAMEDA INDUSTRIAL

- PIMA
- CEG Construction
- OC Design & Engineering



## 900 WILSHIRE RENOVATION

- Sterling Real Estate Group, LLC
- Cal-City Construction
- Struere



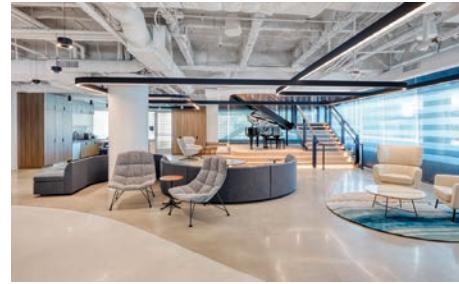
## ATLAS HOUSE

- Jamison Properties LP
- Philmont Management Inc
- Corbel Architects



## 9000 WILSHIRE

- Skanska USA Commercial Development
- Skanska USA Building Inc.
- Neil M. Denari Architects & HLW



## BMI

- Cushman & Wakefield
- Howard Building Corporation
- HLW International



**SHARPE**  
INTERIOR SYSTEMS  
DRYWALL CONTRACTORS

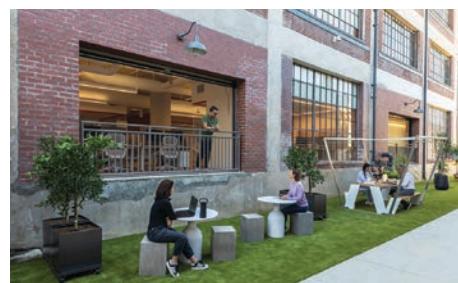
Congratulations to all the winners in this year's  
Los Angeles Business Journal Commercial Real Estate Awards





### BMW DESIGNWORKS

- Colliers International
- GCX
- Kevin Daly Architects



### CALIFIA FARMS

- Hudson Pacific Properties
- RAM Construction
- The S/L/A/M Collaborative, Inc.



### BRIDGE POINT GARDENA I AND II

- Bridge Industrial
- Oltmans Construction Co.
- RGA Office of Architectural Design, Inc.



### CASTLE ARGYLE APARTMENTS

- Beacon Development Group / Human Good
- Walton Construction
- Relativity Architects



### BRIDGE UNIVAR SANTA FE SPRINGS

- Bridge Development Partners
- Millie and Severson
- Herdman Architecture + Design



### CATHERINE SANTA MONICA PHASE II

- Fifield Companies
- Milender White Inc.
- KFA Architecture

**CLUNE**  
CONSTRUCTION

**2023 LABJ AWARDS**  
CONGRATULATIONS TO THE  
Winners and Nominees

©Genster / Benny Chan

CHICAGO

DALLAS

LOS ANGELES

NEW YORK

PHOENIX

SAN FRANCISCO

WASHINGTON, DC

CA License #732107

#### ABOUT CLUNE

Clune Construction is an employee-owned, national general contractor, providing construction management services for some of the most respected companies in the world. With seven offices across the U.S., Clune manages over \$1 billion in projects annually and has been ranked as a Best Place to Work across the nation.

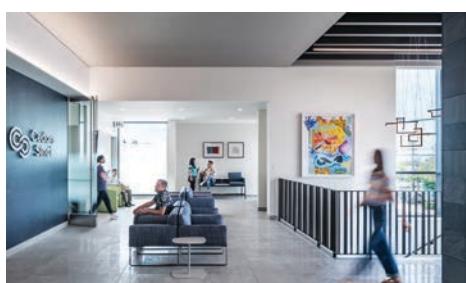


# PROJECT NOMINEES

## | DEVELOPER

## | GENERAL CONTRACTOR

## | ARCHITECT



### CEDARS-SINAI LOS FELIZ URGENT CARE

- Cedars-Sinai Health System
- Pankow
- Abramson Architects



### CITIBANK LA FAIRFAX

- Regency Centers
- DEB Construction, LLC.
- Gensler



### CEDARS-SINAI MEDICAL CENTER / TORRANCE MEMORIAL MEDICAL CENTER AND MEDICAL OFFICE BUILDING

- Cedars-Sinai Medical Center
- Millie and Severson
- c|a Architects



### CO/RELATE WEST HAUSER

- Canfield Development Inc.
- Westside Contractors
- Hochhauser Blatter Architecture & Planning



### CHILDREN'S INSTITUTE, INC. WATTS CAMPUS

- Children's Institute, Inc.
- Oltmans Construction Co.
- Gehry Partners, LLP.



### CONFIDENTIAL PROJECT

- Cushman & Wakefield
- Clune Construction
- Gensler



**CONGRATULATIONS  
TO ALL THE 2023  
COMMERCIAL REAL ESTATE AWARD  
NOMINEES**



#### CONFIDENTIAL PROJECT

- CIM Group
- GCX
- Harley Ellis Devereaux (HED)



