



Ear To The Ground

Presented by Kristin T. Geenty & The GEENTY GROUP, Realtors

Losing Cubes: The Office Space Race

Hoteling, Telecommuting, Team Oriented Offices. The hot phrases for a new century are harbingers of doom for the power seat. The corner office is in death throes and the cubicle, a stalwart since the sixties is under fire. An increasingly mobile workforce trying to cut costs, makes "unowned workspaces" the current wave of the future.

Soon, telecommuting will be more than vernacular. By the end of 2001 it's estimated that 11% of the workforce will telecommute at least part time. In a recent poll, 43% of human resource executives named telecommuting this decade's number one trend.

While telecommuting benefits to the employee are apparent, employers also reap rewards from employees who spend a day working from home. At a Colorado computer software firm, productivity is up 20 to 25% for employees who telework and not just because commuting time is eliminated. Sick days, baby sitting conflicts and the rest are also reduced when working from home is an option.

Just one step in communal office space is Team Oriented Offices or Team Based Offices. Large open rooms designated for use by a specific team working on one project for a deadline. Engineers, Architects and Consultants reap the greatest benefits from working in a designated space for 8 weeks to 18 months. After that project is complete, another team moves into the space.

Perhaps the most radical of office plans for the new century is hoteling. No one owns their desk. With hoteling, sales reps and consultants, who spend 50% of work hours out of office carry all their files with them. Drawers for paper storage are limited, everything is electronic and reservations must be made to use a desk or team space. Hoteling cuts down on space needs for desks and chairs but employees aren't keen on the idea of making an appointment to work. Moreover, it affects camaraderie. Sales reps face new neighbors and deskmates with each stop at the office, so companies must

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Cash Underfoot: Hidden Perks of a Sale-Leaseback

At one time or another, firms find themselves in need of capital, whether it be for product development, operating costs or another purpose. Financing provided by a sale and a leaseback of real estate is unconditional. Funds may be put forth for any use.

In a Sale-Leaseback, Company "X" sells real estate to a buyer as an investment property, then leases the property back for continued use. The perks are many:

- ✓ The cash equity may be used for any purpose
- ✓ Not only will the financing not show as debt on the balance sheet, but the net worth of the company can be increased on the balance sheet (often the equity realized exceeds the bluebook value of the real estate)
- ✓ Rent is an operating expense, as such it can be deducted as a Business Expense, further enhancing the balance sheet
- ✓ Ultimately, the seller uses the property as an owner, but doesn't invest extra capital.

The option is always open to negotiate the price for a future repurchase of the property by the seller.

Know Your Agent's Policies BEFORE You Sign on the Dotted Line

Whether you're selling Commercial/Industrial Property, or your own home, it is best to know the policies of the Real Estate firm that lists your property, BEFORE you sign on the dotted line.

- ❖ Insist that your Agent shares fees equally.
Commissions are NOT set by law. An agent can offer 1% of the total commission to an agent who represents a buyer, or 50% of the total commission. Obviously Agents who represent Buyers will bring their buyers to the listing agent who offers a fair split. Don't let your agent cut down your buying pool with disparity.

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make other concessions. Deloitte Consulting in Pittsburgh created casual meeting places for workers such as an in-house cybercafé where snacks are gratis and modems accompany easy chairs.

As technology changes the way we work, it will also change our expectations of how real estate and office spaces work for us. But the employees who continue to work in these space age environs, must be supported. Without infrastructure, standardized technologies and support systems, backlash and rapid turnover could leave unowned spaces permanently vacant.

The New Office Speak: More 21st Century Terms

Free Range: First come, first served workspaces.

Hot Desking: Open offices with moveable furniture and partitions for meetings in a minute

Telecenters: Centers where companies rent employee space and more, including staff.

Virtual Office: Employees on the go carry their offices with them; Laptops, Palm Pilots and cell phones connect mobile workers to homebase from just about anywhere.

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❖ Learn About Registering Buyers

If your Listing Agent requires brokers with Buyers to register those Buyers, disclosing all contact information before property information is released, then the pool of Buyers will be reduced. Agents won't risk divulging their best clients' names, giving a competitor an edge, just to see your property.

❖ Ask for frequent Marketing Updates

The Updates should contain lists of inquiries and showings for the property. Updates also answer the question "What are you doing to get information about my property out of the street?" If there aren't any showings with Brokers outside the listings agents company, it may be time to wonder, is you agent "vest pocketing" a listing?

Remember: Realtors® adhere to a code of ethics that non-realtor agents are not required to meet. Vest pocketing and unstated commission splits, or splits to be negotiated, are against that code. As a Property Owner, it's up to you to work with the Real Estate Company who has your best interests, selling your property quickly and for the best price, NOT the commission split in mind.

From the Marketplace

Kevin C. Geenty, S.I.O.R. & Kristin T. Geenty represented The Town of Hamden in the purchase of a \$3,400,000 office building for municipal offices.

In Branford *Kristin T. Geenty* represented the Tenant in the lease of 5,000 sf of Medical Space in the former Horowitz Building.

On I-91 *Kristin T. Geenty & William N. Clark* are marketing 18,000 sf of high bay distribution space & 8,000 sf of separate office space.

The Geenty Group is the Exclusive Broker for Old Saybrooke Business Park, recently leasing 73,000 sf of office space, currently marketing 10,000 sf of High Tech office space.

From Milford to Middletown to New London, *The Geenty Group*, is the Exclusive Broker for many Industrial & Office properties. Call about our Branford Availabilities.