

Brokerage Melds to Clients' Objectives and Evolving Business

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DALLAS—Avison Young recently announced the strategic hiring of Charlie Morris. Reporting to the CEO, Morris becomes the leader of Avison Young's US flexible office solutions practice with a mandate to oversee the management and development of this practice in the US and to expand it across the globe.

Morris was most recently director of business development for LiquidSpace, a company that supports the flexible-office economy. In this **exclusive**, he discusses what type of experience he brings from LiquidSpace, flexible office's impact on the sector, Avison Young's flexible office solutions practice, global growth opportunities, and the effect WeWork's IPO will have on the flexible office landscape.

GlobeSt.com: How would you define flexible office, and what is its impact on the office sector?

Morris: Co-working is flexible office-but flexible office is not just co-working. This is a major distinction that often gets lost in translation, depending on how recently somebody first engaged in this ever-evolving sector. Co-working typically comprises an open/collaborative environment with a series of shared amenities, shared workspaces and bookable meeting rooms without any branding outside of the co-working operator. While this offering continues, the entry of the enterprise occupier into the arena has led the operator community to evolve the product mix to include a higher degree of workplace strategy, privacy and security-sometimes within the confines of a co-working environment and other times in a completely stand-alone suite.

Flexible office as we see it encapsulates co-working plus a plethora of other workplace offerings which are being brought to market in various forms and fashions by different supply partners, including serviced office/executive suites, subleases, enterprise team spaces and agile HQ.

The institutional owner community has also emerged and is seeking to create its own offerings to deliver a core-plus-flex asset management strategy. Some of the community members include Tishman Speyer, WashREIT, Carr and Hines, which have all established



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defined brands to demonstrate their commitment to flexible office over the long term.

GlobeSt.com: Why was it important for Avison Young to create a flexible office solutions practice?

Morris: Consumer expectations have led to dramatic change within all service industries, and while slower to evolve than other sectors, commercial real estate is no different. We are in the early stages of a transformational period led by digitization, technological advances, globalization and an increasingly mobile workforce.

While the traditional brokerage model is not going away, we are committed to delivering a differentiated offering built around fiduciary responsibility to our clients' short- and long-term objectives and the evolving business climate. This team will be 100% committed to advisory and transactional services within the flexible office arena while leveraging best-in-class technology products and solutions.

GlobeSt.com: You are tasked with both US and global expansion responsibilities. Where are the opportunities for growth geographically?

Morris: We are quickly going to solidify leaders to build out our Canadian and European markets. From a US perspective, we will focus around core flexible markets such as New York City, San Francisco, LA, Chicago, Washington, DC; Dallas, Austin, etc. Our core objectives are to identify

passionate people committed to advisory services across the various verticals within the flexible office solutions offering - occupiers, institutional owners and operators engaged within the flexible office economy.

Since the initial launch of this practice, the response has been nothing short of amazing. We have received interest from parties from the flexible office sector as well as the traditional brokerage industry.

GlobeSt.com: How will the WeWork IPO affect the flexible office landscape?

Morris: WeWork has had a significant influence over the emerging flexible office economy, along with the legacy commercial real estate sector. So needless to say, the entire industry is keeping a close eye on WeWork's IPO.

WeWork has forced the sector to acknowledge that the archaic service delivery model is primed for disruption through innovative products and offerings—and reinforced the importance of creating a brand within a highly commoditized industry. While WeWork critics are not entirely wrong in the fact that it has simply put a new spin on an existing business model, there is no dispute that it has been the catalyst to transformational change within the industry. Even people within the sector are yet to fully appreciate the impact that WeWork has had. Through its emergence, we have seen the competitive landscape shift.

If the IPO goes well, it will pour fuel on the already growing fire, and we will see even more investment and expansion across the flexible office solutions sector. If the IPO does not go as planned, WeWork's competitive set will have a unique opportunity to bring their brands to the forefront and communicate their differentiation from WeWork.

In any scenario, the flexible office landscape will continue to make its presence known, and we are excited for what the future holds for it.

GlobeSt.com: You came from LiquidSpace, a proptech company. How will your experience in that world carry over to Avison Young?

Morris: Prior to joining LiquidSpace, I was an office tenant representative for more than a decade. During the last few years, I was paying close attention to some of the new entrants into commercial real estate, and more than anything, acknowledged the shift in client expectations around service delivery and transactional models. LiquidSpace provided a unique opportunity to engage with a technology not only supporting the broader flexible office economy, but also providing the

ability to engage with the entire commercial real estate ecosystem involved with flexible office.

In just a couple years, the transformation within the real estate landscape changed dramatically, and the adoption of flexible office space and other innovative products really began to take shape. I felt that, given my previous transactional experience, along with my passion around innovative products, I needed to find an avenue to engage with the overall proptech community more broadly, as there are simply no technology companies that can be all things to all people. The human element, combined with innovative products and offerings, is critical in maximizing value creation during this transformational period.

GlobeSt.com: Who do you see as competitors to the legacy brokerage model and why?

Morris: New operators and service providers have emerged in recent years, leveraging innovative products and offerings to differentiate themselves and separate various parts of the traditional brokerage model. The landscape now includes companies within co-working, agile headquarters, digital and/or co-working brokerages, emerging marketplaces, transaction management tools, etc. Each seek to engage directly with the occupier and/or ownership community.

Many of these entities have made significant inroads and expanded rapidly, yet with the constant evolution, the occupier and ownership communities are having a hard time keeping up with the change and understanding the nuances between each of the new entrants to the market. Avison Young's flexible office solutions practice is committed to engaging in partnerships, investments and/or acquisition of these new companies in order to deliver best-in-class advisory and transactional services on behalf of our clientele. We are confident that this practice will be a force to be reckoned with and will be representative of the advisory practice of the future within the evolving commercial real estate industry.

Lisa Brown is an editor for the south and west regions of GlobeSt.com. She has 25-plus years of real estate experience, with a regional PR role at Grubb & Ellis and a national communications position at MMI. Brown also spent 10 years as executive director at NAIOP San Francisco Bay Area chapter, where she led the organization to achieving its first national award honors and recognition on Capitol Hill. She has written extensively on commercial real estate topics and edited numerous pieces on the subject.