

## Transitioning Market Requires More Investment Savvy

Avison Young's new investment sales team of Chris Maling, David Maling and Patrick Barnes is equipped to navigate the investment waters ahead.

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A transitioning market requires even more investment savvy, but **Avison Young's** newest investment sales team is ready to take on any changing market conditions in the years ahead. The firm has bolstered its existing investment sales team with the addition of **Chris Maling, David Maling** and **Patrick Barnes**, who join the firm as principals and will be based in the Downtown Los Angeles office. The Maling-Barnes team will focus on national retail, office and industrial sales as well as distressed asset sales for both private and institutional capital.

"In a very strong up market, you can get away with making mistakes and let the market cure any oversights that you may have," Chris Maling tells GlobeSt.com. "However, as the market is transitioning with global effects coupled with rising interest rates, more investors are pausing before they jump in. Therefore, our role as advisors is needed more than ever." Maling says that this is also a time when institutional capital is looking closely at portfolio allocations and



maintaining diversity, mitigating exposure during a potential downturn. "Institutional investors are looking to rebalancing various asset classes in their portfolios," he adds. "If they are underrepresented in a certain asset class, we guide them in repositioning their portfolio and growing it to where their needs are."

The team will help to expand Avison Young's investment sales practice across the country, which is part of an external growth strategy for the firm. "They provide

a very sophisticated and multi-geography practice in investment sales for retail, office and industrial, all of which are high priority for our firm and our clients,” Chris Cooper, principal and managing director at Avison Young, tells GlobeSt.com. “So often investment sales tends to be siloed in a certain geography. This team has done deals in more than 41 states. They can leverage the clientele in Southern California and all over the country. We were able to address a lot of growth opportunities and support of our strategy by bringing the team to Avison Young in Southern California.”

While 2018 was a strong year, it also shook sentiment among investors. “In 2018, we had several interest rate increases, and any time you see movement in interest rates, it affects underwriting and the perception of capital markets,” he said, adding that the market changes will impact difficult asset classes first. “Specifically, when you look in a sector like retail, which has had numerous bankruptcy filings, it causes the lender to underwrite a little more cautiously,” he says.

While retail is challenged with market changes, strong asset classes will also face challenges, like investor competition and limited opportunities. “The biggest challenge is availability of product,” says Maling. “There isn’t the amount of inventory to purchase or lease. Firms that are looking to expand, can’t, and they are frustrated. Industrial as an asset class has been very desirable for 8 to 10 years, and continues to be a first choice for private clients and institutional clients.”

In joining the firm, however, Maling says that the team is well positioned to accomplish these needs for its clients. “Our goal is to keep the machine going and the pipeline going,” he says. “The expansion is one of the driving forces that attracted us to Avison Young. We have a good team right now, but we are looking to expand and grow with more market share.”

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