

Change is Constant



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JUNE 2018

We, as brokers, are seekers and purveyors of information. Fresh off my 27th (or so) ICSC RECon in Las Vegas, the one constant over all these years has been *change*. From the Gulf War of the early 90's and "Stay Alive to 95" to the dot-com era of the early 2000's and the financial crisis earlier this decade to all-time-highs in home values and the S&P 500, change is constant.

With change in mind, my key takeaways from RECon 2018 are:

The Mood

Generally speaking, the mood at the convention was upbeat and positive. While attendance was down from nearly 37,000 attendees in 2017 to an estimate of 33,000 people this year, those in attendance were there to engage, make deals and foster new and existing relationships. Attending RECon is an investment, considering the costs of travel, accommodations, food and entertainment involved. As such, there are no free passes and the people in attendance are there to work.

The world of retail is changing and the consensus among brokers, developers, landlords and tenants is recognizing how much technology is changing the industry. We are now taking stock of how to do business and be profitable in the new era of online buying, experiential activities and changing consumer preferences.

New Transactions

Deals are still getting done and the most active participants are food concepts that attract customers to shopping centers. Dollar stores, discounters, theaters, health clubs, home improvement and specialty markets were also among retailers that seem to be

most active this year. Again, those in attendance were there to make progress (no "doom and gloom" in this crowd) and retailers that are closing stores or not expanding were not there.

Further, active retailers are looking at retail in a whole new light. Urban stores, rooftop or subterranean parking, and mixed-use were popular terms being used. In San Diego, there is limited supply of land in addition to lengthy entitlement processes and significant barriers to entry (terrain, border, and ocean). Retailers that want to enter or expand into the San Diego market realize that being flexible in store size and configuration is a way to get stores open and generate sales volume.

Face-to-Face

One of the most valuable benefits of attending ICSC is the opportunity to meet people face-to-face. It's hard to put a value on that but oftentimes meeting a new prospective client or catching up with clients you have known for years can trigger conversations that lead to new deals or allow one to gain perspective or learn about new requirements. In today's world of social media, FaceTime and instant messaging – there are many ways to communicate. However, nothing beats the power of looking someone in the eye, shaking hands and personally interacting.

It will be interesting to see what changes are to come in the next year and beyond, but there is no doubt that RECon will continue to be a valuable resource for making deals and connections in the changing retail landscape.

See you at RECon 2019!