#### THE DOHENY

- Lenmar Doheny LLC
- Duke Development
- Albert Group Architects



#### THE DAIRY

- The Luzzatto Company
- GCX
- HLW



#### THE ENCLAVE

- The Ruth Group
- GS Construction
- 5+ Design



#### DEBBIE ALLEN DANCE ACADEMY

- Debbie Allen Dance Academy
- Build Group
- Gensler



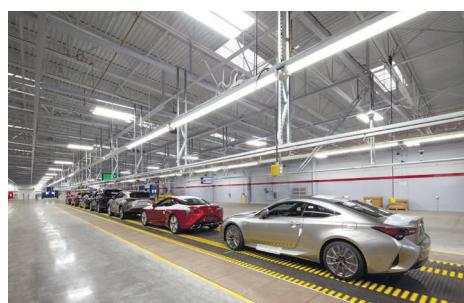
#### ENTRADA

- LPC West
- KPRS Construction Services, Inc.
- Gensler



#### CHILDREN'S INSTITUTE, INC. WATTS CAMPUS WATTS, CA

**Nominated Categories**  
Community Impact & Tenant Improvement



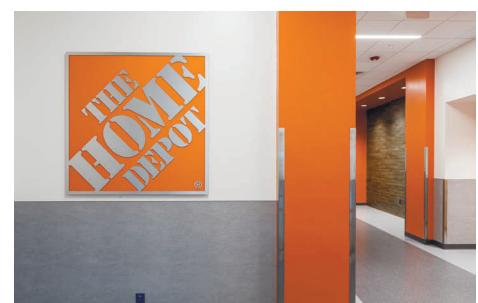
#### TOYOTA LOGISTICS VEHICLE DISTRIBUTION LONG BEACH, CA

**Nominated Categories**  
Sustainable & Industrial



#### BRIDGEPOINT GARDENA GARDENA, CA

**Nominated Categories**  
Industrial & Redevelopment



#### HOME DEPOT IRWINDALE, CA

**Nominated Category**  
Tenant Improvement



# PROJECT NOMINEES

## | DEVELOPER

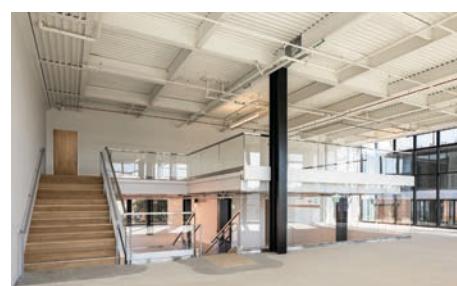
## | GENERAL CONTRACTOR

## | ARCHITECT



### ESPERANZA AT DUARTE STATION

- MBK Rental Living
- R.D. Olson Construction
- AO Architects



### FRIEDKIN GROUP – EUCLID CREATIVE OFFICE

- The Friedkin Group
- C.W. Driver
- BA Collective



### FEDORA & TRILBY APARTMENTS

- CGI Plus
- Frymer Construction
- KFA Architects



### THE GEORGIAN HOTEL

- BLVD Hospitality + ESI Ventures
- BCCI Construction
- HLW International



### FIG + PICO

- The Lightstone Group
- Suffolk
- Gensler



### THE GRAND LA

- Related Companies
- Tishman Construction (AECOM)
- Gehry Partners

## OO SLAM

Creativity in Design to Enrich Lives



**Congratulations RAM Construction**

**2023 Commercial Real Estate Awards**

**Los Angeles Business Journal**



LOS ANGELES BUSINESS JOURNAL  
COMMERCIAL  
REAL ESTATE  
AWARDS  
2023



#### HOLLYWOOD ARTS COLLECTIVE

- | Thomas Safran & Associates
- | Morley Builders / Benchmark Contractors, Inc.
- | BSB Design (formerly Withee Malcolm Architects)



#### HYPEROBJECT

- | HyperObject Industries
- | GCX
- | Wolcott Architecture



#### HOME DEPOT IRWINDALE

- | Prologis
- | Oltmans Construction Co.
- | RGA, Office of Architectural Design



#### JASPER

- | Cityview
- | WPIC Construction
- | AC Martin



#### THE HUNTINGTON

- | The Richman Group of California, LLC
- | Milender White Inc.
- | DesignArc



#### LARCHMONT MERCANTILE

- | Christina Development Corporation
- | Del Amo Construction
- | Gensler



*Thank you*

To all our partners who contributed to Topgolf El Segundo - we could not have done it without you!

Topgolf  
City of El Segundo  
Aria Group Architects, Inc.  
DRC Engineering, Inc.  
John A Martin & Associates, Inc.  
Telios Corporation  
Leighton Consulting, Inc.  
American Landscape  
Anning Johnson  
Assa Abloy  
Berg Electric

CA Signs  
Coast Insulation  
Controlair  
Courtney, Inc.  
Crown Fence  
Elite Glazing  
Frank Smith Masonry  
Miller Environmental  
ISEC Incorporated  
KONE  
McCandless Tile

McWhirter Steel  
MS Rouse  
Partition Specialties  
Pacific Decorative Concrete  
Incorporated  
Pfeiler & Associates  
QPS  
Qwest Engineering  
Rebar Engineering  
San Diego Paint Pros  
Standard Drywall

Southwest Doors  
Stumbaugh  
Southwest Fire Protection  
Trademark Concrete  
US Smoke & Fire  
Van Diest Bros  
VNSM  
Western Paving

**Topgolf El Segundo**  
A finalist in the Los Angeles Business Journal's 2023 Commercial Real Estate Awards



# PROJECT NOMINEES

| DEVELOPER

| GENERAL CONTRACTOR

| ARCHITECT



## LAS FLORES APARTMENTS

- | Community Corp of Santa Monica
- | R.D. Olson Construction
- | DE Architects



## MGAC LA OFFICE

- | N/A
- | HITT Contracting
- | SOM (Skidmore, Owings & Merrill LLP)



## LONG BEACH CITY COLLEGE - MULTI-DISCIPLINARY ACADEMIC FACILITY

- | Long Beach City College
- | C.W. Driver
- | HPI Architecture



## THE MIDAS

- | Mason Yoon, GRCLA, LLC
- | Wilshire Construction, LP
- | Lahmon Architects



## MAGNOLIA VILLAS

- | EAH Housing
- | Walton Construction Inc.
- | DE Architects, AIA



## MR. T

- | Park Lane Projects
- | GCX
- | Studio Como

YAIR HAIMOFF, SIOR



RANDY CUDE



ANDREW GHASSEMI



MATT SREDEN



BARRY JAKOV



ZACHARY RABINOWITZ



CONNOR QUAN



DANIEL HAKIMPOUR



*Congratulations*

TO OUR 2023  
**LA BUSINESS JOURNAL**  
CRE AWARD NOMINEES

**SPECTRUM**  
COMMERCIAL REAL ESTATE, INC.

Encino | Valencia | Century City  
310.579.0700 | [spectrumcre.com](http://spectrumcre.com)

Industrial | Office | Retail | Investments | Property Management



### MUSEUM OF TOLERANCE

- Simon Wiesenthal Center, Inc.
- Sierra Pacific Constructors
- Yazdani Studio of CannonDesign



### OVATION HOLLYWOOD

- DJM Capital
- W.E.O'Neil Construction
- Gensler

### NINE THOUSAND ONE

- GPI Companies
- Build Group Construction Company, Inc.
- Steinberg Hart



### POMONA COLLEGE - CENTER FOR ATHLETICS, RECREATION AND WELLNESS

- Pomona College
- C.W. Driver
- SCB Architects

### ONE LEGACY CAMPUS

- One Legacy
- PNG Builders
- LA-Architects, Inc.



### THE RISE KOREATOWN

- Rescore Property Corp.
- Rudolph and Sletten, Inc.
- Nadel Architecture and Planning

**CONGRATULATIONS** on being **NOMINATED** for a  
**LABJ 2023 Commercial Real Estate Award**

Bridge Point Santa Fe Springs IV  
Developer: Bridge Industrial  
Architect: Herdman Architecture + Design

Cedars-Sinai Medical Center/  
Torrance Memorial Medical Center  
Developer: Cedars-Sinai Medical Center  
Architect: c|a ARCHITECTS



**MILLIE and  
SEVERSON**  
GENERAL CONTRACTORS



# PROJECT NOMINEES

| DEVELOPER

| GENERAL CONTRACTOR

| ARCHITECT



## ROCNATION

- | 953 N. Sycamore (LA), LLC
- | Sierra Pacific Constructors
- | GP Architecture



## SP7 / SAN PEDRO HOUSE

- | Skid Row Housing Trust
- | Snyder Langston Residential
- | KFA Architecture



## SAFFY'S

- | Bestia
- | GCX
- | NCA Studios



## TOP GOLF EL SEGUNDO

- | Top Golf USA, Las Vegas, LLC
- | McCarthy Building Companies, Inc.
- | Aria Group Architects, Inc.



