

# The JOURNAL

CGI+ | REAL ESTATE INVESTMENTS  
I DRIVEN BY RESULTS



It's a unique new year. Turning the calendar often brings optimism and excitement about big goals and new potential achievements. Some years, however, especially in our industry of commercial real estate, cyclical routines of market highs and lows might overshadow the positive potential of a new year. The turn from 2022 to 2023 has seen bleak financial projections from Wall Street and dire warnings from real estate personalities splattered across the media.

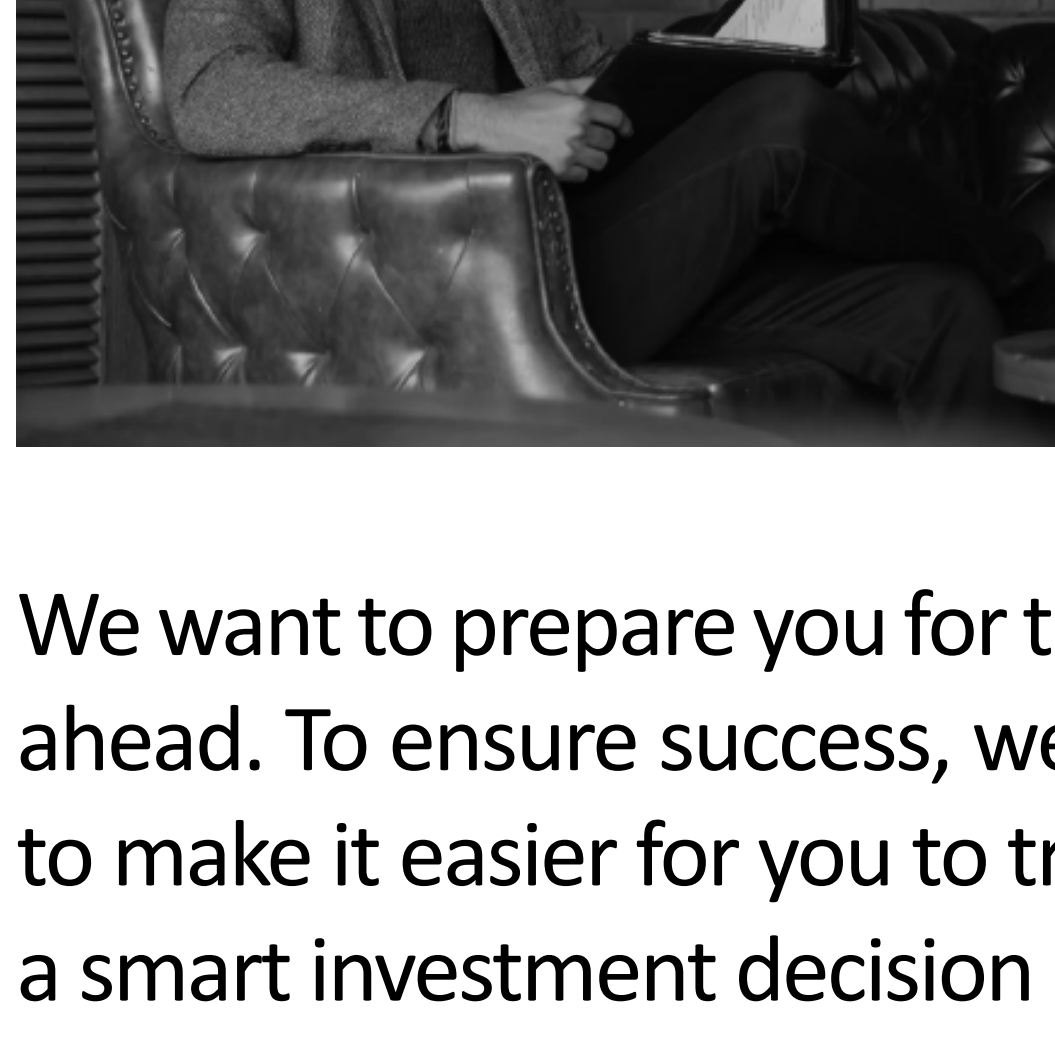
Yes, there are very real things happening that threaten our industry, like more FED rate hikes, tax changes and inflation, however, we've been in this business for a long time. We have mastered the skills necessary to maintain emotional separation in the face of panic. Led by an exceptional leadership team, we wait, watch and listen while others talk about the threats. We focus inward and prepare our team to strike the moment opportunity presents itself.

In this edition of the CGI Journal, we aim to give you the facts about what currently happening in commercial real estate. We share our data-driven projections - which are based on collectively more than 200 years of experience - and empower you to make your own opinion as you move forward in real estate in 2023.

