



Business Success Today

Business Insights Brought to You by Your Real Estate Professional

Everest Commercial Real Estate Services

Successful Real Estate Solutions!

The Everest Group was recently involved in the following noteworthy transactions.

- ▲ Adam Simon represented the Landlord in leasing 31,000 SF of office space for 11 years at Corporate Woods, 4500 Lake Forest Drive, Blue Ash, Ohio, for a lease value of \$4.21 million.
- ▲ Sonny Saeks represented the Seller in the sale of the Georgetown Hospital Campus, a 19 acre medical campus located at 415, 419, 421 & 425 Home Street in Georgetown, Ohio, for a selling price of \$1.2 million.
- ▲ Karen Duesing represented the Tenant, Dos Amigos Mexican Restaurant, in leasing 4,600 SF for 10 years in the Tri-County Mall, located at 11700 Princeton Pike, Cincinnati, Ohio.

MARKETING

Over-Targeting Customers May Cause a Backlash

Targeting customers became a much-used marketing strategy when business owners realized there was little to gain by mass advertising.

What was the point of shouting your message when you could whisper it to only those who were interested in what you have to offer?

However, many marketers now believe targeting is being overused, customers are being over-targeted, and businesses are losing out.

By exclusive targeting, e-tailers are limiting their audience and preventing their businesses from being noticed by a broader, and potentially interested, group. As well, many of these e-tailers have become digitized versions of annoying salespeople. Some e-tailers, for example, send almost daily e-mails featuring customized recommendations and targeted e-shopping experiences.

The result: These e-tailers do a disservice to the shopper (and to the business) by limiting the products he or she is exposed to. As well, customers may feel pressured by this barrage of customized communication and turn away.

Let's face it, customers will notice. And they won't always approve.

Your customers can easily spot the difference between their shopping experience and others by comparing notes with friends or just browsing without signing in.

These shoppers then feel tricked and manipulated. And this leads to frustration at not being able to access the "original" site rather than the "personalized" version.

Forget Rushing: Make Time to Slow...Down...in 2017

The year has just begun, and your 2017 calendar is already booked. Each weekend is packed. Every day is filled. It's another year of rush, rush and do, do. Daily, we hit the ground running. We travel at breakneck speed through a dizzying list of appointments and commuting. We're always checking our devices; sometimes without even taking in what we read. This can't be healthy. Why are we in such a hurry? Let's...slow...down.

Just as we recognize the frenzied lifestyle we've created for ourselves, we also recognize the need for a few slowdowns. These may be drastic changes or simple daily pleasures. If you're looking for a few ways to slow down, try the following, courtesy of Houzz.com:

- **Adjust your commute.** Ride your bike, work from home, take the train and read, listen to an audiobook in your car. Make a change that reduces commuting stress. Perhaps even consider changing jobs to be closer to home.
- **Allow children unstructured time.** Don't schedule activity every moment of the week. Have available art supplies, building blocks, and the great outdoors; let kids find their own things to do.
- **Take time for a hobby.** One evening a week, remove all your screens. Instead of watching sitcoms or checking social media, spend time on something you are passionate about.
- **Get bored.** Now and then, be okay with a few moments when nothing happens. Simply sit. Take in your surroundings. Watch the clouds. Watch people. Resist the urge to constantly DO and just BE.

Leverage Your Buying Power With Blanket Mortgages

Most real estate investors have two simultaneous goals they want to achieve from their investments. These are equity and cash.

Sometimes they are intertwined; for example, when you sell your property you convert your equity into cash. But sometimes they are completely separate, as happens when you have a property that generates cash as a rental but it has no current equity in it.

Of these two, cash is still king.

You want to hold on to (or generate) cash for your own personal living expenses. But what happens if you see a great deal on an investment property and can't buy it without putting up your own cash or taking on a new loan or a partner?

A blanket mortgage could be the answer.

What is a blanket mortgage?

With a blanket mortgage, you give the lender a lien on a piece of property (or properties) that you already own as additional collateral for the loan on the property you are purchasing.

Many times, a private investor might be leery to lend on a single property, but if the loan is being secured by multiple properties, then the lender may feel it is a safer investment and provide you with financing.

Here's how it works

You want to purchase a property for \$500,000. You find a lender, or possibly even the seller, who is willing to loan you \$350,000 toward the purchase price. You are in position to use only \$50,000 of your own money to acquire this property. This means that in order to get the property, you will either have to find someone who is willing to hold a second mortgage on the property for \$100,000 or you will have to put up more of your own cash.

You are aware that even if you can find a lender for the second mortgage, the terms will be horrible due to the lender's position in title and the additional risk.

However, you do have three other properties you own that are worth much more than the loans currently on them. In other words, you have equity in these properties.

What you can do is offer the lender willing to loan you \$350,000 a blanket mortgage that includes the property being bought and the three additional properties you own.

Use your equity; save your cash

Now you are offering the lender four pieces of property as collateral for this purchase.

Even if the lender is in second position on the blanket parcels, when the equity in your properties is sufficiently attractive, the lender likely will feel more secure; after all, if you default, there will be multiple avenues for them to use to collect against you.

So, with a blanket mortgage, the lender is willing to loan you the complete \$450,000 you need as a single first mortgage, and with better rates and terms than a first and second.

You have used your equity to leverage your buying power and saved your cash for other investments or personal use.

Just be careful, because if you do default on this loan, you have now put your other properties at risk of foreclosure.

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