## SILICON VALLEY BANK

- | Colliers International
- | GCX
- | Studios Architecture



## TOYOTA LOGISTICS SERVICES VEHICLE PROCESSING AND DISTRIBUTION CENTER (VDC)

- | Toyota Motor Sales, USA Inc.
- | Oltmans Construction Co.
- | Lionakis



FOR YOUR **MEDICAL CONSTRUCTION** NEEDS

Parker Brown Inc. has created a specialty in building medical clinics. Talk to us about your needs



Parker Brown Inc

21116 Vanowen St. Canoga Park, CA 91303  
info@parkerbrowninc.com [www.website.com](http://www.website.com)



Contact for any support  
**818-999-5078**



### TWITCH LOS ANGELES

- Twitch Interactive, Inc.
- HITT Contracting Inc.
- Gensler



### WALTZMAN INSTITUTE PLASTIC SURGERY AND AESTHETICS

- Mike Bardi
- Parker Brown Inc.
- GPA Architecture



### UCLA GAYLEY HEIGHTS APARTMENTS

- University of California, Los Angeles
- PCL Construction
- STUDIOS Architecture



### THE WATERMARK

- Gelt Reseda Development, LLC
- WPIC Construction, LLC
- Albert Group Architects



### VOX AT CUMULUS

- Carmel Partners
- Carmel Partners
- TCA Architects



### YAAMAVA' RESORT AND CASINO AT SAN MANUEL

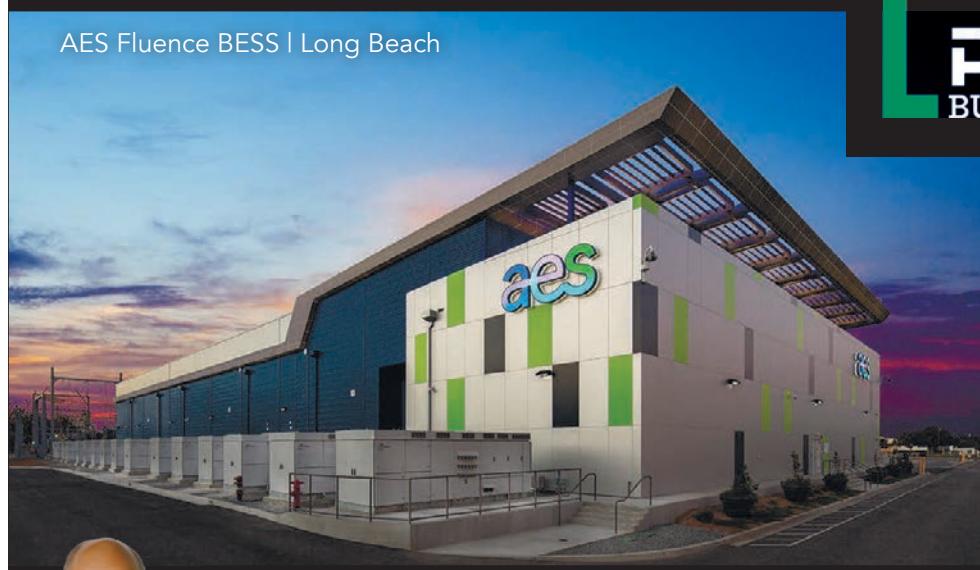
- San Manuel Band of Mission Indians
- Penta Building Group
- Gensler



OneLegacy Headquarters | Azusa



Armenian American Museum | Glendale



AES Fluence BESS | Long Beach



URM Angeles House | Los Angeles



PICASSO BHOWMIK Vice President

p.bhowmik@pacnatgroup.com | 626.256.9595 | [www.png.builders](http://www.png.builders)

Building Value. Building Trust. Building People.



# Navigating Supply Chain Disruptions and Instability in Materials Pricing

By DR. PAULA RAYMOND STAMP

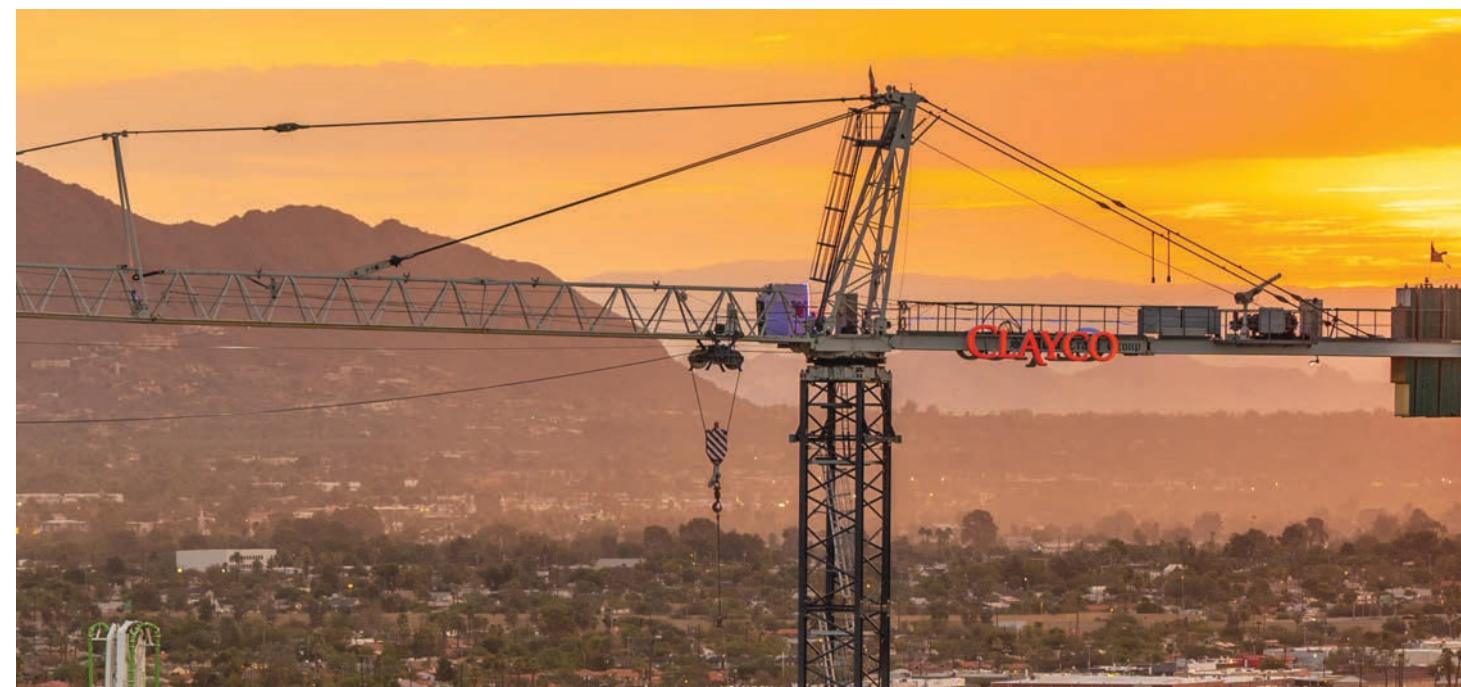
If there's anything 2022 has shown us, it is that uncertainty continues to prevail and is becoming the norm. Materials and commodity prices spiked in 2022 and remain in flux due to ongoing supply chain disruptions, material input cost increases, and higher inflation. Pricing for rebar, sheet metal, lumber, and electrical equipment was heavily impacted with steep increases in the second quarter of 2022. Although pricing is leveling off, supply and delivery lead times for these materials and others is a challenge even as we begin 2023. For example, according to the Clayco Cost Index (CCI), past lead times for standard HVAC units was six to eight weeks. The CCI now tracks current lead times for small, standard HVAC units at 32 weeks and as high as 80 weeks for large HVAC units, such as Desiccant Dryers.

