



Brokers build bridges to Asian retail

A GEM: GD Commercial Real Estate Executive Managing Director John Luk, left, and CEO Andy Le are changing the tenant demographics at Pacific Commons in Fremont, bringing more Asian tenants into the shopping center.

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GD Commercial offers builders a door into Asian community

BY KATHERINE CONRAD

Developers trying to lure shoppers to their centers are turning to a Milpitas commercial brokerage that offers a different retail palette — all Asian, all the time.

GD Commercial, in operation since 2003, has become a go-to real estate company for developers who want an alternative to the well-known big-box stores that fill Bay Area shopping centers.

John Luk, a veteran broker with GD, has one word to describe most of these malls: "Boring." He knows that developers and city officials value well-known retailers for their credit-worthiness and ability to draw shoppers, but he says the market is oversaturated.

"It's the same thing again and again and again: Applebee's, Wal-Mart, Target, Kohl's," Luk says, listing a few well-known names.

'We were a tiny guy two or three years ago, and we had only five or six brokers. But we're growing.'

Andy Le
GD Commercial

Instead, Luk and the 25 brokers at GD mine the Asian business community to find retailers who serve the growing Asian population. They know the people and, more importantly, they know what's on their shopping list and work to bring those businesses into the shopping centers.

As Luk puts it, "Every Asian wants to buy live fish."

In a business sector dominated by white men, GD Commercial offers a way into the Asian community, a demographic with an affinity for owning businesses and real estate. It appears to be working. GD Commercial has succeeded in places where other well-known brokers have failed.

Their secret weapon? They speak the language.

Luk, who is fluent in Cantonese and Mandarin, was born in Macau, a former Portuguese colony that is now a special administrative region of China. Chief Executive Officer Andy Le is Vietnamese and GD's ranks include brokers from India and the Philippines who speak their native tongues.

"GD Commercial is here to help investors and developers to build and market their products to a niche market," Le says. "We offer Asian brokers — Vietnamese, Chinese, Filipino; we're a rainbow coalition."

But Luk also reaches out to the largely white community of developers and brokers. "I interact with mainstream Americans," he says. "That's my strength."

Both groups are benefiting from the relationship.

"We were a tiny guy two or three years ago, and we had only five or six



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NEW LOOK: GD Commercial turned Pacific Commons II shopping center in Fremont into a complex that caters to the Asian community, which makes up 48 percent of the Fremont population.



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BEST DIM SUM: GD Commercial CEO Andy Le, left, and John Luk, executive managing director, leave the Asian Pearl restaurant at Pacific Commons II. The anchor tenant will be the largest dim sum restaurant in Fremont.

brokers. But we're growing," says Le. "We can tap into the Asian market from the local market to the Far East. That's a lot of people and we have a lot of connections."

Tapping a trend

One of their most successful leasing projects is Pacific Commons II, a 52,000-square-foot center on Boscell Road in Fremont that will feature Asian Pearl Seafood Restaurant, the largest dim sum restaurant in Fremont. This anchor business, along with other food-related tenants, have turned the project into an Asian Gourmet Village.

"Even the mayor helped us to entice Asian Pearl, saying we need a good restaurant and one with banquet facilities," Luk says.

Angela Tsui, economic development coordinator for Fremont, calls the growth in Asian retail a definite trend.

"In the past three to five years, we

have seen a growing number of Asian-owned businesses and the clustering of such businesses," she says. "Word gets out that this area is good and that encourages other retailers to join them."

In a community where almost 50 percent of the population is Asian, according to the demographics posted on the city of Fremont's Web site, Luk says it makes sense.

Another GD effort is Fremont Times Square, still in the planning stages, and being developed by Barry Swenson Builder.

The 90,000-square-foot project will be constructed at the intersection of Warm Springs and Mission boulevards, which is currently home to Navelet's Nursery.

Scott Connelly, the project manager for Barry Swenson, says he contacted GD Commercial when the San Jose developer decided to build its largest project to date in Fremont.

It's 70 percent spoken for, even though construction hasn't started. The anchor tenant is Marina Foods, which is taking 30,000 square feet, and another 60,000 square feet is available for business owners to buy as condo units, ranging from 1,000 square feet to 3,000 square feet.

"GD Commercial fills a role in a niche market for Asian retail whether it's leasing or buying condos," Connelly says. "Fremont is one of the areas where this is a good fit. The way the market is right now, we've got to be right with what we're doing."

"There is a cultural difference," he adds, "and they have a great pulse on that segment of the community."

The chance to buy

Luk believes that the biggest reason Fremont Times Square has proven so popular is the opportunity to buy real estate.

"There's a lot of office and industrial condos for sale, but retail product is very unique," he says.

John J. Dutra, CEO for Dutra Enterprises of Fremont, says that the business GD Commercial brings to Fremont is more than welcome.

"We have a huge diverse population in Fremont," Dutra says. "To me, I don't see this as segregation or separation; it's more of a chance for everyone to enjoy different cultures."

Diversity is essential for Luk before he stakes a claim in any community.

"My vision is if the demographic is strong enough — more than 20 to 30 percent Asian — and it's the right land use in the right location with a willing developer, then come to me. We offer certainty," he says.

Firmly entrenched in the South Bay, GD Commercial has branched into Alameda, where the company is working on Encinal Del Monte, a 70,000-square-foot indoor international market located near the water. Mitten by the Bay is another business-condo project in Burlingame. Next up is the inner East Bay.

"The South Bay offers a great opportunity," Luk says, "but I like the 580 corridor, too."

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