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## **Consistency through the Storm - by Joe Tavares**

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Joe Tavares

Providing advice is the most important part of commercial lending. Documents can be gathered, items can be notarized, rates can be negotiated (you didn't hear that from me). But solid, unbiased advice, especially in this market is incredibly valuable, and I'd argue at times, even hard to find.

In the past several months, many of the real estate developers I work with are looking for advice on how to navigate the rising interest rate environment. My wife likes to say I look young for my age, she's kind, but with three decades of financial services experience under my belt, I've seen this economic cycle before. Maybe not the 40-year high inflation but certainly the economic slowdowns.

Here is what I tell folks who ask for advice, especially the newer-to-the-market developers who are treading in this "uncharted" territory for the first time.

1. Read the news. I say that semi-jokingly but, in all seriousness, being aware of the financial and political world can help you understand what may be coming down the pike in terms of potential impacts to your business and future plans. How are legislation, tax laws, zoning changes helping or hurting your bottom line?

2. Phone a friend, or two. In times like this, it's wise to be cautious. If you haven't already, developing a team of trusted, knowledgeable advisors is truly invaluable. Analyze your plans, explore possible risks, and develop contingency plans to ensure you're properly prepared for unforeseen challenges.

3. Chart your path. We all know that analysis paralysis is a thing. Once you've explored your options, move accordingly. Sometimes that could mean pausing your project altogether or simplifying it. The worst thing to do in this environment is spend more funds than what is necessary. Additions, renovations, changes can always be made to structures in the future.

For those that are more experienced in the development space, a commercial lender's most important role (aside from giving advice) is believing in, and supporting the vision.

Take for example a recent deal done with AAM15 Management, based out of Burlington, MA. Dave, Founder & Chief Executive Officer was born in Danvers, MA and set his sights on creating a development that would enhance his hometown in a tangible way. Our team at Rockland Trust believed in his vision of transforming downtown Danvers which led to, what is to become, Maple Square at 128 Maple Street – a mixed-use property including affordable housing and luxury units, in addition to ground floor retail space. Having an investment in the larger vision of a project continues to be at the heart of how we lend at the Bank.

Knowing the challenges that may come will allow you to chart a plan with your Bank that positions your organization for long-term success. At the end of the day, however, the right lending partner will be involved in these conversations so that you aren't facing the storm alone. At Rockland Trust, our commitment to each relationship and propelling our customers through challenging environments is

what has enabled not only their success, but the success of the Bank as well.

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