Happy New Year,

From your CGI+ Family

## What Investors Are Thinking



The commercial real estate market is a complex and ever-changing landscape with the potential to yield great rewards, but it doesn't come without great risks. As we move forward into 2023, many of our investor partners are worried about changes in the economy, increased competition and shifting regulations.

We want to prepare you for the various risks, challenges and opportunities ahead. To ensure success, we've dedicated hours of research and analysis to make it easier for you to truly understand the market and how to make a smart investment decision in 2023 and beyond.

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## Eye on the Southeast in 2023



We sat down with our Heads of Acquisitions to ask about what they're focusing on in 2023. Here's what they had to say.

The Southeast Region is focused on growth in 2023. Despite the capital market headwinds the industry is facing, we believe opportunities for investment exist in well-located areas of growing markets. By using our deep relationships with brokers, owners and developers, our team continues to emphasize in-place yield with conservative growth assumptions to minimize investor risk and drive superior returns. For the first time in a couple of years, true value creation through renovations and management will be at the forefront of most transactions.

The southeast markets we are primarily focused on are Georgia, Florida and the Carolinas. All of which have continued demand for multifamily housing. The dramatic rise in interest rates has continued to drive demand for rental apartments. Single-family homes have become far less affordable than several years ago. That is why we are focused on the top markets with compelling population and employment growth stories.

Our target cities will continue to grow and with apartment development not nearly matching the demand of units needed, as predicted by the National Multifamily Housing Council (NMHC), opportunities to acquire existing properties and see moderate rent growth while maintaining high occupancy levels will exist.

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***"It brings me great joy to work with CGI+. I know these guys will show up to the closing table every time and they don't play any games."***

*Joseph Grabiec, Institutional Property Advisors*

## Work Hard, Play Hard

A team like CGI+ that works hard should also play hard! It was so nice to celebrate the New Year with our White Elephant gift-giving and dance party.



## In The News

Aaron Cohen, our Chief Operating Officer was called on by CoStar News to provide an expert quote about the new LA Mansion Tax.

Here's what he had to say...

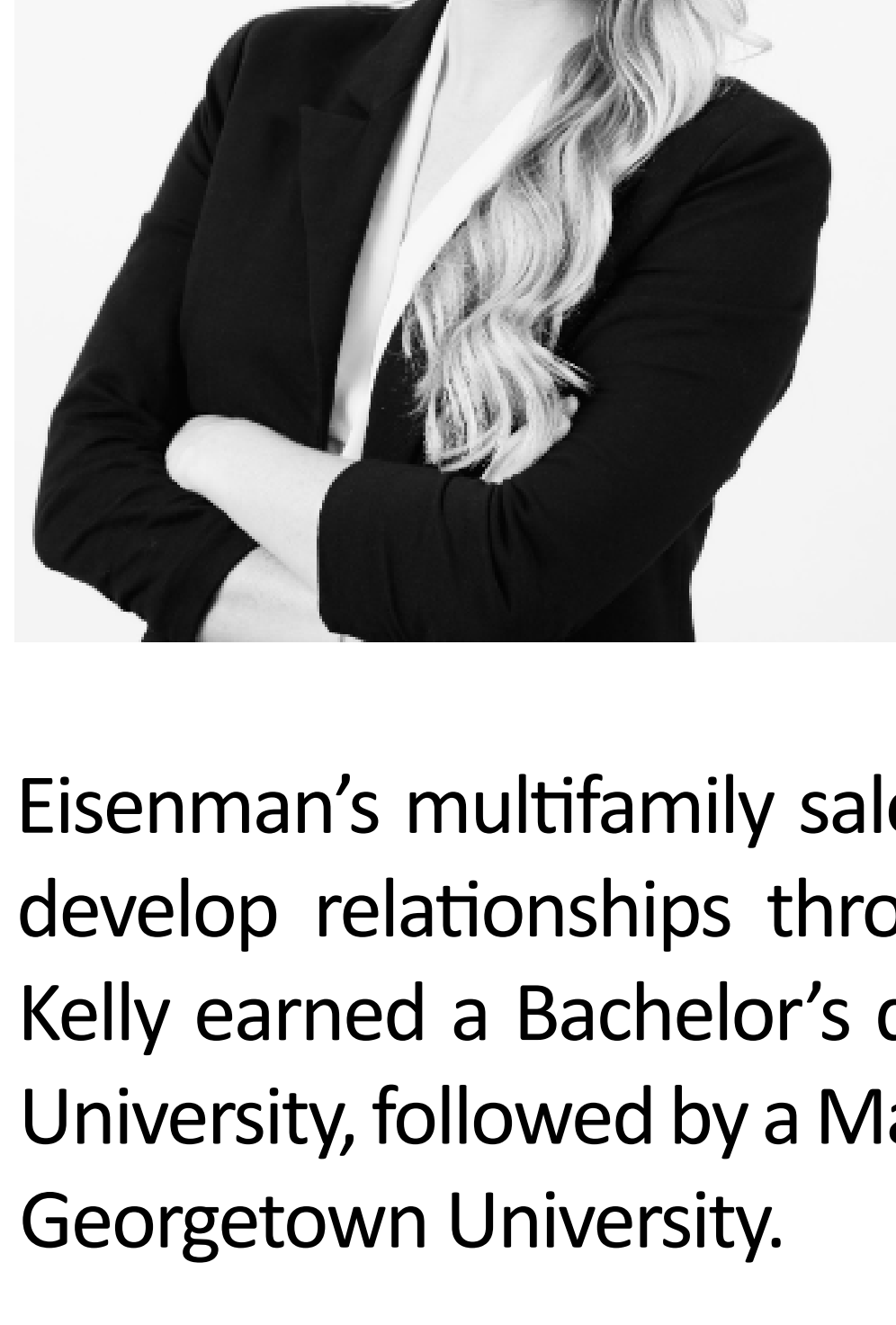
He said the timing of the tax will hurt commercial property sales in the city of Los Angeles as higher interest rates curb demand. He also doesn't have faith the funds will be effectively used to address homelessness and housing shortages in Los Angeles.

