

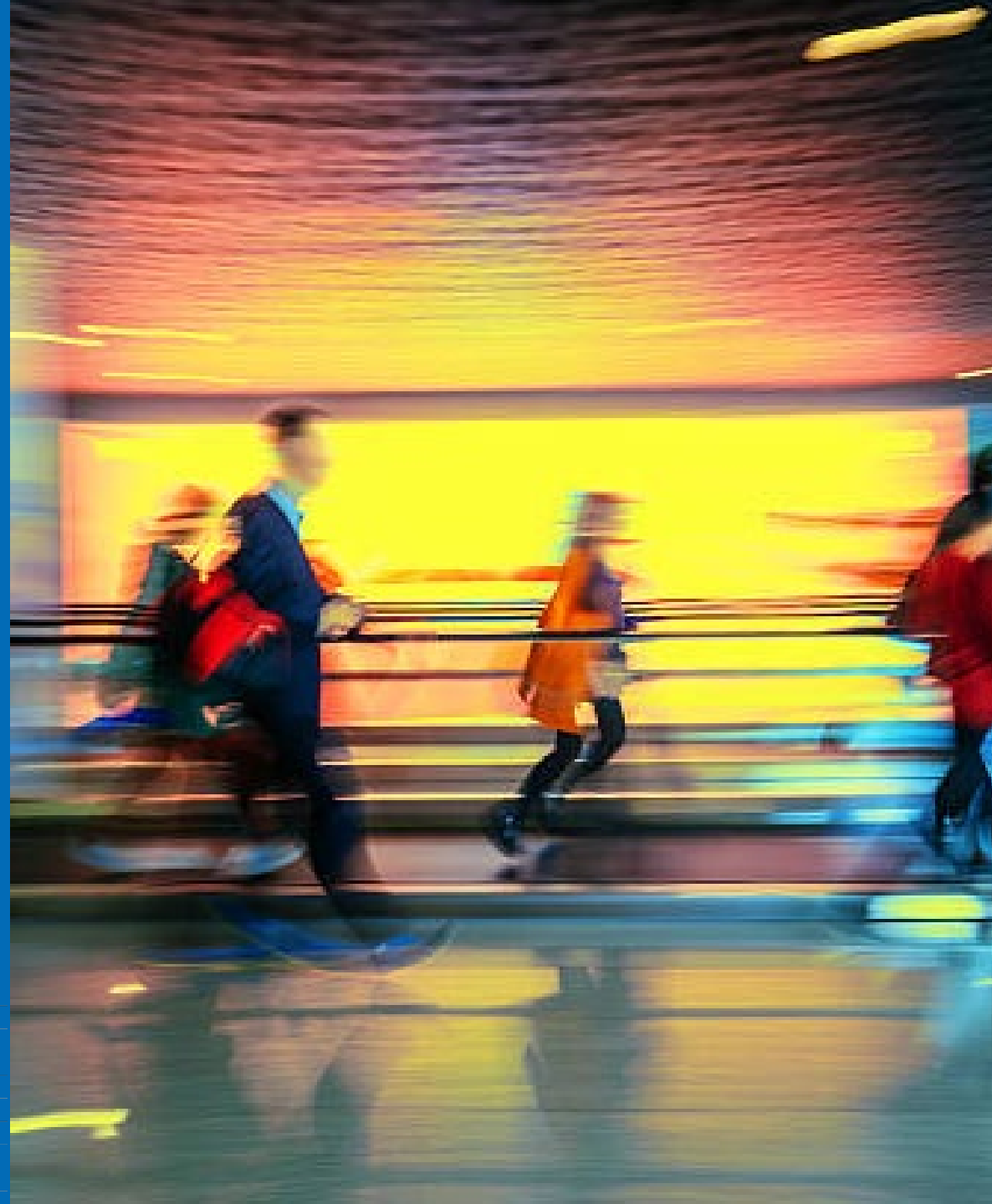
NEWMARK

Site Selection and Due Diligence: Choosing the Right Location for Your Business

29 OCTOBER 2025



What Do I Do and Who For?



Who is Bob Hess?