The 4th quarter of 2022 brought some improvement in material availability. Roof insulation and roof membrane availability continues to improve. Chemical factories are continuing to rebuild inventories improving availability of PVC, epoxy, flooring, and paint. Commodity future pricing is robust, bringing price stability to the market. Switchgear and electrical components are the most problematic material with lingering availability and long lead times as much as 72 weeks. The good news is metal pricing has dropped along with improved lead times. Except for electrical products with electrical components, 2023 should see continued market stabilization and improved product availability.

Although we will see improvement in material pricing and availability, we are still not back to the typical lead times and pricing as benchmarked prior to 2020. So how does a general contractor mitigate this risk for clients? Clayco advises clients on multiple strategies we can use to mitigate the risk for them and for our subcontractors. The Clayco team recently broke ground on a mixed-use project in Culver City. We proactively employed the following strategies to successfully navigate price, material, and lead time disruptions.

## USE QUARTERLY COST INDEX TO INFORM SUPPLIERS

At the beginning of 2022, the cost of lumber had nearly tripled from the year before. Prices have come down over the last year but



continues to fluctuate. The mixed-use project would use a significant amount of lumber. The anticipated price moment and escalation would have to be carefully vetted. Clayco advised the owner regarding reasonable escalation for the project based on the Clayco Cost Index. In turn, Clayco took this information to the lumber supplier to negotiate pricing based on future trends tied to the cost index. Taking a data-driven approach to negotiate the pricing benefited the project and provided the supplier with source data to help them make an informed price decision.

## LEVERAGE PURCHASING POWER

The Clayco family of companies includes a wholly owned purchasing subsidiary called Consolidated Distribution Company (CDC). CDC's buying power allows them to leverage better lead times and pricing with material manufacturers. In fact, CDC is the largest buyer of Sherwin Williams paint and #1 Hunter Douglas dealer in the country. Consolidated Distribution Company is assisting on the mixed-use project as a backcheck to solve procurement challenges, assist with obtaining materials faster, and to independently validate

materials procurement lead times prior to subcontractor engagement. This creates a benchmark for comparison once the subcontractors came on board for preconstruction services.

## EARLY MATERIALS ORDERS

During the course of business, subcontractors will typically order the materials they need in advance to meet an installation deadline. Due to the unpredictable nature of the fluctuations, Clayco required that the subcontractors advise the project team of materials that will require an early deposit and/or release for fabrication. This approach gave Clayco the opportunity to advise the client on what materials should be ordered early to mitigate escalation costs and maintain tighter cost control over the project.

Although we may never see pre-pandemic materials pricing moving forward, we can employ strategies that help us manage the fluctuations and provide options for our clients to successfully navigate the future toward successful completion of their projects.

The Clayco Cost Index, referenced in this article, is a quarterly publication. The publication is a compilation of suppliers and

**Although we will see improvement in material pricing and availability, we are still not back to the typical lead times and pricing as benchmarked prior to 2020.**

nationally published commodity indexes. The material cost consists of the following: 3000 psi Concrete, Rebar, Wide Flange Steel, 1/2" Drywall, Copper, Hot Milled Sheet Steel, Lumber, Crude Oil and Hot Liquid Asphalt.



Dr. Paula Raymond Stamp is vice president, economic development at Clayco. For more information, visit [claycorp.com](http://claycorp.com).

## Delivery Lead Times

CSI DIVISION	SCOPE	TYPICAL LEAD TIME	CURRENT LEAD TIME
7	Roofing	3-5 Days	Insulation Board 2 Months, Membrane 4-5 Months, Fasteners & Accessories 6-8 Months
23	HVAC Units (small)	6-8 Weeks	32 Weeks +(part issues)
23	HVAC Units (>=25 ton)	6-8 Weeks	16-20 Weeks+ (Parts issues) but up to 80 Weeks for Desiccant Dryers
26	Light Fixtures-Interior, Exterior	4-6 Weeks	8-12 Weeks with exception of poles 18-22 Weeks
26	Generators, ATSS	20-28 Weeks	Generators/ATSS - 60-80+ Weeks
26	Switchgear, Switchboard, Panelboards	16-18 Weeks	60-65 Wks Switchgear, 30-32 Wks Switchboards, 22-24 Wks Panelboard



**"If you do it right, a building  
design can tell a kid that  
*We Love You.*"**



**FRANK GEHRY**

Children's Institute's Watts campus, lovingly designed by Frank Gehry, is an investment and commitment to the community of Watts, an architectural landmark and a critical resource for families. It is home to a range of programs meant to positively impact multiple generations in a family, supporting them in achieving educational success and emotional well-being which we know build pathways to economic mobility.

We are thrilled to have this important project be recognized at the Los Angeles Business Journal's Commercial Real Estate Awards in the Community Impact Category.



**children's  
institute**

**BUILDING ON SUCCESS**

[childrensinstitute.org](http://childrensinstitute.org)

*Special Thanks*  
Gehry Partners, LLP  
Chait Co  
Oltmans Construction Co.  
The Watts Community



# Commercial Real Estate is Vital to the Economy

The impact of new commercial real estate development in the U.S. continues to grow, according to the annual Economic Impacts of Commercial Real Estate research study conducted by the NAIOP Research Foundation.

The combined economic contributions of new commercial building development and the operations of existing commercial buildings in 2022 resulted in direct expenditures of \$826.9 billion and the following impacts on the U.S. economy:

- Contributed \$2.3 trillion to U.S. gross domestic product (GDP).
- Generated \$831.8 billion in personal earnings.
- Supported 15.1 million jobs.

Among other highlights:

- Significant (143.4%) increase in non-warehouse (manufacturing) industrial building construction in 2022, making it the largest segment of new CRE construction in 2022.
- The four property types covered in the report saw increased construction spending (hard costs) last year.
- With continued remote work, some firms are defensively putting space onto the sublease market, a trend exacerbated by true downsizing and layoffs, which has been especially concentrated in the tech sector.

• Notwithstanding the challenges of office-linked retail in urban-core markets, demand for traditional retail space has rebounded, and overall occupancy rates have recovered to pre-pandemic levels.

“The construction sector ended 2022 with positive momentum that we hope will continue into the new year,” said Richard Branch, chief economist, Dodge Construction Network, provider of the commercial construction data cited in the report. “As we look ahead, growth in sectors such as life sciences, data centers and manufacturing will be important for seeing the potential amid the economic slowdown in 2023.”

Altogether, commercial, residential, institutional and infrastructure development and operations of existing commercial buildings contributed \$6.5 trillion to the U.S. economy and supported 37.7 million jobs in 2022.

