

An investor's checklist to

(re) imagine the future of real estate

Real estate is changing rapidly, becoming more operational, experiential and variable. We see these shifts starting to happen across the commercial real estate industry and investors will need to be proactive to attract, retain and support tenants.

Markets will begin to establish the “next normal” in investment and this will place an acute focus on people-first, tech-enabled and responsible strategies. To maintain success, investors will need to build resilient, productive portfolios in a sustainable way. This is the start of a new journey for investors that will be shaped by a confluence of innovative ideas from across the real estate landscape, including corporates, developers, lenders and advisors. The following checklist will guide you as you continue to navigate the road to the next normal.



(re)position portfolios

As markets start to awaken, investors must recalibrate their strategies to suit a vastly changing landscape, and portfolios will need to evolve with the markets to remain resilient and productive. New strategies will be adopted to gain real estate exposure, portfolios will be repurposed and diversified, debt will be reassessed and new metrics will be developed to maintain sustainable portfolios.

☐ Identify new strategies

- Consider options for raising capital to achieve asset- and portfolio-level objectives through equity advisory
- Evaluate alternative strategies and identify value-creation and risk-management opportunities through strategic advisory

☐ Spot repurposing and diversification opportunities

- Seek opportunities to maximize pricing and closure certainty by repositioning your portfolio strategies to evolve with the debt and equity markets by utilizing investment advisory services
- Consider partnering with financial institutions including banks, CMBS special servicers, life companies, private equity funds, debt funds and agencies on the valuation and sale of performing, sub-performing and non-performing debt and REO secured by commercial and consumer collateral
- Drive demand for your building and create new revenue streams by reviewing your leasing strategy and potential for turning traditional tenant or amenity space into flexible space
- Free up investment capital and ensure flexibility in your long-term real estate strategy by evaluating sale leaseback opportunities
- Take advantage of trends to diversity your portfolio by sector

☐ Consider alternative financing strategies

- Develop creative financing strategies specific to your asset or property type by leveraging debt advisory services to connect with insurance companies, investment banks, foreign and domestic banks, Fannie Mae, Freddie Mac, HUD, mortgage REITs, debt funds, private equity firms, hedge funds and pension funds around the world
- Get help with the acquisition, refinance or moderate rehabilitation of affordable housing, seniors housing or market-rate housing assets from our Agency Leasing team; as a direct lender, we can connect you with Fannie Mae, Freddie Mac and FHA to get the best possible financing structure



(re)connect experiences

Investors can leverage technology to build relationships with tenants and reconnect experiences for their communities across all points within an asset.

☐ **Connect with tenants to boost engagement**

- Build virtual community and culture for telecommuting or remote tenants through bespoke programs focused on health and wellness, education and entertainment, and lifestyle and social workshops
- Consider partnering with a fitness provider for live streaming fitness and wellness classes
- Activate social channels to create tenant/employee appreciation programs
- Create opportunities for interactive webinars, tutorials and DIY projects
- Engage in trivia tournaments and in-home mixology classes

☐ **Optimize food service offerings**

- Maintain and enhance new safety systems and procedures for ordering, contactless delivery, group catering orders and individual meals
- Implement visible cleaning and sanitization protocols
- Enact kitchen and break room rotational schedules
- Comply with local and national requirements related to food handling safety
- Give back to local communities by utilizing CaterCares for business catering needs

☐ **Strengthen office management and engagement**

- Leverage on-site office managers to help tenants who have limited office services personnel, and ultimately, help create a safer space
 - Messenger and mail services: contactless delivery and package coordination
 - Conference room support, meeting management and expedited food and beverage for meetings
 - Relationships with local suppliers and commitments to sustainable practices, composting and healthy alternatives

☐ **Promote health and wellness**

- Enhance the cleaning schedule to address the frequency of cleaning all high-touch areas, restrooms, common area vending units and shared surfaces per CDC guidelines
- Update maintenance practices for HVAC equipment to ensure clean air recommendations are met including confirming indoor quality checks have been performed through the building and all water systems flushed, etc.
- Order hand sanitizer stations to supplement current quantities
 - Stations should be located at various locations throughout the property to encourage safe hygiene practices

(re)design spaces

While corporates will dictate future norms for spaces, investors can also take a leading role — redesigning spaces to create productive places and support communities across the elements of real estate including office buildings, residential assets and even on transportation and in the streets.

☐ **Bolster tenant experience**

- Incorporate touchless visitor processing solutions to make the sign-in experience seamless and touch-free
- Create virtual experiences where possible to connect colleagues who may not be in the workplace
- Assess and update WELL building standards and certifications and promote a “healthy building” approach

☐ **Leverage technology**

- Consider pre-certification tools to allow a potential visitor, tenant and/or employee to take a brief survey in order to determine if they are healthy and understand the guidelines of entry prior to arrival
- Assess existing building technology that could help in providing and monitoring access and occupancy
- Retrofit existing technology for touchless doors, bathrooms and lighting
- Consider new products in areas such as support for remote work, health screening, robotics or touchless technology
- Integrate technology throughout buildings, creating a digitized asset that will unleash cost savings and maximize profitability

☐ **Update amenity space design and access**

- Rethink space configurations to include government mandates on social distancing and traffic flow, maintaining flexibility on these requirements
- Reimagine common areas, lobbies, amenity packages and green spaces to remain competitive and accommodate tenant needs across property sectors, adopting new technologies and regulatory standards

☐ **Enact sustainability practices**

- Drive sustainability and cost savings by utilizing sustainable project management for commissioning, integrated energy retrofits, net zero performance, sustainable design and certifications
- Reimagine your sustainability or environmental, social and governance (ESG) goals and strategies for your real estate portfolio and/or individual assets (including health and wellness strategies) with actionable data to measure and report on performance
- Identify energy and utility improvement measures and quantify their financial impact that optimizes building system performance through real-time continuous commissioning
- Obtain ratings and certifications by utilizing tools for sustainability or health and wellness (like LEED, WELL and other equivalent tools)
- Transition to renewable energy by developing clean energy sourcing strategies, evaluating technology options, finding, negotiating and closing Power Purchase Agreements and identifying capital sources



Interested in learning more?

Visit our **website** for more information about JLL's reimagine approach, or **contact us** to speak with a JLL professional.

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