

# CRAVEY REAL ESTATE SERVICES, INC.

Commercial Real Estate Investment Newsletter | November 2021

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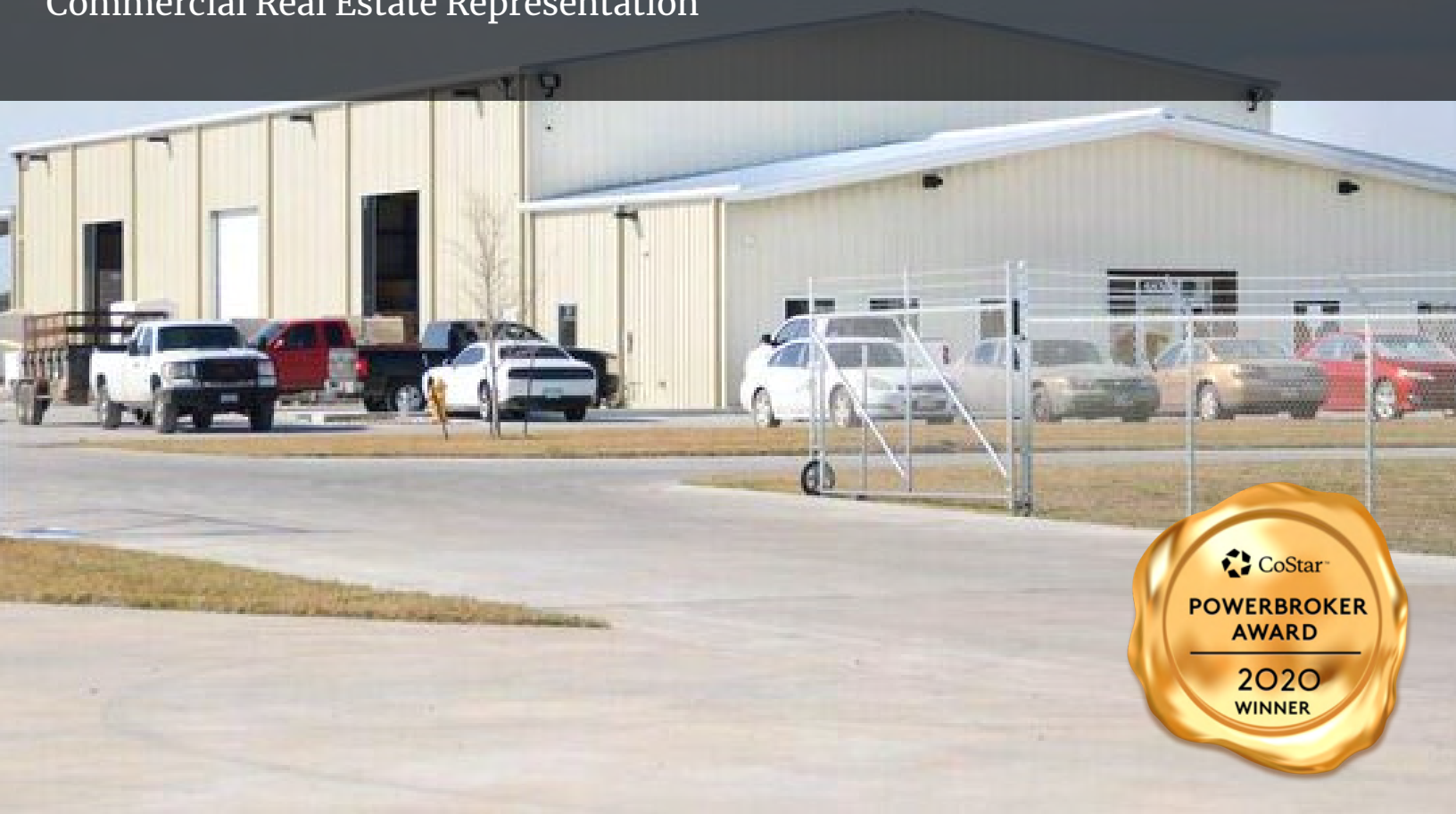
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## Money Makers

When Syndicates, partnerships, investment companies and their individual participants look at investments in commercial properties, many tend to look at properties that have that bewitching charm of glamour in brochures. A beautiful office building or an enclosed shopping center seem to have a more acceptable “status” as an investment property. These buildings can be nice to drive by and point out as “our” investment.

Originally, any property designated as a “warehouse” would always be located in areas zoned for industrial use. There is not nearly as much allure in a squat bulky warehouse building. The physical attractiveness is not there in color flyers and photographs. However, as money makers, these bulky buildings can be a very profitable real estate investment.

A recent check in one area showed a vacancy rate in distribution warehouses of 4% to 6%, while office buildings had a 10.7% vacancy level. The vacancy rate for warehouses remains low in good times and bad. If there is a slump in demand for real estate, commercial real estate should not be affected. The demand for space in warehouses should remain the same.

When choosing a site for a new facility installation, think first of the renters who will be your

customers. Does the warehouse have easy access from a major highway or Interstate? Will the driveways and parking areas accommodate large trucks? Is the facility very close to any houses or residential areas that will complain about the noisy trucks?