“The data in the report are strong economic indicators of commercial real estate development investment, job growth, and subsequent contributions to the U.S. economy,” said Marc Selvitelli, CAE, president and CEO of NAIOP. “Our success could be met with headwinds as inflation, workforce constraints and higher interest rates create uncertainty. Our Research Foundation, legislative team and education will keep our members and industry professionals



informed on these issues and offer resources as the industry navigates potentially choppy waters.”

The report notes that “slow growth in real (inflation-adjusted) GDP (0.2%) is expected, as well as in nonresidential fixed business investment (0.6%) – both evidence of potential declines in demand for construction and real estate. While expected slowdowns in economic growth in 2023 could dampen demand, the total value of construction is anticipated to increase modestly.”

The “Economic Impacts of Commercial Real Estate” report is authored by Brian Lewandowski, Adam Illig, Michael P. Kercheval, Ph.D., and Richard Wobbekind, Ph.D., at the University of Colorado Boulder Leeds School of Business.

Since 2008, NAIOP has conducted this study for purposes of estimating the annual economic contribution of commercial real estate development to the U.S. economy. This study is used by real estate professionals and municipal, state, and federal officials and employees, to understand and quantify the key economic benefits of commercial real estate development.

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. NAIOP comprises 20,000 members in North America. NAIOP advances responsible commercial real estate development and advocates for effective public policy.

The NAIOP Research Foundation was established in 2000 as a 501(c)(3) organization to support the work of individuals and organizations engaged in real estate development, investment and operations. The Foundation’s core purpose is to provide information about how real properties, impact and benefit communities throughout North America.

The full report is online at [naiop.org/contributions23](http://naiop.org/contributions23). For more information, visit [naiop.org](http://naiop.org).

# BLVD

# bcci

BLVD Hospitality and BCCI Construction would like to congratulate all members of the Project Team for the successful and iconic restoration of Santa Monica's First Lady - The Georgian Hotel.



ARC Engineering  
Fettle Design  
HLW Architects  
NYA Structural Engineers  
Rolling Greens  
Summa International

ACCO Engineered Systems  
American Awning & Blind Co.  
Apollo Painting  
Ceiling Concepts  
Control Air Enterprises  
Door Specialties  
DoorTek Systems  
Eco Bay Services  
Electrolurgy Manufacturing  
G Brothers  
George Electric Company  
Hilltop Alarms  
Majestic Fire Protection  
Oakstone Glass Corporation  
R A Darracq Concrete  
Tyko Sign Group  
Taber Company  
The Labor Solution  
Titan Environmental Solutions  
Universal Metro



# Three Commercial Real Estate Considerations for 2023

By PAUL ROSENKRANZ

**W**ith uncertainty in the economy, minds naturally gravitate toward ways to save money. For commercial real estate owners, this is a particularly crucial time to be aware of a few tax incentives that have the potential to lower your tax liability and improve the after-tax return on your investment.

2023 marks the beginning of a gradual decrease for real estate bonus depreciation. Therefore, before the year progresses further, now represents an excellent time to consider a cost segregation study to see if your property qualifies for enhanced depreciation deductions. It's also an opportune moment to consider a "look back study" to determine if you can realize the benefits of a cost segregation study even after the year in which the property was purchased or constructed. Additionally, the Inflation Reduction Act of 2022 (IRA) has introduced a higher energy tax deduction for commercial property owners that maybe worth consideration.

## TAKE ADVANTAGE OF BONUS DEPRECIATION

Real estate has been and remains a tax favored asset class; one example is bonus depreciation. Bonus depreciation is an incentive that allows taxpayers to deduct a large percentage of the cost

of qualifying property in the year it is placed in service (either by purchase or self-construction).

Qualifying property is property with a tax useful life of 20 years or less and includes items such as landscaping, furniture, wall and floor coverings, and many more assets that can be uncovered in a cost segregation study. The Tax Cut and Jobs Act of 2017 (TCJA) allowed for used property that is of original use to the taxpayer and that meets certain acquisition requirements to qualify for bonus depreciation as well.

The TCJA increased the first-year bonus depreciation from 50% to 100%, and that amount was available through the end of 2022. In 2023 this percentage is reduced to 80%. It will be 60% in 2024 and so on until it is set to be eliminated by 2027 (unless extended by Congress).

## CONSIDER A COST SEGREGATION STUDY

A cost segregation study is a detailed analysis of the costs within and around a building that can be depreciated over shorter IRS prescribed tax lives, and further deducted via bonus depreciation. Depending on property type, it is possible for 25% or more of the cost of the building to be expensed in one year by combining a cost segregation study with bonus depreciation. A cost segregation study should be performed by a

**It's an opportune moment to consider a "look back study" to determine if you can realize the benefits of a cost segregation study.**

qualified firm that reviews available blueprints and physically inspects the property to allocate the component costs to their appropriate tax lives. A clear, well-documented report should be provided to the taxpayer to ensure defensibility.

Even if you purchased or constructed a building a few years ago and allocated 100% of the improvements to real property with a 39-year recovery period, you can still have a "look back" cost segregation study performed. The difference between the depreciation claimed with a cost segregation study and the amount claimed by the taxpayer using a 39-year recovery period can be claimed in one year without the need to amend prior years' tax returns.

## LEVERAGE THE ENERGY TAX DEDUCTION

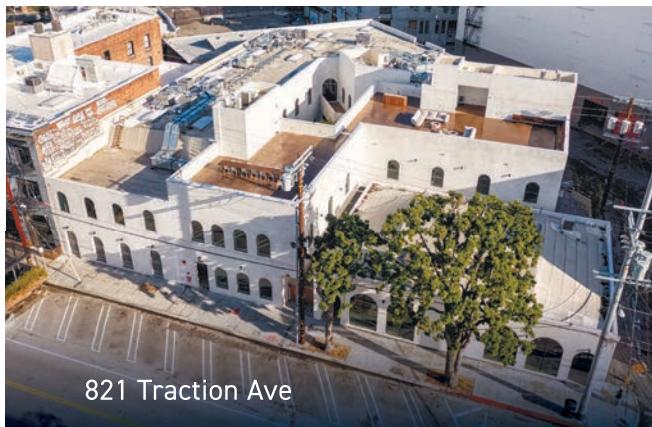
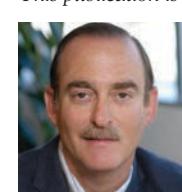
The recent passage of the IRA includes

provisions that could significantly boost climate actions in the building sector. One of the most significant changes was to the Energy Efficient Commercial Buildings Tax Deduction (Section 179D), which incentivizes builders and building designers for building energy-efficient commercial buildings.

The newly implemented changes both increase eligibility to a wider group of taxpayers and the amount of the potential deduction. The changes include raising the maximum tax deduction from \$1.88 per square foot in 2022 to as much as \$5.00 per square foot in 2023 and lowers the required minimum savings in total annual energy and power costs from a 50% reduction to a 25% reduction.

