

# Business & Investor Newsletter

Volume II Issue I

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## Make your Marketing Dollars go Farther with effective Marketing.



### Special points of interest:

- Effective Marketing pays big dollars to your company
- Foreclosure investing is becoming fashionable
- Cheer up the market the is not as bad as the press makes it to be.

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I recently attended a wonderful conference called The Glazer-Kennedy Insider's Circle 2009 Marketing and Money-Making Super-Conference in Chicago..

Several other people from New Mexico attended from our local Insider Circle chapter run by Wayne Story. Wayne has been trained by the top guru, Dan Kennedy who is one of the most successful marketing copywriters and has been nicknamed "The Millionaire Maker". I hope to join his club! Dan is one of the best entrepreneurs I think I've ever met. His philosophy of business is truly amazing and is shown to be effective in

many different businesses.

I'll share some of what I learned there with you in this issue of the newsletter.

I'll let you know how this call turns out. Another highlight of the conference is meeting Kristi Frank from "The Apprentice". My wife said she is coming to the conference next time. Another very smart and beautiful woman I heard is Ivanka Trump. She is surprisingly down to



Kristi Frank from "The Apprentice" while on a break.

earth considering her life. One of the most surprising things she said is that when she pays for flights she flies coach!

## Hanna Commercial Makes the top 20 Commercial Real Estate Firms.

In the May 1st issue of New Mexico business Weekly my firm ranked number 17 for the top commercial real estate firms in the state. This is quit an accomplishment given that I'm the company and I'm com-

peting against entire companies!

In Albuquerque the office market is now approximately 13.2 Million square feet. Vacancy is now up to 14.2%. The industrial market is now

at 36.52 million square feet and the vacancy is up to 7 1/2 %. Retail is the hardest hit for the year with vacancy at 11.3% and a total of 27.3 million square feet.

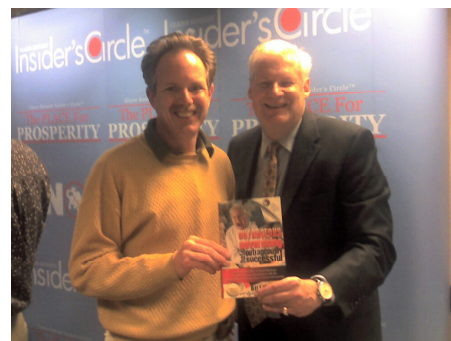
# I Won the Grand Prize at the Convention!

This is exciting. Bill Glazer is one of the best marketers in the country. I won a two hour consultation time with him to work on my marketing. Since he charges about \$1,200 an hour for his advice, it is a big deal!

His new book Outrageous Advertising that's Outrageously Successful is a book you need to go get. You will find it a Amazon in a few weeks. In it is some of the best ideas for marketing that he has developed and seen. Common sense things like to think like your customer. Makes sense but not often seen. Make it interest-

ing so they will read it and lots of fun ideas.

A recession suggestion of his is to identify the top 20% of your customers and market specifically to them with special programs, pricing and services. Next is to implement upsells. 14% of buyers will take advantage of an upsell offer, think McDonald's "Would you like to make it a king size for only 25 cents more?" This drops almost entirely to the bottom line. His third idea is not to emotionally throw in the towel. When the recession ends, there will be fewer competitors.

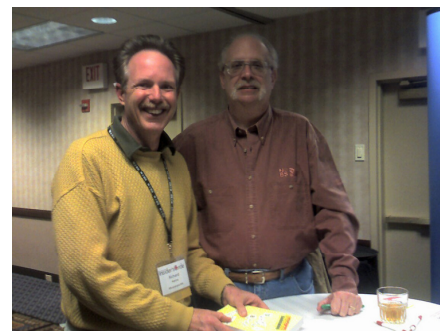


Bill Glazer with me and his new book

## Dan Kennedy Be Different and Sell Different than your Competitors.

Now here is an eccentric guy. He does harness racing as a hobby several times a week, only talks to a few clients and tells most to go away while making more money each year! He is very focused on what he does well and as a result, very successful. His suggestion is to look at what products, services and skills you have and repackage them to appeal to other people. For ex-

ample Harley Davidson is now having parties like Tupperware with new owners to show off their bikes and the lifestyle it brings. Not just selling a motorcycle. Expand your boundaries. If you are a store or in Real Estate, use the internet to bring customers to you that would not otherwise know of you. Think different demographics of your current customers either up or down.



## Houses may now be a Great Investment

This is the first time in 25 years I think I've liked houses as an investment. Normally when you buy one, they have a negative cash flow and are hard to manage. Your only reward is when you sell the property several years down the road. Now I've located

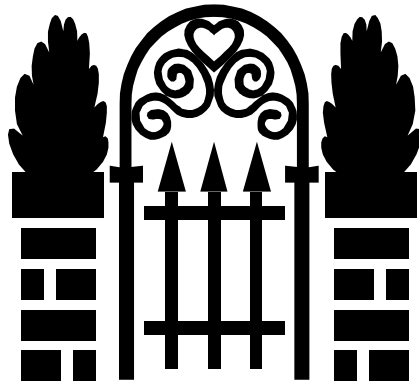


many houses on the west side that are less than 10 years old so they are in great shape, (read low maintenance). Market values have dropped about 30% in some areas so now they can have a positive cash flow. Because these

values have dropped so much, new construction will not occur until the values go up limiting the supply. I'm finding also that tight credit makes it hard for many people to qualify so rental demand is actually up. A very unusual set of circumstances. I've developed a program for this so give me a call.

