

Media Mention: 'The Local Commercial Real Estate Landscape'

May 26, 2017



Wilmington real estate attorney and North Carolina State Bar Board Certified Specialist in Real Property Law Sam Franck was featured in an "Insightful Discussions" article about Wilmington commercial real estate trends, activity, and opportunities. The article was published in the May 19 - June 1 print edition and distributed to email subscribers of the Greater Wilmington Business Journal. The full article is available [here](#) and excerpts with Franck's comments are below:

What is the current state of the Cape Fear region's commercial real estate market?

SAMUEL B. FRANCK: Our current market appears quite active, and the people who drive it are optimistic. Transaction activity, relatively low and stable cost of capital, and bullish consumers are driving a very confident-feeling market.

How do you balance continued commercial growth with maintaining the area's coastal small-town allure?

FRANCK: Development and growth are a fundamental part of our economy, and our region is not one that is likely to maintain a static population level. The energy and desire to be a part of this community that drives new residents and businesses to settle here is a significant part of the allure. And so, too, are the natural resources that make the greater Wilmington area the jewel so many of us are proud to call home.

It is realistic, possible and, in my opinion, necessary, to value growth in our community with respect for those natural resources. I believe balance is far more realistic to achieve than those who promote absolute deregulation or absolute maintenance of the status quo would suggest. Expansion of public resources that provide low-impact access to natural resources - like the Cross City Trail - prioritizing complete streets, and encouraging development of mixed-use and lifestyle communities are examples of some of the specific things we can do to achieve that balance.

Apartment complexes and mixed-use "lifestyle communities" continue to be on the rise in our area. How will this trend impact our area over the next several years?

FRANCK: Urban planners almost universally appreciate mixed-use and lifestyle communities for good reason - communities where people drive less, walk more and interact with others more frequently are more efficient in their use of common resources and popular with residents who choose them.

Once a community reaches a certain population density, mixed-use communities are also effective to consolidate density and free up other land for low-impact and open-space use.

How does the longevity of baby boomers, mixed with the lifestyle needs of younger generations, shape commercial real estate?

FRANCK: We have already seen a meaningful expansion of interest in a greater variety of housing. It is a sign of an economically prosperous community that, more and more, people are gravitating toward the places and arrangements in which they want to live.

With that dynamic comes a more diversified interest in types of housing products for all adult generations. Our city also continues to attract professionals in several spaces and therefore the demand for office space remains strong.

What areas do you think will be most utilized for infill or redevelopment?

FRANCK: One of the things that my wife and I really appreciated about Wilmington when we decided to move here is that our city is growing inward. Beyond the downtown area, there are several significant commercial centers around the periphery of Wilmington. The natural boundaries - the Atlantic Ocean and the Cape Fear River - drive future growth and expansion from these commercial centers towards one another, rather than outward.

That arrangement is much better than the alternative - suburban sprawl. We are also compelled by the limited amount of land available in our community to value that land highly and therefore to make effective decisions about efficient and effective use of the land available. Those same factors promote effective and efficient redevelopment of underutilized sites. Regulation and land planning play a role in that motivation, but it arises primarily from practical influences and economic factors.