NEWMARK GLOBAL STRATEGY



- Vice Chairman and Managing Partner, Newmark Global Strategy & Occupier Solutions; also previous Principal at Deloitte
- 40 year veteran corporate location strategy and site selection; August 1985 begin career at Fantus Consulting (premier business location firm)
- 30+ country field experience, including ASIA, EMEA, LATAM

- 30+ major FDI and Reshore/Nearshore projects, including largest German Mfg investment in NAR history; Biotech Mfg investment in AsiaPac history; Largest Oil & Gas Headquarters in Canada; Samsung Semiconductor Investment in Texas and many more
- 3 million air miles (pretty close); few more trips to Lithuania and I will hit it!
- 35 year marriage; father to 2 special needs daughters (one who passed just recently, my hero and dearly missed)
- 50+ quotes in WSJ and other major trade journals and periodicals
- Prolific author and publisher of thought leadership in Location Strategy and Site Selection and Economic Development Attraction Strategy
- Investment Advisory Council, U.S. Department of Commerce, Workforce Development Subcommittee (2022 – 2024)
- Founding member, and Shareholder, Site Selectors Guild; CSSP™

350+ Projects



Newmark At a Glance

Newmark operates in over 45 countries, and routinely executes work in more than 80 countries.

With 8,100 professionals throughout 170+ global offices, Newmark’s data driven transaction and corporate occupier services provide a consistent, customized process that is scalable, repeatable, and measurable for all locations and/or services.

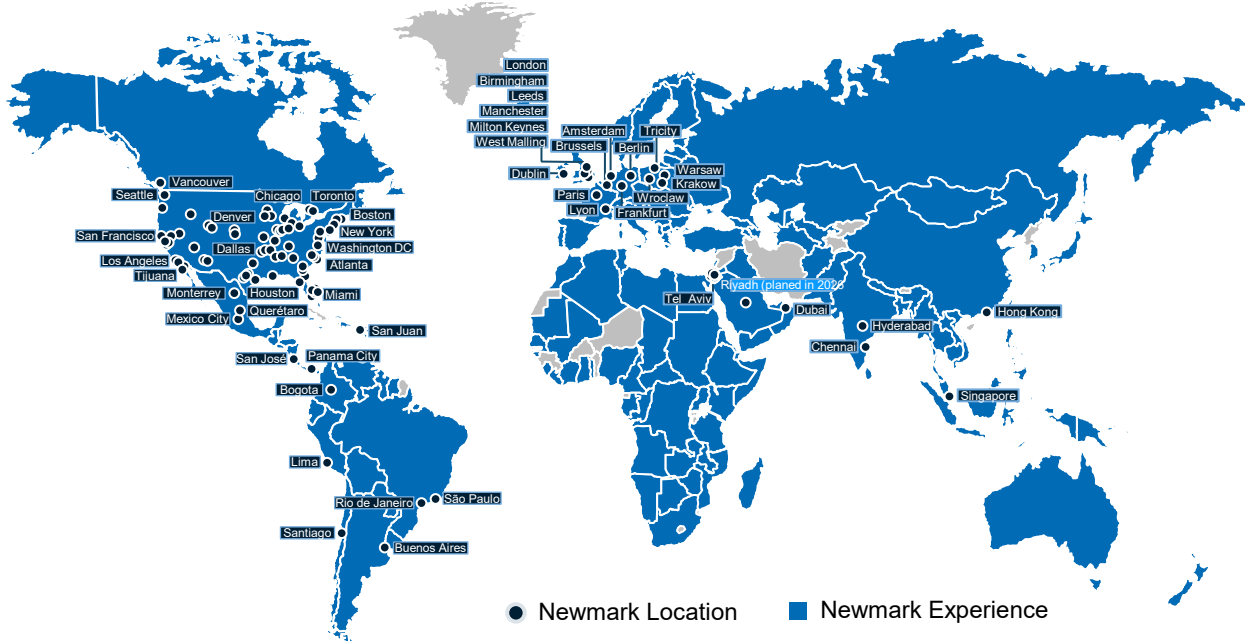


30%
Newmark stock owned by employees / management

Entrepreneurial spirit and Future-Facing vision | Flexible and scalable model, utilizing Best Local resources and vendor partners | Fully Integrated Platform of services and SMEs

