

KAHR NOTES

Editor's Note

In my last issue's Editor's Note, I mentioned that my students at Columbia University's MS in RED program are finding jobs. It appears that those companies are not just hiring people, but they're also starting to hire consultants again. This is good for us, as I used to have a decent sized consulting firm that specialized in providing market and feasibility studies and financial modeling support to real estate development firms.

While the recovery remains precarious, people are starting to work on new deals, and with new deals come new problems. Consulting work follows as people reach out for assistance and specialized help. It certainly isn't the manic consulting activity that we used to see, but I have no complaints.

We're even starting to staff up again which is a welcome change. It's a lot more fun to hire people than it is to fire people. :)

OK... back to this issue of Kahr Notes....

Kahr Real Estate 2.0

Kahr Real Estate is expanding its consulting offerings. We will now cover the full real estate transaction lifecycle – from concept development through construction, delivery, and even turnaround situations. Our product line will focus on research, development, and transactions advisory services. These services will provide insights for the following questions: Where are the opportunities in the market? What can I do with an asset or land parcel? What is a particular asset worth and to whom?

In addition to the traditional lender and investor ready market and feasibility analysis studies that provide powerful analysis of market potential and valuation of specific development plans, our market research services will include unique demand estimation tools. These tools that can be used by both public and private sector developers and economic development agencies to help real estate agencies and professionals better understand the highest and best use of under-utilized parcels in their portfolios by using rigorous fact-based models and supporting analyses of market trends. With the results of our analysis, we can help to support the business case for or against development, thereby ensuring the highest probability that any parcel brought to market is done so in an environment that is conducive to providing future profitably.

We now have a very strong presence in concept planning providing services for mega-developments that require a skillful coalescence of the best insights from a variety of disciplines. Our process includes deep interaction with demographic, economic, financial, land and anchor tenant specialists to provide superior demand studies, site development strategies and economic development strategies. These studies provide the highest number of available, attractive development alternatives. With our help, real estate developers can create new projects that marry an attractive, sustainable design with a sense of “place” capable of attracting people and businesses. We also conduct economic and industry analysis to facilitate the linkage between new and existing development and economic / trade trends within a given area, which supports wider economic development.

As always, we will continue to offer superior financial analysis. Our services will help prominent developers and substantial agencies to answer key questions, including: what product types will thrive in a given market,

when is the optimum time to bring a property to market in order to maximize market absorption, what product mix of for-sale and for-lease availabilities are appropriate for each development phase and/or product type, what programmatic build-out will generate the highest returns, what should a developer pay for land today in order to generate a specific IRR and what is the optimal timeline of development for cost-effective execution and sales.

Finally, Kahr Real Estate is expanding its real estate research practice to provide its clients with custom research reporting. These reports, which will take the form of “white papers”, will include analysis of both global macro and micro real estate trends affecting the worlds of investment and development. These studies are more than vanilla reports – they represent a real “edge” in the areas of securing key financing and cost-effective leasing for your projects. In this way, we hope to help you focus on your business as we give you the tools to help you navigate the transaction lifecycle with greater ease.

If you have an investment or development project that requires in-depth market research, clever financial engineering or personal introductions to capital sources, please contact us for more information about our offerings and how we can solve unique real estate challenges.

Classes

We still continue to offer Excel for Real Estate Analysis and Argus training classes every other month. This weekend we're offering our Argus class, and there are two seats still open so if you've wanted to take, there's no time like the present.

If you're interested in taking a class, the schedules and how to sign up online may be found here:

<http://kahrrealestate.com/exceltraining.shtml>

<http://kahrrealestate.com/argustraining.shtml>

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