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NH CIBOR president's message: Stay safe! - by Christian Stallkamp

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Christian Stallkamp

As I sat down to write this president's message, I looked back at the economic headlines this past week, and they were staggering.

- Unemployment has passed 22 million, and according to the Wall Street Journal, unemployment is estimated to reach 13% by June. Just back in February, the unemployment rate was hovering around 3.5%.
- The United States budget deficit may quadruple to almost \$4 trillion and has the potential to surpass records set back in the post-World War II years.
- In 2019, the debt to GDP was 79% (35% in 2007), and this ratio has the potential to hit 117% by 2025.
- The price of a barrel of oil went into negative territory, with oil producers paying buyers to take the commodity off their hands with the cost hitting negative \$37.63 a barrel.

These are the kinds of numbers that make your head spin.

When the dust settles, there will be a lot for us to learn from this pandemic. Unfortunately, we don't have time to take a wait-and-see approach. Businesses need to pivot now by adopting a more resilient model that will tackle the "new normal." They need to be able to hit the ground running when the state reopens in order to steer our economy forward.

For commercial real estate brokers, the key to being a part of this solution is communication. This can be accomplished by picking up the phone, and calling clients. It is imperative for us to listen carefully because each business' situation will be unique. There is no one size fits all, blend and extend model. This solution may have worked in 2008, but this playbook requires fundamental change. I recently closed a large office deal where the company had a density of one person per

150 s/f. With the current social distancing of 6 feet, that office will look entirely different once it's opened up again and we are working on creative ways to reset the floorplan and systems and procedures to allow it.

On a positive note, it is impressive to hear a lot of other companies are doing just that and more. Not just tweaking floor plans but reworking business models, adapting and restructuring supply chains, and figuring out how to retool a manufacturing process to follow social distancing guidelines.

Actions like these will get us back on track. The light at the end of the tunnel will be all the ingenuity that comes out of the COVID-19 pandemic. There will be new technologies, efficiencies, and even industries that will fundamentally reshape how we all do business.

Another positive note is that the non-profit arm of NHCIBOR and 501C3, CIBOR Cares continues to support the local communities within New Hampshire with checks going out to six food banks. The list includes Gather in Portsmouth, Bread of Life in Salem, Nashua Soup Kitchen, Sonshine Soup Kitchen in Derry, Food Bank in Manchester/Statewide, and Friendly Kitchen in Concord. Also, another round of funding was just approved by the committee for the NH Food Bank.

If you are in a position to be able to help with a donation, please feel free to find us online. Donations are tax-deductible. If you know or are part of an organization in need, please reach out or find the NHCIBOR Cares Donation request form online.

Stay safe!

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