

CBRE: A View From The Top

In Building Connectivity - The New Normal

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The new normal emerging in the world of wireless connectivity is the expectation of seamless “bed-to-desk” connectivity in all aspects of a person’s life. This means being connected from the moment you wake up and get out of bed, while you get to your means of transportation and all along the way to your destination. Once you arrive at your destination, be it an office, school, shopping center or recreational location, you similarly expect coverage from the moment you park or get off public transportation, through the lobby, up the elevator and all the way to your desk or other final destination. Since the majority of people spend a good portion of their time indoors, in building solutions at commercial and residential properties are of paramount importance to making seamless connectivity a reality.

In building solutions for connectivity within commercial properties have been around for many years. While the dynamic is constantly changing, the commercial real estate industry’s acknowledgment that this is now a requirement is a rather new phenomenon. Tenants are now actively making lease-related decisions based on cellular connectivity. RFQs (requests for quotation) and master lease agreements are increasingly including connectivity requirements as prospective tenants become more sophisticated in their understanding of their needs. A large reason for this is that employee turnover is reportedly significantly lower if employees are able to

use their wireless devices while at the office. Additionally, more and more companies are forgoing the use of traditional desk phones and wired internet in favor of wireless connectivity. The entire concept of “being at the office” has changed to “being connected.”

The above trends will undoubtedly continue as data growth continues to expand exponentially, overloading outdoor networks and creating an increased need to bring coverage indoors. However, the days of carrier- funded solutions are largely in the past and property owners must now look to other options in order to provide the coverage needs expected by their tenants. The implications for the real estate industry are daunting and although this convergence of wireless infrastructure and commercial real estate has been developing for many years, it is still effectively in its infancy with many nuances that are often overlooked or misunderstood.

First and foremost is the question of why an in building solution is needed? The exact reasons vary dramatically from property to property and owner to owner but generally come down to one or more of the following reasons: existing known coverage concerns that finally reached a breaking point; recent / sudden coverage concern that was previously not present or known; planning for the future; marketing; specific tenants needs/concerns; recent outreach that piqued some interest due to one or more of the above reasons.

There are many existing properties where owners, managers and/or tenants are well aware of the deficiencies in regards to wireless connectivity in the building. This is especially the case in larger masonry-style buildings that do not allow the outdoor network to infiltrate the interior and taller skyscrapers where the outdoor network is not designed to provide coverage to upper floors. Obviously, this also extends to any building located in an area with a poor or even non-existent outdoor network. The image of people congregating outside the entrance to talk on their phones or pressing their heads against the windows to access the outdoor network is commonplace and a clear indicator of an underlying problem. Nevertheless, there has often been a complacency by owners or managers in regards to fixing the problem, mostly because the expectation of in building coverage by tenants has only recently developed. Until such time as a tenant or prospective tenants leave and connectivity is understood to be the reason, there is little incentive to spend the time and expense addressing the issue. Given that the expectation of seamless coverage is becoming more and more a requirement to doing business, this breaking point has been increasing and this complacency will largely disappear.

On the other end of the spectrum, there are many property owners and developers that are keen on being at the forefront of any technological innovation. This can clearly be seen in the entire phenomenon of Green or LEED certified buildings and the installation of energy efficient, Low-E (low-emissivity) glass. Low-E glass includes extremely thin layers of metal that are applied to a window surface in order to help keep heat on the same side of the glass where it originated. While this is great for purposes of conserving energy, it provides a similar result when it comes to

radio frequency signals. There are countless owners or developers who have great wireless coverage until they install Low-E glass, at which time, through no fault of their own, they quickly realize that they have a less than stellar or even no coverage at all. Unfortunately, the cost of fixing the problem after the fact, as opposed to during the original construction or renovation, is often going to be more expensive than would otherwise be the case.

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Similarly, there are many property owners and developers that strive towards the next “new thing” and understand that planning for the best wireless connectivity in their building is similar to planning for any other amenity. This extends to properties that currently have sufficient in building connectivity but where the owner is cognizant of the importance of being at the forefront of anything related to wireless connectivity. This type of mentality will likely increase as the bed-to-desk expectation continues to take hold and more and more people demand that their expectations be addressed. For this reason, it is not only important to plan for an in building solution, it is equally important that the planned for solution be scalable and upgradable in the future.

The associated and often the most important reasons for deploying an in building solution are the marketing benefits of a truly “connected” building. While certifications such as a “Wired Score” have been around to help market occupied, developed and redeveloped properties in regards to their wired connectivity, the associated thought process for the wireless space is just starting. As more and more tenants demand seamless wireless connectivity, being able to market to them will increasingly be a focus. Companies such as CBRE, with its Telecom Advisory Services business line that provides benchmark connectivity assessments for commercial real estate, can assist property owners in the marketing of their successfully deployed solutions.

The loss of tenants or prospective tenants due to connectivity concerns was mentioned as a prime reason to prompt an otherwise complacent owner to look into developing an in building solution. This fear is the underlying thought that often spurs any type of improvements to real estate, but is only recently related to in building connectivity concerns. That dynamic has and is rapidly changing. At CBRE, we have assisted numerous property owners in understanding the nuances involved with deciding upon and implementing an in building solution. As with many aspects of real estate, educating our clients is often half the battle and publications such as Connected Magazine are of paramount importance to achieving this goal.

And finally, there are those properties that have been approached by one or more prospective companies that are going to solve all their wireless connectivity problems, whether they knew they existed or not. Whether you, as an owner or property manager, know there is a problem and

have actively engaged a company to provide a solution or have been approached by one or more companies, it is of paramount importance to understand the solution that is proposed. Considerations such as ownership of the solution or system, carrier interest, funding, timelines, technology and adaptability can mean the difference between a satisfactory solution versus unsatisfactory. Companies such as CBRE and its Telecom Advisory Services group have in-house teams that can advise clients as to the benefits of one solution over another in an unbiased and trusted manner. As with all commercial real estate decisions, having a partner that you trust is working for your best interests can make all the difference.



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Mr. Berezowsky has over 10 years of experience in the wireless infrastructure industry having

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Cris Kimbrough is Managing Director, In-Building Solutions with CBRE Inc.'s Telecom Advisory Services, a new division within the CBRE platform. Cris is working on bringing strategic focus to in-building cellular implementation in CBRE managed properties. Before joining CBRE, Cris was a

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