

By Nicholas Leider

CCIMs' BIGGEST DEALS OF 2020

In a topsy-turvy year, these deal-makers share keys to polishing off the largest transactions of 2020.



Dan Adamski, CCIM



Andrew Cheney, CCIM, CRE, SIOR



Craig Coppola, CCIM



John Crotty, CCIM



Glenn Dulaine, CCIM



Yakhin B. Israel, CCIM



Gregg Kafka, CCIM



Jon Reno, CCIM, SIOR



Jay A. Ziv, CCIM



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It might've been a year that felt like a decade, but 2020 is officially behind us. Through it all, commercial real estate kept chugging along despite a global pandemic, increasing economic instability, growing political turmoil, and social strife. But CRE professionals still closed plenty of deals, so we'd like to take a moment to highlight a few of the biggest. Looking back at all the transactions in *Commercial Investment Real Estate*, the office sector reigned supreme with 55 deals accounting for more than \$628 million. The multifamily, retail, and industrial sectors also had strong years.

For our 2020 in review, we spoke to the CCIM designees behind the year's six biggest deals to see how they came about, what the market may hold for 2021, and what others need to know to close big-time transactions.

CIRE: WHAT RECOMMENDATIONS DO YOU HAVE FOR CCIMS LOOKING TO IDENTIFY, DEVELOP, AND CLOSE BIG DEALS IN THEIR MARKETS?

DAN ADAMSKI, CCIM: As many people know, earning a CCIM designation goes a long way in the eyes of clients to highlight your CRE proficiency. But it's also a significant step in developing an expertise and becoming known for it. Take the medical industry, for example. General practitioners are highly educated, talented professionals who are familiar with many acuties, but they're not the subject matter expert on one specialty. But brain surgeons, on the other hand, have intimate, deep knowledge of one subject, and people in need will seek that out. They're in higher demand, and they're well-suited to make a substantial difference to their patients. Medicine and commercial real estate are much different fields, but CCIMs looking to identify, develop, and close impactful deals will seek out the subject where they can become extremely proficient.

JON RENO, CCIM, SIOR: Be on the forefront of current market trends — where tenants are going and what they are requesting. Not unlike a game of chess, you need to be thinking three steps ahead of where the market is heading — and not only be able to sell the story to your client, but prove it

as well. You have to be able to underwrite the deal with specifics so they can go back to their investment committees and not have holes in the transaction.

GLENN DULAIN, CCIM: Know the players. Thoroughly understand the macro and micro aspects of your market. Be able to sniff out inefficiencies. Stay on top of debt pricing and structure as it specifically relates to the space you work in. Always be learning. Recognize what has helped move you forward and what has held you back. Treat your principals and transactions seriously and professionally. Enjoy what you do.

YAKHIN B. ISRAEL, CCIM: Ironically, my deal started as a relatively small one and ultimately grew to an assemblage of smaller properties with several different owners. Due to some well-timed advice to the client, it grew to be the size that it was. Do well with the small deals consistently over time, while developing relationships with people who are doing — or have the potential to do — big deals. Eventually, an opportunity will come to execute a larger deal. At that point, you should be prepared due to consistent performance over time.

JOHN CROTTY, CCIM: Become an expert in an area and get to know the players that own and operate in that area. When you get control of the inventory and list properties there, spend time developing your relationships with the prominent owners and buyers to leverage that deal into other opportunities.

JAY A. ZIV, CCIM: Don't be afraid of going after the big deals. If you don't get them right away, stay persistent.

CIRE: WHAT IS THE GREATEST CHALLENGE IN CLOSING BIG TRANSACTIONS?

DULAIN: Put great focus on staying a step ahead regarding all closing conditions

(title, due diligence, entitlements, inspections, financing, etc.). Large deals typically have many moving parts. They rely on multiple parties, who may have differing goals, communication skills, and work ethics. It's crucial to understand as early as possible where the roadblocks and land mines might be and defuse them early and quickly.

CROTTY: You can't be beholden to one deal. Control as much inventory as you can and have multiple deals constantly in play, so you have different chances to make money and not get emotionally attached to one deal.

ZIV: Persistence. When you hit an obstacle — and you will — figure out how to overcome it. If you need to ask for assistance, make sure it's from someone knowledgeable and trustworthy, like a fellow CCIM.

ISRAEL: Remembering that it is a larger version of what you have already worked on and not letting the size of the deal get in the way of execution.

ADAMSKI: The old adage, "Time kills deals," still rings true! The greatest challenges to closing after a transaction is underway are the unforeseen issues that arise and must be solved. Although commercial real estate is perceived to be mostly a dollars-and-cents business, creativity in solving problems is a must when it comes to closing big transactions. Another must-have is effective communication skills. Because large transactions typically have a lengthy timeline, if you are an ineffective communicator, your durability may be outlasted by the deal.

CIRE: WHAT CURRENT MARKET FORCES ARE CREATING BIG DEAL OPPORTUNITIES?

ISRAEL: COVID-19.

