

BEYOND THE BUSINESS CARD

GIVING YOU THE BACKSTORY BEFORE THE FACE-TO-FACE MEETING

JASON HUGHES

TITLE: Principal

COMPANY: Irving Hughes

EDUCATION: Bachelor of science, business, Pepperdine University; Master of business administration, real estate finance, University of San Diego

Jason Hughes, a principal in San Diego-based tenant-representation firm Irving Hughes, knew even before he entered college that he wanted a career in commercial real estate.

After spending the day with a Rotary International member who worked for Cushman & Wakefield, the now 42-year-old San Rafael native got his real estate license when he was 18 and started selling houses while he was in college.

In his junior year at Pepperdine University, Hughes was an intern at Cushman & Wakefield in Century City and was offered a brokerage position upon graduation. However, Hughes and his fiancée, Shay, wanted to move to San Diego, where her family lived and where the two thought they'd find a better quality of life for their family. The couple, who now live in Rancho Santa Fe, celebrated their 20th anniversary in October and have three children — a 19-year-old daughter and two sons, ages 15 and 17.

Hughes worked for Grubb & Ellis Commercial Brokerage in San Diego before joining Craig Irving to form Irving Hughes in 1993. He recently represented American Specialty Health in the largest lease for the Sorrento Mesa submarket this year involving 190,000 square feet in lender Centerline Capital Group's Wateridge Plaza.

What kind of work is keeping you the busiest in this market?

Given that we only represent tenants, our business is very constant and predictable. However, I'd say that there are certainly more renegotiations that involve tenants in desperate financial conditions now more than ever. These predicaments take more attention and time with mixed outcomes. Stubborn landlords who push too far find themselves with a bankrupt tenant and zero chance for future revenue. More understanding landlords tend to recover much more when they work with tenants instead of become adverse to them.

What is the most challenging aspect of your job?

Communicating with and educating landlords. Unfortunately, there is a self-preservation aspect to landlord brokerage that involves keeping landlords ignorant of what is really happening, so I much prefer to have open dialogue directly with landlords. This helps them make deals — but more importantly, helps my tenant clients have better options.

What do you see as the biggest pitfall for your industry today?

Dual agency. Commercial real estate brokerages should be regulated similar to law firms from a conflict-of-interest standpoint. Too many unsuspecting tenants get steered and manipulated by dual agents. This really should be outlawed.

What is your favorite deal or project?

I'd have to say dealing with the complexity and challenges of anchoring 655 West Broadway [now Advanced Equities Plaza] were very educating and rewarding. My partner and I represented about 90 percent of the tenants in that building, and it was the first building built in downtown San Diego in 16 years. It's one thing to negotiate for space in a building that you can walk through and fully understand. It is another to negotiate for long-term leases when it is only a rendering on paper.

What keeps you up at night?

Worrying that I haven't uncovered every last option for my clients.

What is one piece of advice you'd give to tenants and one piece of advice for landlords in this tough market?

Tenants: Get a good advisor — one without a dual agency conflict of interest. Landlords: Remember who the customer is. In the world of commercial real estate, everything revolves around and is paid for by the tenant. Unfortunately, many times landlords and their agents tend to forget this.

From your perspective working with tenants, what are the next industries that will provide the business growth that landlords are looking for?

Technology, health care and insurance services.

When the industry emerges from the low point of this real estate cycle, how will the leasing market be different from previous cycles?

Tenants will be more conservative this time around. This cycle has hit businesses and their decision makers' home life and it can't help to have psychological repercussions when making long-term economic decisions.

If you weren't doing this, what would you be doing?

Building custom homes. I love creating and building and I've run out of things to do to my house.

When you have free time, how do you most like to spend it?

I spend all of my free time with my family; wakeskating [a hybrid of wakeboarding and skateboarding], traveling, snowboarding, cruising in our motorhome, etc.

What is your favorite vacation spot?

Lots of different places in the mountains. If I had to pick one, probably Gstaad in Switzerland.

What book are you reading right now?

"Uncommon: Finding Your Path to Significance" by Tony Dungy [and Nathan Whitaker] and "Pursuit of Honor" by Vince Flynn.

What's in the trunk of your car?

An Irving Hughes umbrella.

If you could have any super power, what would it be?

The ability to stop time, because my kids are growing up too fast and I want to spend more time with them.

What is the most-played song on your iPod?

It's probably a tie between Keith Urban's "Only You Can Love Me" and Taylor Swift's "You Belong with Me."

— Mandy Jackson

