



FOR IMMEDIATE RELEASE

November 30, 2020

Hawai'i Business Coalition Launches Inaugural National Commercial Rent Survey on Dec. 1
– *Expands Local Survey to Mainland Markets in Partnership with Center for Housing Economics* –

HONOLULU – The inaugural National Commercial Rent Survey (NCRS) will launch on Dec. 1 and run through Dec. 18 in an effort to continue gathering valuable information on the direct impacts COVID-19 is putting on businesses across the country. The results will be shared in January 2021. The survey is available via www.surveymonkey.com/r/National_Commercial_Rent_Survey_December.

This study is an expansion of the Hawai'i Commercial Rent Survey (HCRS), which is now in its third phase, reaching mainland markets in partnership with the Seattle-based [Center for Housing Economics](#). Led by Ryan Tanaka, president of Island Business Management and the organizer of the HCRS, the surveys have produced valuable data fueling his advocacy efforts and the introduction of a Commercial Landlord-Tenant Grant Program that would use federal CARES Funds to help Hawai'i businesses cover their commercial rent during this pandemic.

“Small businesses represent the economic foundation and backbone of many communities across the country, including Hawai'i, so to have this type of detailed research and data to understand the impacts to the business community is invaluable,” said Tanaka. “Hawai'i is a microcosm of what businesses are feeling across the country, and while there is no silver bullet solution, additional data and insights can help Congress make better decisions about future aid for business in an effort to revitalize the national economy.”

Roger Valdez, director of the Center for Housing Economics agrees and added “Throughout the COVID-19 crisis, we've heard from housing providers concerned about their residents who have lost their jobs and are struggling to pay rent. Many housing providers also have commercial property in their buildings and their residents work at businesses struggling to survive and pay their rent. Residential and commercial property owners and their customers are economically linked and that's why we're supporting the survey.”

The first two commercial rent surveys were organized by Tanaka with the support of the Hawai'i State Department of Business, Economic Development and Tourism (DBEDT), and more than a dozen businesses and trade organizations. DBEDT will administer the third Hawai'i study and the national survey which are closely aligned in the information it is gathering and what its finding hope to achieve.

“While time may feel like its running out for those suffering, I believe we still have time to save many businesses from going under with commercial rent relief being a critical need,” said Tanaka.

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The results of the second Hawai'i Commercial Rent Survey revealed that even more Hawai'i businesses were suffering financially as the COVID-19 pandemic drags on. Many have had to make the difficult decision to scale back their workforce and lay off employees.

In October, the Second Hawai'i Commercial Rent Survey included the feedback of more than 1,400 businesses from across the Aloha State, representing over 40,000 workers. The survey revealed:

- Four in 10 businesses have not paid their rent in full.
- Three in 10 businesses expect to miss three full rent payments between October and December 2020.
- Tourism accounts for at least one quarter of the overall revenue of 42 percent of businesses.
- 86 percent of businesses expect their annual revenue to decrease in 2020, and 82 percent to decrease in 2021.
- Only 11 percent of businesses received rent reduction.
- Only 5 percent of businesses were able to restructure their lease.

As part of a business coalition with trade associations, financial institutions, and other business organizations, Tanaka is working to get a Commercial Landlord-Tenant Grant Program approved and implemented for the state. The business coalition's effort differs from other available federal aid programs as it focuses on helping commercial landlords.

"There isn't a lot of help out there for commercial property owners at this time, but they are a big part of the economic recovery framework," said Tanaka. "Even though it is November, our program could still be activated in two phases with the first part now using a smaller tranche of CARES Act money, followed by additional support allocated in the New Year. However, time is running out and we can expect more business closures if we don't do something now to help keep businesses alive."

The full results of the Second Hawai'i Commercial Rent Survey can be found here:

<https://tinyurl.com/y67b72of>

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About the National Commercial Rent Survey

The National Commercial Rent Survey is an effort to gather actionable data and information on the direct impacts that COVID-19's is putting on businesses across the country. Originally created by a coalition of Hawai'i-based business leaders as the Hawai'i Commercial Rent Survey, the survey is made possible with the support of Island Business Management, LLC, the State of Hawai'i Department of Economic Development and Tourism (DBEDT), Centers for Housing Economics, NAIOP Hawaii Chapter, Chamber of Commerce Hawaii, Hawai'i Restaurant Association, Retail Merchants of Hawaii, Hawaii Food Industry Association, Hawai'i Lodging and Tourism Association, Hawai'i Executive Collaborative, First Hawaiian Bank, Central Pacific Bank, American Savings Bank, Bank of Hawaii, Aloha Pacific Federal Credit Union, HawaiiUSA Federal Credit Union, and others. Detailed survey results are anonymous and only aggregated totals and averages calculated from the respondents were used in the analysis.

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