*Paul Rosenkranz is managing director of CBIZ, a business consulting, tax and financial services provider and works closely with MHM (Mayer Hoffman McCann P.C.), an independent CPA firm providing audit, review and attest services. This publication is distributed with the understanding that CBIZ is not rendering legal, accounting or other professional advice.*

*The reader is advised to contact a tax professional prior to taking any action based upon this information.*



821 Traction Ave



## BUILDING EXCELLENCE

Congratulations to *The Los Angeles Business Journal's Commercial Real Estate Awards* nominees! Your excellence, innovation, and professionalism make you stand out from the rest. We're thrilled to recognize your incredible work and celebrate your achievements with you. Thanks for making LA a better place!



**SWINERTON**

swinerton.com | CA License No. 92



2130 Violet Street





# ESG Goals Increasingly Drive Brownfield Redevelopment

“Brownfield” is the technical name for an underused or abandoned industrial or commercial property. Brownfields can range from old factories to vacant warehouses; from defunct gas stations to former dry cleaning establishments.

Many brownfields are contaminated with potentially dangerous waste. Solvents and waste oil, for example, might be found at the site of an old automotive repair shop; the chemical perchloroethylene could be identified at a site previously occupied by a dry cleaner.

Appearances, however, can be deceiving. Despite the way they look, not all brownfields are actually contaminated. Unfortunately, even those properties that are not truly contaminated are widely believed to be.

The General Accounting Office has estimated that there are over 450,000 brownfield properties in the United States. And, according to the California Environmental Protection Agency, California is home to almost 90,000 them.

As the availability of readily developable land decreases, brownfields are attracting more attention from developers.

These sites, typically located in urban areas with well-developed transportation infrastructure, are potentially attractive targets for redevelopment to new uses, but often require regulatory support or public subsidies to overcome the additional costs and risks associated with environmental remediation.

Public support for brownfield projects – such as the \$1.5 billion that The Bipartisan Infrastructure Law recently committed to the Environmental Protection Agency’s Brownfields Program – is increasingly conditioned on meeting environmental, social and economic sustainability targets.

“Realizing significantly more sustainable brownfield redevelopment projects on the ground will require even more decisive leadership at all levels, effective policies and programs, robust stakeholder collaboration and buy-in, support from ESG (Environment, Social and Governance) investors, and investment from the commercial real estate industry,” according to a new report from the NAIOP Research Foundation.

“Sustainable Brownfield Development” was authored by Christopher De Sousa, Ph.D.,

**The General Accounting Office has estimated that there are over 450,000 brownfield properties in the United States. And, according to the California Environmental Protection Agency, California is home to almost 90,000 them.**

MCIP, RPP, professor, School of Urban and Regional Planning, Toronto Metropolitan University. The report is an analysis of two dozen brownfield projects that include best practices for developers and their public and non-profit partners. The brief also considers the construction methods and design features that developers most commonly adopt to meet sustainability objectives.

“As global and national concerns about the

environment accelerate, so too will environmentally sustainable actions aimed at generating renewable energy, eliminating waste, electrifying transportation, producing local agriculture, cleaning the air, offsetting carbon emissions, mixing land uses, and moving to net-zero and climate-positive actions,” the report said. “Making these changes in strong markets will be challenging enough from a feasibility perspective; they will be even more challenging in weaker markets that must also prioritize robust social and economic outcomes.”

“We are going to see more brownfield redevelopment,” said Marc Selvitelli, CAE, president and CEO of NAIOP. “The speed at which these projects reach completion will depend on the commitment of the commercial real estate industry, local community support that is based on two-way communication, funding, and other cooperation from local, state and federal governments. Our hope is that this report provides a road map and accelerates the process.”

For more information, visit [naiop.org](http://naiop.org), or download the full brownfield report at [naiop.org/brownfieldsresearch](http://naiop.org/brownfieldsresearch).

# Proud to build L.A.

Suffolk is proud of the amazing work our teams at Fig + Pico and 6th & Julian have accomplished on their projects — congratulations on your nomination.

**SUFFOLK**



# Why Financial Institutions Need to Take Proactive Measures for their CRE Holdings

By RODRIGO GONZALEZ

As analysts closely monitor global events and their impact on financial markets, the financial state of commercial real estate continues to be a primary focus for many. Banks and lending institutions around the U.S. have not forgotten the Great Recession of 2008 and how commercial real estate portfolios impacted balance sheets and profitability. While the Great Recession's impact to residential real estate markets outpaced commercial real estate defaults, the potential for a moderate recession or cycle correction in 2023 will look much different than any others in recent history.

The current state of commercial real estate varies greatly by asset class, and these classes may currently benefit, or suffer, from various dynamics specific to their industry position. Banks holding debt on investment multifamily or operating assets (industrial or other logistics) will see different, more subdued market correction components than those holding office buildings or retail which stand to face greater headwinds over the next few years.

According to the Mortgage Brokers Asso-

ciation, office properties posted a 54% YoY decrease in lending for Q4-2022. And, according to Bloomberg, the \$175 billion of global real estate credit already in distress will continue to grow. This is largely due to protracted decisions made by companies as to how to right-size their portfolios when considering a recession, raising interest rates, declining office tenancy, and shifts to hybrid/remote work amenities. This is leading banks to boost reserves for potential losses attributed to commercial real estate loan defaults.

Banks and other lending institutions may continue to track borrower performance and real estate asset values, two of several tools utilized by such entities, in assessing risk within their portfolios during a correction environment. DEODEATE's approach with bank and lending clients facing imminent correction in their respective portfolios is to do so strategically, proactively, and with initiatives unique to respective asset classes. Lending institutions are encouraged to assess multiple factors in their goal to limit portfolio risk exposure.

## BORROWER PORTFOLIOS

- Conduct market analysis and disposition

strategy on current or potential borrower special/distressed/toxic real estate assets

- Proactive analysis of borrower (relationship) lease options coming up, notably in manufacturing or operating facilities, to understand how fixed escalations (3-5% of current base rate) or FMV (potential 25%-250% of current base rate) will impact DSCR and global cash flows
- Analysis and downside protection/risk analysis of office portfolios specific to market and vacancy factors
- Proactive analysis of borrower refinances to see how updated debt environments will impact DSCR
- Create and deliver information collateral/training to the borrower base on how to best position and negotiate operating assets over the next year
- Analysis of potential cash infusion necessary for property portfolios based on the trajectory of the market over a 1-3+ year period
- Data gathering and issuance to the borrower to assist in lease/acquisition negotiation such as retail gap, competitive reports, etc.
- Analysis of necessary reserves based on asset risk and potential valuation

Any bank or financial institution with a sizable portion of their business being dependent on returns from commercial real estate should be prepared for the potential of increased disruption to this industry. Many analysts, including our own, predict that we'll see continued uncertainty, so it's important for banks to be able to forecast the future standing of their loans as accurately as possible and to have sound downside protection strategies in place to mitigate risk and limit financial losses.

Successful mitigation of risk/losses by banks over the next 6-8 quarters will be determined by the proactive nature of their strategy and implementation. The best time for banks and lenders to make a strategic assessment of their commercial real estate portfolios is long before a correction occurs.