(SHERP)

The normal costs of operating any rental property are the utilities, insurance, property taxes, management and maintenance.

Access and parking are important. There should be direct access to each unit by a vehicle with multiple trailers. There should be room for these vehicles to turn around or be passed by another car or truck. Loading docks are provided at most commercial-oriented warehouses.

THE LATEST The latest state-of-the-art equipment makes the convenience of round-the-clock access available with no loss of security. There can be computer-controlled entry gates and individual alarms in each unit with security cameras installed in various places around the facility. If the building is a conversion of an existing property, windows should be sealed. All entrances and exit doors should be barred and locked. Building a new facility is easier, with fences, electronic gates and alarms built in originally.

Which way is the right way in real estate investments in 2022? What is the future in these investments? An answer to these questions can be an interview with an interested professional real estate broker who can act as a real estate investment counselor. Each prospective investor can be interviewed in depth to find out specific needs in an income property. At the same time their needs are being evaluated, the broker will also communicate what benefits are available in various properties and how to identify them.

Some considerations should be given to the risk of loss for each age bracket of investor. Should an older investor purchase a property with the smallest down payment and highest leverage position? This will limit cash flow and may cause the property to have a “negative” cash flow. Is this what they want – or do they want cash flow from the property?

How about the younger investors? Are their objectives for long-range estate building or for current cash flow? Would they be more willing to

take chances with a marginal investment that might bring big returns later?

Each investor must decide these answers for himself or herself. But, only after enough information has been furnished so that an intelligent decision can be made.

When a new investor has a better idea of the type of property that will do the right job for him/her, or them, then and only then should they be exposed to the market place and shown specific properties. Now the investor or investors can evaluate the various benefits and risks for the information shown on each property and apply the information to their own situation.

What is right for you? An industrial building, A Warehouse, A new rental unit, An office building, A strip center, A one hundred-unit apartment property? Perhaps you should have five or six apartments or commercial properties in scattered locations. Real estate counseling can show you that you can choose which is right for you and know the reasons why it is right!

## Commercial Real Estate Representation

There are a number of ways to buy, sell or exchange investment or commercial real estate. Having the knowledge of what you can do in some tax situations can be the difference between an annual profit or loss in a property that you intend to acquire or one that you already have in inventory.

The professional commercial real estate broker is in the position to represent clients in real estate transactions by setting up sales, exchanges, leases, purchase and sales of options, and management of real estate.

A professional real estate practitioner must stay aware of current tax laws and court decisions in order to structure transactions, but does not give legal or tax advice (unless he/she is also an attorney or a certified public accountant). In any complex transaction that might result in changes in any

owner's legal or tax situation, the other members of the "consulting team" should be the owner's attorney and CPA. We always recommend meeting with these other professionals during the planning and closing of major real estate transactions.

As commercial brokers, we are part of your professional team. It is our job to create the real estate transactions that will be needed to enhance your estate. We should meet with our clients on a regular basis to evaluate their present position in properties, reviewing plans for future acquisitions or exchanges.

Reviewing your plans and goals can give us the information needed to help us in moving you in new directions as soon as possible, using purchases, sales or tax deferred exchanges.



### About Cravey Real Estate Services, Inc.

Cravey Real Estate Services is a full service commercial and industrial real estate company based in Corpus Christi, Texas. We sell, lease, and manage Commercial, Industrial, Warehouse, Office, Retail, Shopping Centers, Land, and Investment Properties in Texas.

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Established in 1975, we provide the most innovative and cost effective real estate solutions for our clients on local, regional, national and international assignments. Our brokers at Cravey Real Estate Services have a reputation for reliability and prudence, providing clients with real estate leasing and sales, investment counseling, asset and property management and real estate marketing services.

We have the experience and resources to help you with all of your property requirements. A single relationship with Cravey Real Estate Services can provide you with a world of commercial real estate resources in Corpus Christi and South Texas.

**As commercial brokers, we are part of your professional team. It is our job to create the real estate transactions that will be needed to enhance your estate.**

## Featured Listings

**606 US Highway 77  
Corpus Christi, TX 78380**



**Sale Price: \$3,150,000.00**  
**Lease Rate: \$26,500.00/month (NNN)**  
**Building Size: 54,437 SF**  
**Total Lot Size: 10.44 Acres**

### **Description:**

Large showroom with numerous offices, approximately 5,117 SF.

The original warehouse has two 3 ton cranes.  
The next addition has four 5 ton bridge cranes.  
There are big wide drive thru doors.

Large canopies on both sides of the building used to work on equipment.

The area directly around the building is concrete with stabilized soil at the rear.

Fully fenced.

**\*\*Located in an opportunity zone.\*\***

**For more information contact Matthew Cravey:**  
**matt@craveyrealstate.com**  
**361-221-1915**

**8150 SPID  
Corpus Christi, TX 78412**



**Sale Price: \$495,000.00**  
**Lot Size: 0.75 Acres**

### **Description:**

Located on S Padre Island Drive between Paul Jones Ave and Ennis Joslin, this commercially zoned property is available with 2 curb cuts already in place.

Excellent opportunity for medical, retail, small QSR, oil changes, automotive, office and service industries.

For more information contact **Lynann Pinkham:**  
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