

LIN ROUNDTABLE MEETING June 2021

Here is a summary of the LIN Roundtable questions for the three market segments discussed: Industrial, Office, and Retail.

QUESTION	OFFICE	RETAIL	INDUSTRIAL
<p>1. WHAT OBSTACLES ARE YOU CURRENTLY EXPERIENCING THAT ARE KEEPING YOU FROM GETTING LEASES SIGNED?</p> <p>a) ARE THESE NEW OBSTACLES OR SIMILAR TO WHAT YOU HAVE EXPERIENCED OVER THE PAST QUARTER?</p>	<p>1. Construction cost, short term pricing, uncertainty of office space needs (More space? Less space?). Educating tenants - landlords are not desperate. Quality of space.</p> <p>a) Construction costs are worse – company uncertain of plan. Coming out of pandemic – landlords should be flexible. Supply chain issues creates last minute lease execution, lead time, and problems or difficulties with lease language regarding future health emergencies.</p>	<p>1. Leftover COVID lease languages. Changing cannabis regulations. COVID delays on expansions, supply chain issues, and material cost for tenant improvements.</p> <p>a) Similar to last quarter, not last year. Activity is high with new challenges.</p>	<p>1. Inventory nothing to lease. Necessary to let clients know that speed is of the essence.</p> <p>a) Absolutely, even going back to the past year.</p>
<p>2. AT WHAT POINT DO YOU BELIEVE CONSTRUCTION WILL RESUME IN YOUR MARKET SEGMENT?</p> <p>a) NOW?</p> <p>b) 6-12 MONTHS?</p> <p>c) YEARS?</p>	<p>18 mos – 1 year</p>	<p>When construction costs come down.</p>	<p>Happening now. Lots of new permits are in. There is a lot of worry about construction costs being where they are.</p>
<p>3. WHAT ARE THE DRIVING FORCES FOR NEW CONSTRUCTION IN YOUR MARKET SEGMENT?</p>	<p>N/A for office</p>	<p>Build-to-suit specifically for retailers. No multi-tenant or spec build. These include gas stations, car washes, and coffee shops for the time being.</p>	<p>Complete and total lack of availability. Cannabis has played a large part in reducing availability. Tech is pulling in contractors along with Amazon and the film industry.</p>

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4. IS THERE MOTIVATION IN YOUR MARKET SEGMENT FOR THE REDEVELOPMENT OF EXISTING INVENTORY? IF YES, TO WHAT EXTENT?	Yes, construction vs. lease rates.	There is motivation for redevelopment as hard corners become available and new construction costs continue to be priced out.	Big box stores being redeveloped into industrial.
5. WHAT DO YOU THINK WILL HAPPEN IN YOUR MARKET SEGMENT DURING THE 2nd QUARTER OF this year? a) BY YEAR END? b) NEXT YEAR?	Tightening	Vacancy will most likely stay the same as businesses continue to dig out of the COVID impact, but more medical/industrial conversions will start to move into this asset class.	We believe it will continue to increase until construction can catch up. This will probably take a minimum of a year to get there.
6. WHAT POLICY ISSUES WOULD YOU LIKE TO SEE CHANGED TO HELP BOOST YOUR BUSINESS THAT CARNM CAN ADVOCATE TO LOCAL, STATE, & FEDERAL GOVERNMENT AGENCIES?	Promote noted items.	A huge push for less regulation on the cannabis industry, specifically for main street restrictions, and timely updates on the policies.	
7. HOW DOES THE CURRENT ECONOMY IMPACT YOUR BUSINESS? (BIZ IS ROCKIN'; BIZ IS IN THE DUMPS)	Rockin'!	Biz is rocking given the high activity level overall for retail.	Cannabis/Intel/Amazon
8. COMMENTS			