Rodrigo Gonzalez is CEO & managing partner at DEODEATE. For the last 17 years (10 with DEODEATE) his teams have advised on hundreds of engagements for over \$4 billion of commercial real estate and public infrastructure projects, exclusively in real estate strategy. Learn more at [deodatecorp.com](http://deodatecorp.com).

# HITT



## Building Trust in Southern California

At HITT, we work tirelessly and intentionally to earn your trust by making every part of the construction experience exceptional.

[HITT.COM/LOSANGELES](http://HITT.COM/LOSANGELES)

California License #: 811478

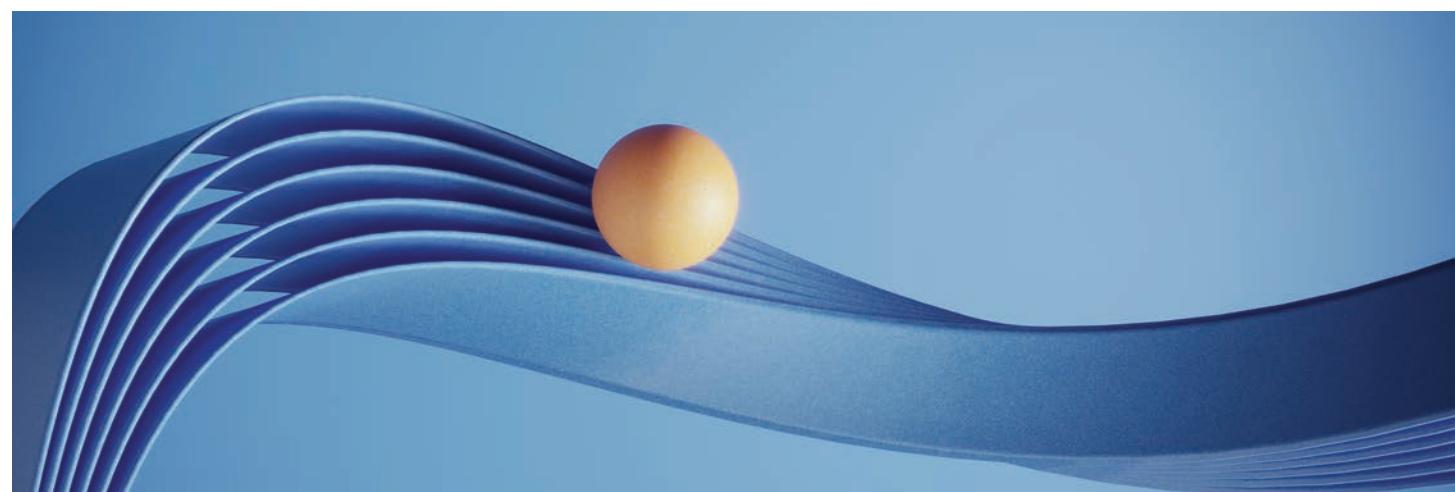


# California CRE Survey Forecasts Market Fluctuations

Office market sees a longer recovery, multifamily rides the housing demand wave, industrial remains strong but cautious, retail continues to rebound

The Winter 2023 Allen Matkins/UCLA Anderson Forecast California Commercial Real Estate Survey, released earlier this month, shows that commercial real estate developers, owners and investors have reverted to a less-than-confident outlook on the office sector as rental and occupancy rates continue to weaken. This sentiment is a departure from the optimism shared by many in the sector a year ago. The findings come as the commercial real estate industry continues to navigate rising interest rates, declining valuations and economic uncertainty, leading to a contraction in new commercial development across most asset classes.

The biannual survey polls a panel of California's real estate professionals to project a three-year ahead outlook for commercial real estate and the macroeconomic trends impacting industry participants across the multifamily, office, retail and industrial markets.



"With the Winter 2023 Survey findings pointing to uncertainty as the prevailing sentiment in the commercial real estate community, we are advising clients to engage with business partners today so that they are prepared to capture the upside of a dislocated market," said Allen Matkins partner John Tipton. "It is more important than ever that the commercial real estate industry embrace the changes of a post-COVID world to continue to play a crucial role in enabling the national economy."

## OFFICE DEVELOPMENT REMAINS ON THE SIDELINES

The cautious outlook for office development follows a period of confidence in early 2022, when it was predicted that the office market would rebound, presenting opportunity for new development as companies emphasized office-centric work following pandemic-era restrictions. The latest survey finds that 29% of Southern California panelists and 20% of Northern California panelists are planning

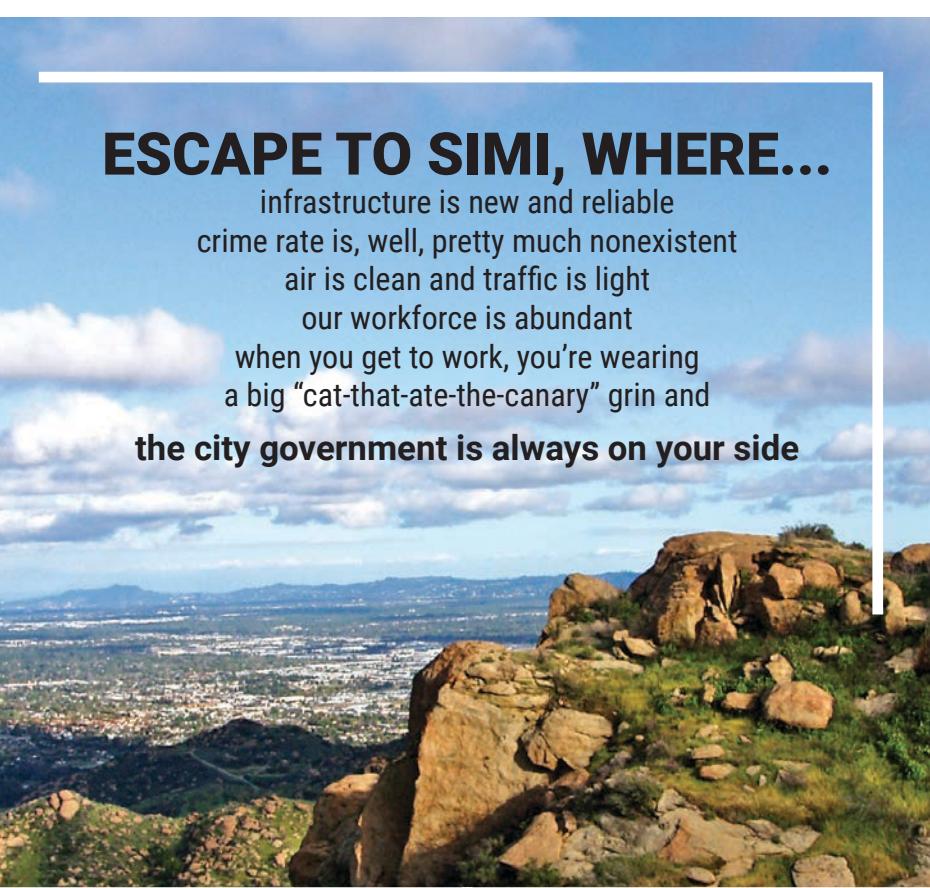
new office developments this year, compared to 48% and 50% in 2022, respectively, when demand was expected to grow alongside supply. However, those expectations did not materialize according to the latest survey, as 2022's high interest rate environment impacted office market fundamentals.