CROTTY: There are multiple challenges in the market today due to the pandemic and concern — existing unanchored retail properties, how office space will be utilized going forward due to new technology and work-at-home options, and the current stress on hotels that have suffered tremendously. These challenges

2020's Biggest Deals

\$70 Million Industrial Sale

John Crotty, CCIM; Jay A. Ziv, CCIM; and five associates
Avison Young in Miami

\$54.5 Million Multifamily Sale

Glenn Dulaine, CCIM
Realty Executives
SNV in Las Vegas

\$53.2 million Office Sale

Andrew Cheney, CCIM, CRE, SIOR; Craig Coppola, CCIM; and Gregg Kafka, CCIM
Lee & Associates in Phoenix

\$42.2 Million Office Sale

Dan Adamski, CCIM
JLL in Pittsburgh

\$41.3 Million Industrial Sale

Jon Reno, CCIM
Kidder Mathews in Los Angeles

\$40.9 Million Multifamily Financing

Yakhin B. Israel, CCIM
CBRE Capital Markets in Tampa, Fla.



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are where the opportunities lie to make money from a brokerage and buyer perspective. As a broker, provide guidance and consultation to owners in this position and look to list properties and control inventory wherever possible. If you can't gain control on the listing side, bring a highly qualified offer to the owner from a buyer you know and trust, and flesh out whether a deal can be made on this offering.

RENO: Certainly, e-commerce and supply chain logistics are the big key words today. There's a really interesting phenomenon happening right now with COVID. It's accelerated what we already knew was happening in industrial real estate and last-mile facilities. Fulfillment center operators are now pushing up plans they had slated five years to now.

DULAINE: A considerable and increasing amount of private and institutional equity/debt capital chasing yield. Also, California continues to implement policies which are driving a lot of investment capital to leave the state, benefiting many other markets.

CIRE: WHAT'S THE KEY TO BEING INVOLVED IN BIG DEALS?

ISRAEL: Being relied on and trusted as someone who has the competence, capacity, and perseverance to execute larger deals. That reputation gets developed with consistent performance over time.

ADAMSKI: One's reputation, experience, and skills accumulated over many years in the business. A large real estate transaction is something most corporations don't undertake often — but when they do, they have to know they're in good hands.

CROTTY: Become the expert. Become the person who other property owners want to consult with before going to market to understand pricing, upside, zoning, and where buyers are coming from.

ZIV: It may be to team up with others in your firm that are already involved with big deals to learn what it takes.

RENO: Persistence and key local market knowledge. I profess all the time our team consists of "street brokers." We've walked every street, knocked on every door, and know the different odors permeating from each block! When you're talking about Central Los Angeles, which includes DTLA, that's a tall order.

CIRE: WHAT DOES THE FUTURE HOLD FOR CLOSING BIG DEALS?

DULAINE: Raising capital for CRE investment continues to increase the

desire to invest in larger deals. Bigger deals are also more efficient to work on due to economies of scale. There is no shortage, that I can see in the foreseeable future, of motivated and capable buyers hungry for larger deals.

RENO: You have to have balance in your business development plan as a broker. If all I did was chase white elephants all day, I would starve. I always mentor new agents in the business that the small deals pay your bills, put food on the table, and provide for your family. It's your salary. The big deal is your bonus. This business is a marathon, not a sprint.

Total Transactions Reported in 2020 Deal Makers

# of Deals	Type	Total Value
55	Office	\$628.38 million
24	Multifamily	\$346.29 million
24	Retail	\$199.47 million
36	Industrial	\$375.4 million
18	Land	\$187.53 million
2	Specialty	\$9.1 million
2	Hospitality	\$35.53 million
8	Financing	\$149.2 million
7	Mixed-Use	\$47.85 million
176	Total Deals	\$1.98 billion

ADAMSKI: Greater complexity is certain, so top practitioners must be nimble and comfortable navigating a fast-paced environment while aggregating multiple specialties and services on behalf of the client.

ISRAEL: There is no limit to closing larger deals in the future, particularly if you are operating in the path of growth.

ZIV: There will always be big deals, although the industry is rapidly changing with information technology moving at lightning speed along with fierce competition. However, continuing to build strong relationships with buyers and sellers will help to level the playing field to achieve big deals.

CIRE: HOW HAS YOUR CCIM TRAINING PREPARED YOU FOR CLOSING BIG DEALS?

ISRAEL: My CCIM training has assisted me in combining the technical expertise, strong network, and confidence necessary to set and achieve ambitious goals that are both impactful and profitable.

ADAMSKI: CCIM training has been transformative. It provides both the fundamental and advanced skills required to operate at the highest levels of our industry. Any commercial practitioner who wants to be the best at their craft can't afford not to have the skills required to earn the CCIM designation.

RENO: Earning my CCIM designation was one of the best decisions I made for my career. Not only did I gain an MBA-like education in finance and commercial real estate investment, but the confidence I now have — being able to direct and lead a transaction like our transaction with Prologis — is unmeasurable.

CROTTY: My CCIM designation has allowed me to quickly recognize when there is a true viable opportunity and not waste time on dark holes with no money. Use your time wisely, because that is all we have as brokers working on commission. Leverage yourself by creating strategic partnerships or developing a team so you can create as many money-making ventures as possible.

ZIV: When I first started in commercial real estate, I took as many CCIM courses as I could afford. That gave me a jump-start to understanding the language and fundamentals of the business, financial modeling, and other useful educational benefits. It also gave me significant credibility with clients and other professionals in the industry, and it provided me with a network of CCIM designees around the globe as resources, whom I still refer to today.

DULAINE: I remember that aha! moment when I first (after much head scratching) grasped the concepts behind IRR, DCF, and NPV. Adding the element of time into the equation forever moved my understanding of investment from two- to three-dimensional. So, in addition to the phenomenal CCIM education and training I received prior to receiving the pin, that aha! moment catapulted me into an entirely new way of analyzing investments.

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