# My Current Investments

As many of you know, I do real estate investing as well as being a broker. This helps give me more insight as to what it takes sometimes to keep your investments moving. My big project is in Las Cruces and it is coming along though more slowly than I would have liked. My partner Peter Naumburg and I purchased 54 acres at Valley and Amodor



along with 57,000 square feet of industrial buildings last July. We have completed the engineering to get the land out of the flood zone and have sold the first 10,000 square foot building to a small company. We are now turning toward Las Cruces' first Office/warehouse condominium project for the balance of the building.

The land is the

big project. We have submitted plans to develop 29 acres as a manufactured housing development and the remaining acres as an industrial park. This project should take about 4 or 5 years to finish. Las Cruces seems to be doing better than Albuquerque and the rest of the country so this will help us greatly. If you have any interest in Las Cruces, I'm getting to know the town fairly well and really like the city. You will be hearing about this project for quite some time I think.

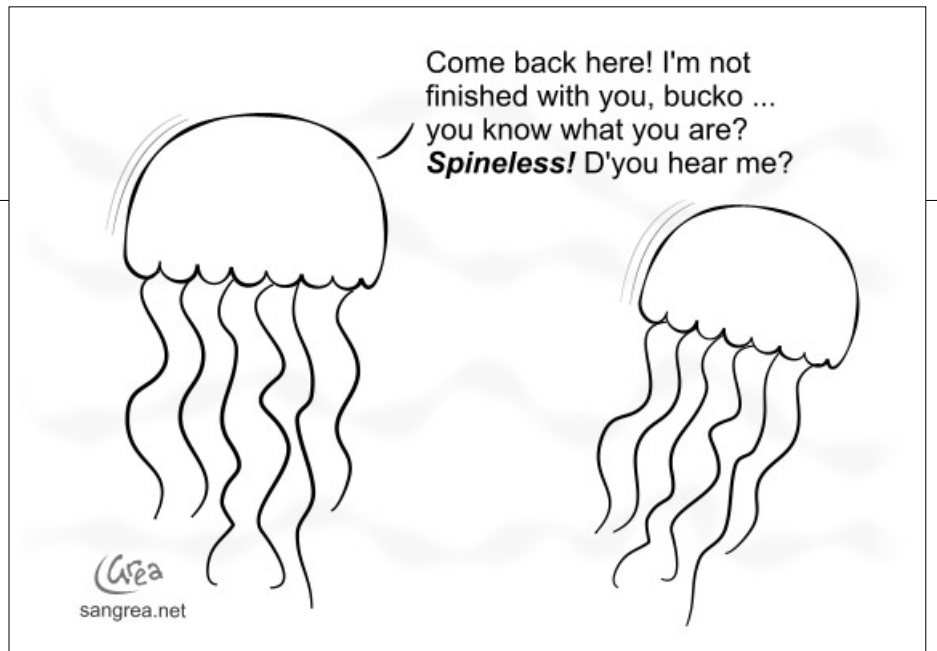
## Family Corner

*My wife Claire is joining me in real estate. You will find her at my office on Tuesday's while she is learning the business. After fifteen years as an attorney divorcing people, she'd like do something else. I can understand this. I would want a change too if I was around divorcing couples all the time. So far switching roles as to who is*

*the boss has gone well and she is a very quick study. You'll be seeing more of her in the coming months.*

*Our dogs, Cody and Twinkie (we went for a Hostess theme) keep us*

*busy at home with frequent walks and the attention they require. They are fun pound dogs. You'll find us out frequently walking them on evenings and weekends.*



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# What is happening in the Market?

This is a great question and like most great questions, it has a very complex answer. I'll give you my best guess and some ideas on how to best handle what is going on. On the front page of this newsletter I gave you the basic statistics. I see the commercial investment market as having peaked and will likely continue downward for the next couple of years. This is due to less credit being available so fewer buyers, higher interest rates and higher vacancy. With that said and it sounds depressing I know but look at the other side for moment. There will be some fantastic deal being made over the net year and a half that are likely to overshadow any losses



Albuquerque is not all bad news!

you may have. In other words don't let a great opportunity pass you by. Ivanka Trump mentioned this in her talk at the convention that dynastic wealth occurs during these kinds of times and she is right. Turn your thinking around to see the opportunities not just the problems.

Albuquerque still has several banks still interested in lending on commercial property and even a few for construction loans. I met with a credit union the other day and they have some really excellent programs so money is available to an investor or business owner wanting to purchase

property. That reminds me that the SBA has waived their fees so an SBA loan is a really good option for the owner occupied business properties and money is widely available under this program.

I'm seeing more activity now than a few months ago with more buyers out there than tenants. Leasing still seems a bit slow and I find this surprising since a lease is less of a commitment than a purchase.

If you have questions about the market or a specific property send me an email or give me a ring. I'd like to hear your opinion.