Best-in-market Commitment

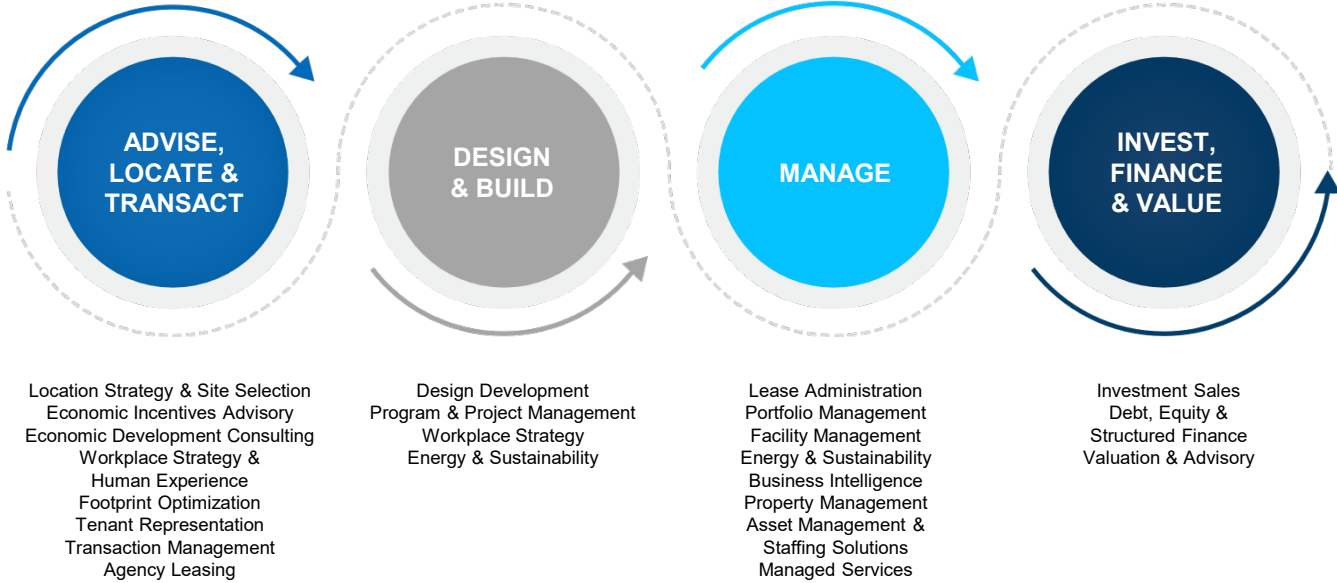
| | | |
|------------------------------------|---------------------------------------|--|
| ~8,100 Professionals | 170+ Office Locations | \$2.9B Annual Revenues |
| ~\$1.7T Transaction Volume 2024 | 55+ Companies Acquired, Since 2011 | 96 Years In Business, Founded In 1929 |



Newmark Occupier Solutions



Integrated Solutions at Every Stage of the Real Estate Lifecycle



SUPPORTED BY

Data & Technology | Marketing | Research | Procurement | Corporate Responsibility

Global Strategy – Our Consulting Services

We are management consultants who help companies determine what facilities they need, where they are needed, and how those facilities’ operating conditions should be organized geographically, functionally, and socially while optimizing costs to the business.



Location Strategy and Site Selection

- Corporate location strategy and site selection
- Relocation, expansion and consolidation feasibility
- Community and site due diligence
- Workforce and labor analytics
- Supply chain optimization
- Land and asset development strategies



Footprint Optimization

- Market entry / exit feasibility
- Location benchmarking and enterprise cost assessment
- Stay vs. go analysis
- M&A due diligence and facility integration
- Geographic implications for ESG, energy, and sustainability



Geopolitical Strategy

- Political risk tracking and reporting
- Business location and operational assessment
- Risk strategy and management
- Regulatory assessment strategy



Economic Incentives Advisory

- Program research and feasibility
- Negotiation and optimization strategy
- Compliance management
- Portfolio-wide incentives evaluation



Economic Development Consulting

- Economic development strategy
- Competitiveness benchmarking
- Asset-based community development
- Target industry analyses
- Stakeholder engagement
- Workforce and talent development
- International development and FDI attraction
- Industrial site identification and assessment