"The bearish outlook on office performance revealed in the Winter 2023 Survey underscores the need for office owners to play an active role in this sector as the economy and work-from-

## ESCAPE TO SIMI, WHERE...

infrastructure is new and reliable  
crime rate is, well, pretty much nonexistent  
air is clean and traffic is light  
our workforce is abundant  
when you get to work, you're wearing  
a big "cat-that-ate-the-canary" grin and

**the city government is always on your side**



  
CITY OF SIMI VALLEY

For more info, contact Linda Swan at  
(805) 583-6701 or [simibiz@simivalley.org](mailto:simibiz@simivalley.org)

[simivalley.org](http://simivalley.org)

Marcus & Millichap

## NO ONE IS MORE QUALIFIED

CONGRATULATIONS TO OUR BROKERAGE PROFESSIONALS NOMINATED FOR THE 2023 COMMERCIAL REAL ESTATE AWARDS

**IT MATTERS WHO YOU PARTNER WITH**



**LIOR REGENSTREIF**  
NET LEASE



**BRANDON MICHAELS**  
MULTI-TENANT RETAIL



**EDDY NEVAREZ**  
HOSPITALITY



**KEITH PHILLIPS**  
SELF-STORAGE



**MARTIN AGNEW**  
OFFICE & INDUSTRIAL



**RYAN SERLING**  
OFFICE & INDUSTRIAL



**JEFF LOUKS**  
MULTIFAMILY



**SAM LIBEROW**  
MULTIFAMILY



**FILIP NICULETE**



**GLEN SCHER**



**RICK RAYMUNDO**



**JASON TU VIA**



home continue to impact performance," said Allen Matkins partner Alain R'bibo, co-chair of the firm's Century City real estate group. "In addition to driving new leasing, which will be challenging in this market, office landlords should consider how they can drive demand for space by incentivizing existing tenants to come into the office more and increase utilization, which will ultimately enhance asset value."

#### CONTINUED HOUSING DEMAND KEEPS MULTIFAMILY A BULLISH SECTOR

The uncertain outlook on office space is also influencing sentiment about multifamily performance in metropolitan markets. The Winter 2023 Survey finds that urban multifamily assets have not recovered as quickly as those in suburban markets as migration trends outside of city centers continue and residents seek more affordable, transit-oriented housing options.

Two factors driving new multifamily development in the 2023–25 period are the inland parts of the state experiencing growth in logistics and infrastructure construction, coupled with two series of state laws — SB8, SB9 and SB10; and AB2011, AB2097 and AB2234 — that override some local building approval processes, therefore opening land currently zoned for single-family homes to the construction of small multifamily structures, and reducing barriers to multifamily construction in transit corridors.

"California has such a lack of supply. As such, interest rates and inflation won't create

a huge impact on land use entitlements and development," says Spencer Kallick, partner at Allen Matkins. "The multifamily market is very hot right now."

#### INDUSTRIAL BEGINS TO NORMALIZE

While industrial remains a strong performer in the industry, the latest survey predicts that demand will remain strong but not increase at 2020 and 2021 rates in the coming years. According to the survey, two-thirds of Northern California respondents and more than half of Southern California respondents are planning at least one new industrial project in the next 12 months. While this is comparable to the Summer 2022 survey, the most recent survey results did indicate a slight decrease in development over the next three years.

"The biggest factor keeping industrial a hot market is continued e-commerce growth, which will drive high levels of demand in the industrial sector for the foreseeable future," said Allen Matkins partner Seth Garrett. "Especially since the new supply has yet to match e-commerce demand in some markets."

#### RETAIL REMAINS ON THE RISE

Following a period of headwinds caused by the pandemic and consumer reliance on e-commerce, the Winter 2023 Survey points to signs of recovery in the retail market. Panelists identified three key factors that are creating optimism in the sector:

- New housing development driving demand for nearby retail options

**'It is more important than ever that the commercial real estate industry embrace the changes of a post-COVID world to continue to play a crucial role in enabling the national economy.'**

- Return to the office, albeit limited, and growth in tourism leading to retail demand in metropolitan areas

- The reconfiguration of existing retail establishments adapting to open-air, post-COVID concepts to attract new customers

"The retail industry has been resilient and able to adapt to meet consumer needs," said Allen Matkins partner Sandy Jacobson. "As the sector inches toward a new cycle, we are seeing better than expected performance in retail centers with a diverse tenant set that offer consumers convenience. We see the most opportunity in establishments that offer a one-stop shopping experience, with tenants spanning needs-based goods, services experiences and more."

#### ABOUT THE SURVEY

The Allen Matkins/UCLA Anderson Forecast California Commercial Real Estate Survey and Index polled a panel of California real estate professionals in the development and investment markets on various aspects of the commercial real estate market. The survey is designed to capture incipient activity by commercial real estate developers. To achieve this goal, the panel looks at the markets three years in the future, and building conditions over the three-year period. The survey was initiated by Allen Matkins and the UCLA Anderson Forecast in 2006, in furtherance of their interest in improving the quality of current information and forecasts of commercial real estate.

*Allen Matkins, a law firm with more than 225 attorneys, was founded with deep roots in real estate that has leveraged that foundation to grow and build prominent litigation, corporate, tax, labor and employment, land use, and environmental practices allowing the firm to partner with clients across myriad industries and markets.*

*UCLA Anderson Forecast is one of the most widely watched and often-cited economic outlooks for California and the nation and was unique in predicting both the seriousness of the early-1990s downturn in California and the strength of the state's rebound since 1993. The Forecast was credited as the first major U.S. economic forecasting group to call the recession of 2001 and, in March 2020, it was the first to declare that the recession caused by the COVID-19 pandemic had already begun.*

## LOS ANGELES BUSINESS JOURNAL

# REAL ESTATE SPOTLIGHT

ALIGN YOUR BUSINESS WITH OUR EXTENSIVE **COMMERCIAL** REAL ESTATE PORTFOLIO

The **Los Angeles Business Journal** is committed to providing the leaders of Los Angeles with information on important real estate related topics such as development and land use, vacancy rates and brokerage, and architecture and building trends.

#### LISTS

- City Contractors
- Commercial RE Developers
- Architectural Firms
- Commercial RE Brokerage Firms
- General Contractors
- Infrastructure Construction Projects
- Largest Construction Projects
- Property Management Firms

#### L.A. Rising

- Who's Who in Real Estate
- Industrial Real Estate

#### LEADERS OF INFLUENCE

- Commercial Real Estate Brokers
- Residential Real Estate Brokers
- Construction, Engineering & Architecture
- Thriving in Their 40s

#### BRANDED CONTENT

- Who's Building L.A.

#### EVENTS

- Commercial Real Estate Awards
- Real Estate Trends

For more information and to secure space, please contact

[Advertising@labusinessjournal.com](mailto:Advertising@labusinessjournal.com).

