

NATIONAL | OFFICE

Exclusive

## Upclose With NAI Global President Jay Olshonsky

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The tax code and stock market are top of mind for NAI Global president in 2018. Olshonsky recently chatted with GlobeSt.com about background on the firm's recent successes and his outlook for 2018.



NAI Global President Jay Olshonsky

NAI Global recently revealed that during 2017, it added 15 new office locations and that those investments are already beginning to pay off. Nine of the new locations are in U.S. markets, while six of them are international. The New York-based firm also reported that the number of closed transactions between multiple offices grew both in numbers and volume, which is now in the billions of dollars annually. Globest.com caught up with NAI Global President Jay Olshonsky for the background on the firm's recent successes and his outlook for 2018.

***GlobeSt.com: We noticed from your company press release that all of the new domestic offices are in secondary and in fact, mostly tertiary markets. What is the thinking there?***

***Jay Olshonsky:*** Each office has its own story and why we wanted to be there. However, investors are fairly agnostic in terms of looking for yields – they will take them where they can get them, and we're here to help. I'll give you a couple of examples to your point about tertiary markets. In Charleston, we no sooner opened that office when one of our managing directors from our Bend, Oregon office, NAI Cascade – Andie Edmonds, completed a \$42 million industrial/mixed-use acquisition there, representing a New York-based investor. She did that deal with a pair of NAI Charleston brokers. The attraction for the buyer in that deal is a robust Charleston industrial market because it has an inland port. We also opened an office in little-known Weirton, West Virginia (NAI Ohio River Corridor), because one of our brokerage groups specialize in property sales and leasing associated with the plastics and energy industries. That region of the country has a number of companies that manufacture or exports raw product like fertilizer that are associated with those industries.

***GlobeSt.com: Regarding the six international offices, anything noteworthy there?***

***Olshonsky:*** I will just mention two. The new Vienna, Austria office is an important link to our service lines and overall footprint in Europe, which is substantial. And it's no secret that Saudi Arabia is a huge source of international capital that invests in commercial real estate funds, so Jeddah was an important move for NAI Global.

***GlobeSt.com: What's on your mind regarding 2018 - any concerns, bright spots?***

***Olshonsky:*** Frankly I am worried about the stock market. It just keeps setting records and there is so much wealth invested in the various markets. If there is a correction at some point I just hope it is not extreme. Something like half of all U.S. households own stocks now, and if there is a hard correction it would wipe out a lot of personal wealth, and with it, consumer spending.

Changes to the tax code seem to be a double-edge sword for our industry. It's clear that Wall Street will be a winner, and corporate America. It's less certain how the tax code changes affect Main Street, however. We know the high-net worth people in our business that live in coastal states like New York, New Jersey and California are going to be hit hard on their personal taxes, with the \$10,000 limit on state and local taxes, including property tax. But will that be offset by the new pass through income tax rate at 20 percent? Will that apply to some of us, most of us, none of us? That's still not clear.

On another front we see that Apple announced it would build a second US headquarters but not go through the bidding process that Amazon choose. Obviously that's good for our economy. And the only comment I want to add to the Amazon chatter following their announcement of the Final 20 is that there will be no losers in that site selection process. From what I understand all the cities that are competing for Amazon's second HQ are getting better and stronger because of the opportunity to land Amazon. They are improving infrastructure, transportation, schools - they're doing things that will make their communities better places to live. And who knows one of them could land Apple because of it.



### **Natalie Dolce ›**

Natalie Dolce, national executive editor of GlobeSt.com, is responsible for working with editorial staff, freelancers and senior management to help plan the overarching vision that encompasses GlobeSt.com, including short-term and long-term goals for the website, how content integrates through the company's other product lines and the overall quality of content. Previously she served as editor of the West Coast region for GlobeSt.com and Real Estate Forum, and was responsible for coverage of news and information pertaining to that vital real estate region. Prior to moving out to the Southern California office, Natalie was Northeast bureau chief, covering New York City for GlobeSt. Dolce's background includes a stint at InStyle Magazine, and as managing editor with New York Press, an alternative weekly New York City paper. In her career, she has also covered a variety of beats for M magazine, Arthur Frommer's Budget Travel, FashionLedge.com, Co-Ed magazine and the Daily Orange newspaper. Dolce has also freelanced for a number of publications, including MSNBC.com and Museums New York magazine.