800+

Clients Across Multiple Industries

15

Average Years Of Consultant Experience

10-30%

Operating Cost Savings Across All Engagements

\$15B+

In Economic Incentives Negotiated

Clients Across Multiple Industries & Asset Types

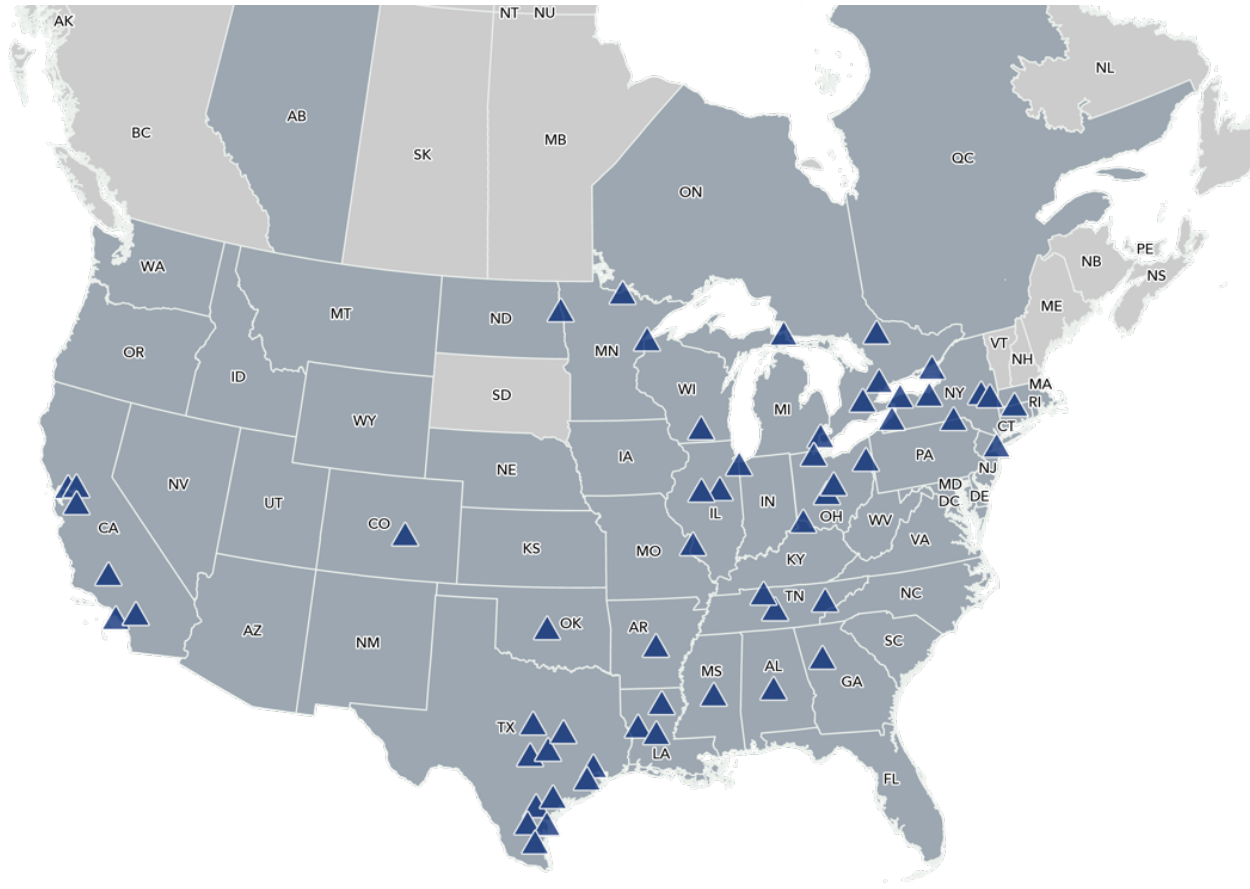


Problems We Help Solve

- Site selection & community due diligence
- Large manufacturing location optimization
- Expansion & consolidation feasibility
- Total cost of operations & occupancy analysis
- Labor market & talent / workforce assessment
- Headquarters location strategy
- BPO & shared services location decisions
- Geopolitical risk strategy & management
- Cost mitigation through incentive negotiations
- FDI / market entry initiatives
- “Stay versus go” location feasibility
- Global footprint optimization & assessment
- Benchmarking studies
- Economic development strategic planning
- Large site development advisory and business attraction planning

Geographic Breadth of Our Consulting Work

Selected North American Location Work 2023-25



● Visited for Global Strategy Project Work ▲ Economic Development Project location

Worldwide Global Strategy Work 2023-25

32 countries visited for project work in the past three years:

- Austria
- Brazil
- Bulgaria
- Canada
- Colombia
- Costa Rica
- Czech Republic
- Finland
- Germany
- Guatemala
- Hungary
- India
- Japan
- Lithuania
- Malaysia
- Mexico
- Morocco
- The Netherlands
- Northern Ireland
- Poland
- Portugal
- Serbia
- Singapore
- Slovakia
- South Korea
- Spain
- Sweden
- Taiwan
- Thailand
- Turkey
- Tunisia
- United Kingdom

U.S.A. Gymnastics – Such a Great Project!

