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Executive Office Suites Provide 'Flexibility' In Uncertain Times

Operators Offer Professional Business Services Without Long-Term Commitment



Premier Business Centers operates the executive office suites at 100 Oceangate, above, which includes a large lobby area for tenants, a conference room, which business executives may rent by the hour, a kitchen area, mail box and fax facilities and more. These amenities are similar in most executive suite operations found in office buildings throughout the city. Office sizes and rental rates vary by location and view, among other factors. (Photographs by the Business Journal's Thomas McConville)

■ By **SEAN BELK**
Staff Writer

Whether for start-ups, home-based businesses or professionals simply scaled back due to the economy, executive office suites provide the comforts of a high quality office building without the worries of a long-term commitment.

In Long Beach, there are dozens of office buildings that offer executive office suites, where business clientele can sign on to yearly, monthly, weekly, daily or even hourly rates for use of such services as conference rooms, a receptionist or a mailing address.

The market for such services continues to grow in today's unstable economy where the office sector suffers from high vacancy, said Jeff Reinstein, CEO of Irvine-based Premier Business Centers, which operates four executive office suites in Long Beach.

"We can customize the term of the office space to meet really anyone's needs," he said. "In times like this, where the economy is still uncertain, flexibility is really a key selling point and our business has been very strong in spite of the downturn."

With advancements in technology and cost efficiencies, business professionals might work at home, but still have a need for a professional status, whether it's to meet clients in a professional conference room for a few hours or to have a personalized receptionist answer phone calls.

Premier Business Center, which originally started up locations from scratch in such places as Torrance, Manhattan Beach, Santa Monica and Beverly Hills, has grown through taking over distressed traditional executive offices, signing on to five- to-10-year master leases, Reinstein said.

Three locations in Long Beach were acquired over the last few years after the previous occupants defaulted on properties, he said. Today, the operator runs three executive office suites in Downtown Long Beach at 100 Oceangate, 444 W. Ocean Blvd. and One World Trade Center and one location at Kilroy Airport Center near the Long Beach Airport.

In total, the company operates 63 locations in California, Washington, Texas, Florida and Ohio and is considered "the largest privately owned executive suite operator in the United States," Reinstein said. The business is close to completing a deal in New York and is expected to open four to five new locations by the end of the year, he said.

Typically, Premier Business Centers operates 60 to 80 offices per building, with space as small as 80 feet, along with lobby areas, two or more conference rooms, a single receptionist for all tenants, lounge areas with coffee and tea, copiers, fax machines and internet capabilities. In some Class A buildings, tenants might also be able to enjoy the amenities of a gymnasium, a health club or restaurants.

Offices start at \$300 a month and go up depending on the location. Rather than the lengthy process of signing a long-term lease that can be up to 70 pages long, clients generally sign a short four-page agreement, Reinstein said.

"It's a great deal and I think it's really a great service for people," Reinstein said. "It's a service that's been growing pretty much on a quarterly basis. Despite the downturn and the economy over the last year, it seems like it's a business that people want."

The Bixby Business Center office building at 4401 Atlantic Ave. in Bixby Knolls, has about 20 different 150- to 200-square-foot executive office suite spaces available, said Bob Pfaff, the building's general manager. He said such small spaces are hard to come by in today's office market and is a key advantage for small businesses that might not be able to afford larger space.

"We have all the amenities here to basically have the look and feel of the large business, and it's for someone who is maybe just getting started or someone who is working out of their house," Pfaff said.

The type of environment is also ideal for psychologists, who are able to utilize the common lobby and reception area to receive patients, or for business executives who might own a larger headquarters in

another location, but would rather work closer to home. Office lease rates vary, starting at \$399 on up, depending on space requirements, such as proximity to windows or size, Pfaff said.

The Bixby Business Center also offers "day offices" or hourly rates for conference rooms, in addition to "virtual office plans," where people can use the building as a physical address to receive mail or phone calls and the service will forward them to remote locations, sometimes out of state, he said.

Aside from affordability, executive office suites also give clients the ability to grow depending on their business needs. "Flexible floor plans and flexible terms allows them, if their business grows, to either grow into a larger executive suite or, if it really takes off, move into a traditional suite," Pfaff said.

Jeannine Riley, property supervisor for the two-story Wall Street Building, located 4000 Long Beach Blvd., also in Bixby Knolls, said the building has small suites with a six-month lease requirement and large suites with a one-year requirement. Currently, two of the larger 800-square-foot office suites are available, she said. Amenities include a receptionist, receiving mail, conference rooms with Wi-Fi, a lobby and a kitchen area.

While demand for smaller suites is up, she said she continues to have a tough time leasing out larger offices, mainly due to the downturn in the economy. Many of the current clients tend to be doctors, attorneys, real estate agents or accountants. "It seems like everyone is downsizing so they're probably not hiring and are just a one-person business," Riley said.

One of the benefits of having a common receptionist and a customized answering service is business owners don't have to pay the extra overhead. "It does sound very professional when you have a live receptionist rather than you, yourself, answering your phone or your cell phone," she said. ■