Improving your property CASH FLOW in the North Bay.

How do you increase Cash Flow?

As we enter these uncertain times, it's essential to find ways to maintain and improve the cash flow from your apartment buildings and/or commercial real estate. Here are some proven strategies our most successful clients have used over the years for you to consider:

- **Negotiate loan terms:** YES, even in times of high loan rates, you can renegotiate the terms of your real estate loan, you can get better loan conditions and reduce loan payments.

- **Increase rents:** Raising rents can help you keep up with inflation and get more cash flow. However, make sure not to raise them too quickly and risk vacancy.

- **Add amenities:** Amenities increase your property's value and allow you to charge higher prices. Fibre access, gyms, pools, pet-friendly units, and private outdoor spaces are popular amenities that can increase your gross income.

- **Generate additional revenue sources:** Offer add-on services like cable TV or faster internet service, renting premium parking spaces, adding vending machines, charging for concierge-type services like pet walking and daycare, and in-house janitorial and cleaning services for tenants.

- **Decrease operating expenses:** Reviewing operating expenses on a monthly or quarterly basis is one of the best ways to detect patterns and address rising costs.

- **Find long-term tenants:** Rental vacancies result in lost income. Searching for long-term qualified tenants who will stick around for multiple years will minimize vacancy.

- **Do preventive maintenance:** Property damage can eat away at your profits and require emergency reserves for repairs.

- **Appeal property taxes:** Trimming your property taxes by any amount puts more cash in your pocket.

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Quick mid-quarter Market Update:
So far this quarter, transaction volume and pricing are on par with last quarters weak results, and net leasing absorption is negative 121,000 Square Feet, increasing market vacancy for CRE. Out of the 93,869 apartment units that I track, there are 81 more vacant units than on January 1. 10 year composite treasury yield is essentially flat from January, currently at 4.08%.

The good news is that we are not in a recession and business and employment is strong. A soft landing – inflation taming without recession is still possible. In our last recession, ending in April 2020 leasing activity dropped but pricing and velocity held.

Is this a terrible time to sell? – and a great time to buy? It all depends on your situation, your long-term plan, and your properties' characteristics.

What do I do?
I specialize in helping you increase the value of your properties, make profitable investments, sell your properties, and help you achieve your real estate goals. I have extensive experience brokering property sales and leases in the San Francisco bay area. I am inquisitive, analytical and strategic, I enjoy learning about your investment goals, and helping you develop and implement your long term plans.

Testimonial
"Ces helped us every step of the way, making a complicated sale feel uncomplicated. He helped us through a process we've never gone through before. We appreciate his ability to distil and explain investment real estate along with his candor and honesty when we needed advice."
Hillary G., Trustee.

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