However, Cohen said that in the long term, real estate buyers and sellers will adapt to this new tax. Cohen doesn't expect there will come a time when people won't want to invest in Los Angeles, a city known for its mild weather, massive job base, enormous population and internationally famous attractions — to name a few factors that have long contributed to the city's robust economy.

"The blunt fact is L.A. is forever. There's not going to be a point where people don't want to live in L.A.," Cohen said to CoStar News. "Real estate is going to buy and sell in LA," adding that it would be "foolish" to think the tax "will freeze real estate for a long time."

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## Employee of the Quarter (Q4 '22)



***Kelly Herman Eisenman,  
Director of Investor Relations***

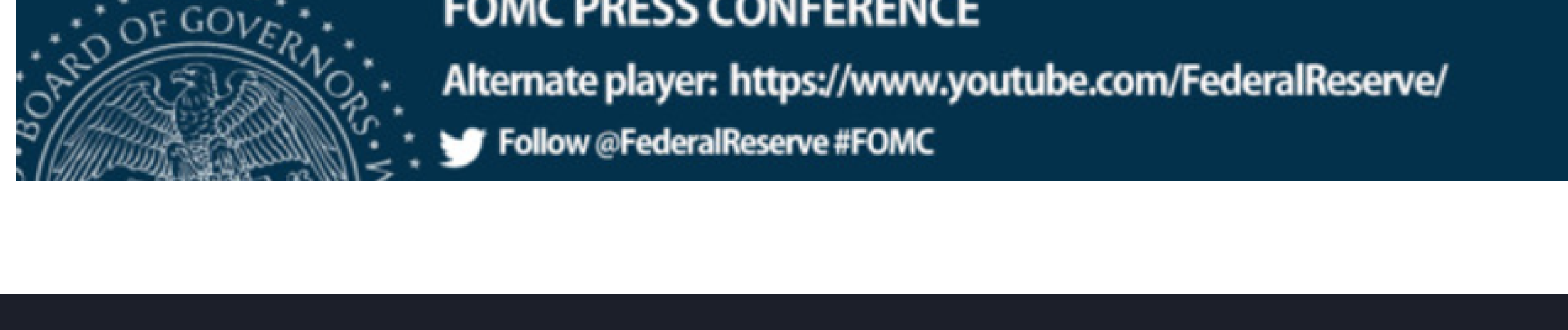
Kelly Eisenman joined CGI+ in Spring 2021 and as the first touchpoint in investor relations, Eisenman specializes in relationship building and plays a key role in maintaining existing relationships and introducing new capital relationships at CGI+. Before joining the CGI+ team, Eisenman served as a project manager for an institutional apartment brokerage firm.

Eisenman's multifamily sales experience directly influences her ability to develop relationships throughout the commercial real estate industry. Kelly earned a Bachelor's degree in Environmental Science from Auburn University, followed by a Master's degree in Real Estate Development from Georgetown University.

## Want to Join Our Team? Check Out Our Openings

[Learn More](#)

## What Does The FED Say About Monetary Policy Amidst Inflation



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