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Not many 18-year-olds would have the gumption to jump into commercial real estate feet first and talk their parents into letting them buy a building, but that's exactly what Adam Robinson did.

Today, as the founder of RAF Pacifica Group, he is betting on the need for creative industrial spaces, with more office space located within industrial buildings, so businesses can keep office staff and warehouses in one location.

Back then, his parents owned a flex building in Los Gatos and his mother had leased it to herself for \$1 a square foot. When she put it on the market, Robinson talked her into letting him and his 12-year-old brother buy the building.

"She asked me how I could buy it without money, and I told her my brother and I would pay her back in rent. Whatever rent we got would go one hundred percent to her until we paid her back," he recalled. Since his mother was not keen on selling the building and just wanted a partner who could help with decision-making, she agreed to his terms. Through a broker, he managed to lease it to a company for \$7 a square foot during the dot-com boom in the late 1990s.

"My idea ended up being a really good decision, and I just got lucky," he said. "We went from getting \$12,000 a month to over \$70,000 a month. As an 18-year-old, I thought that was a great deal."

The young entrepreneur took real estate classes at the University of San Diego and got a job with Lee & Associates as a broker, thinking he would be making \$200,000 as commission on individual deals in no time. Reality was a wake-up call, when it took him six months to make a couple hundred dollars on a lease for which the rent was 40 cents a square foot, instead of the lucrative \$7 rate. That's when he decided he wanted to be on the owner's side of commercial real estate.

"Mom motivated me to work and learn as much as possible first," he said.

He put in 10 years as a broker before he struck out on his own in 2008, just as the Great Recession began. He cofounded SR Commercial as a property management firm and eventually began acquiring buildings with private investments.

When the market changed in 2015, and the cost of buying an existing building became close to the price of building anew, he decided it made sense to build from scratch than try to convert older buildings. He started RAF Pacifica Group to revolutionize industrial real estate, with a high quality mix of creative office and industrial space.

Traditional warehouses have a small office space, and he saw people moving out and leasing separate office spaces but felt they could be more efficient if they stayed close to their distribution centers.

His concept calls for up to 35 percent of the building being devoted to office space, depending on the needs of clients. He shows clients models he builds on speculation - with open, airy indoor-outdoor spaces, exposed ceilings, roller doors and windows with views - and gives them a blank canvas to customize it as they see fit.

"Millennials tend to create employee turnover, which can be expensive. Our goal is to have our tenant's employees be happy," he said.

Brower
MILLER + COLE

Distribute, in the Carlsbad Raceway Business Park, is one such creative project he recently built. A 272,000-square-foot multitenant creative industrial building, it comes with an outdoor movie theater, barbecue space and basketball court.

Production is a 212,000-square-foot project in San Marcos that taps unmet market demand for larger buildings in that city, which clients have sought but not found. Since San Marcos is more of a manufacturing hub than a distribution center, the project will house production facilities. It has floor to ceiling glass entryways, modern finishes and gathering areas.

Financing and new regulations around storm water and greenhouse gases have made development more challenging now but also more rewarding, he said. RAF Pacifica Group is very much a family business. His mother invests in the company, as does his grandfather.

"Mom runs my HR department and works for me," he said. "Grandpa works for my mom, so it's kind of a family tradition." His children may be next. "Probably," he laughed. "My daughter calls herself the little boss. She is 5."