Noblesville, IN Selected As Site For USA Gymnastics Training & Wellness Center And Office Headquarters

USA Gymnastics On Tuesday (Sep 23) Announced It Has Selected Noblesville, Indiana’s “Innovation Mile” As The Location For Its Proposed Training & Wellness Center (TWC) And New Office Headquarters.



**FOR ILLUSTRATION PURPOSES ONLY.
RENDERING DOES NOT DEPICT FINAL DESIGN.**

State of Site Selection



What is the True State of Site Selection

What is the mindset in the Boardroom? Are capital initiatives needed to compete in peril? Are the true innovators positioning for leapfrog competitive advantage? Is it an economy of winners and losers? Cash and capital – a lot on the sidelines ready to go? AI changing everything – yes it is! The Fed Bank is gone, so its all about Hyperlocalization?

Is it Economic and Political Volatility, Uncertainty, Chaos and Ambiguity on Steroids? Business Owners Despise Uncertainty?

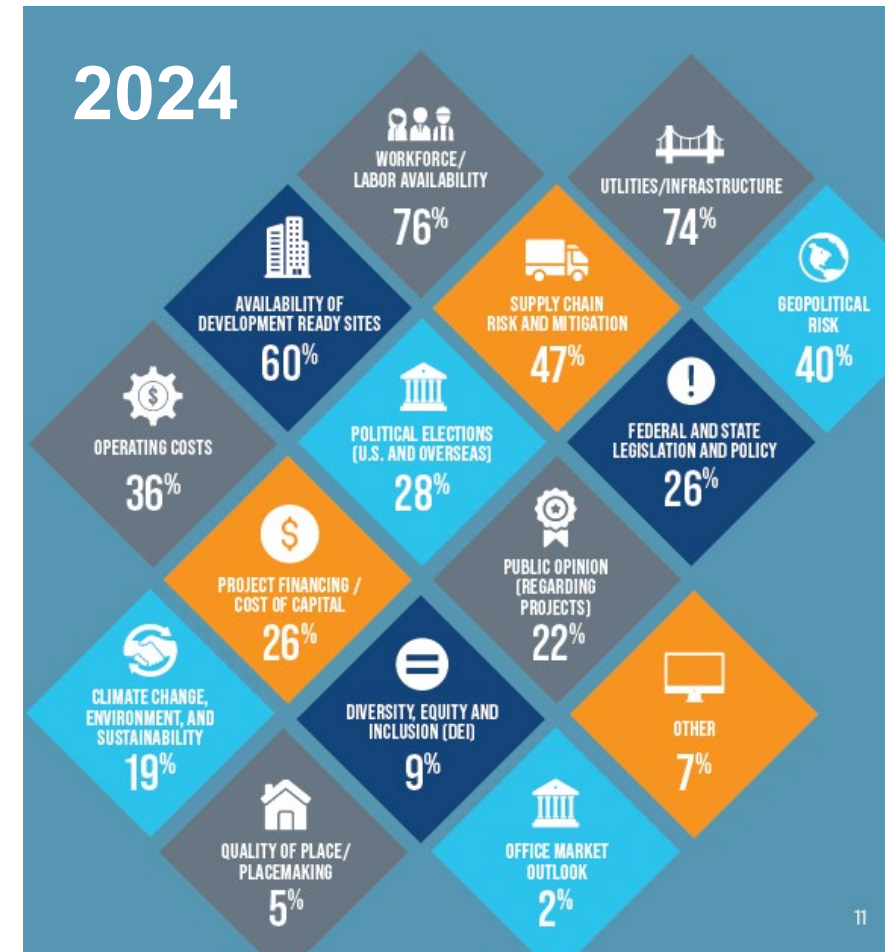
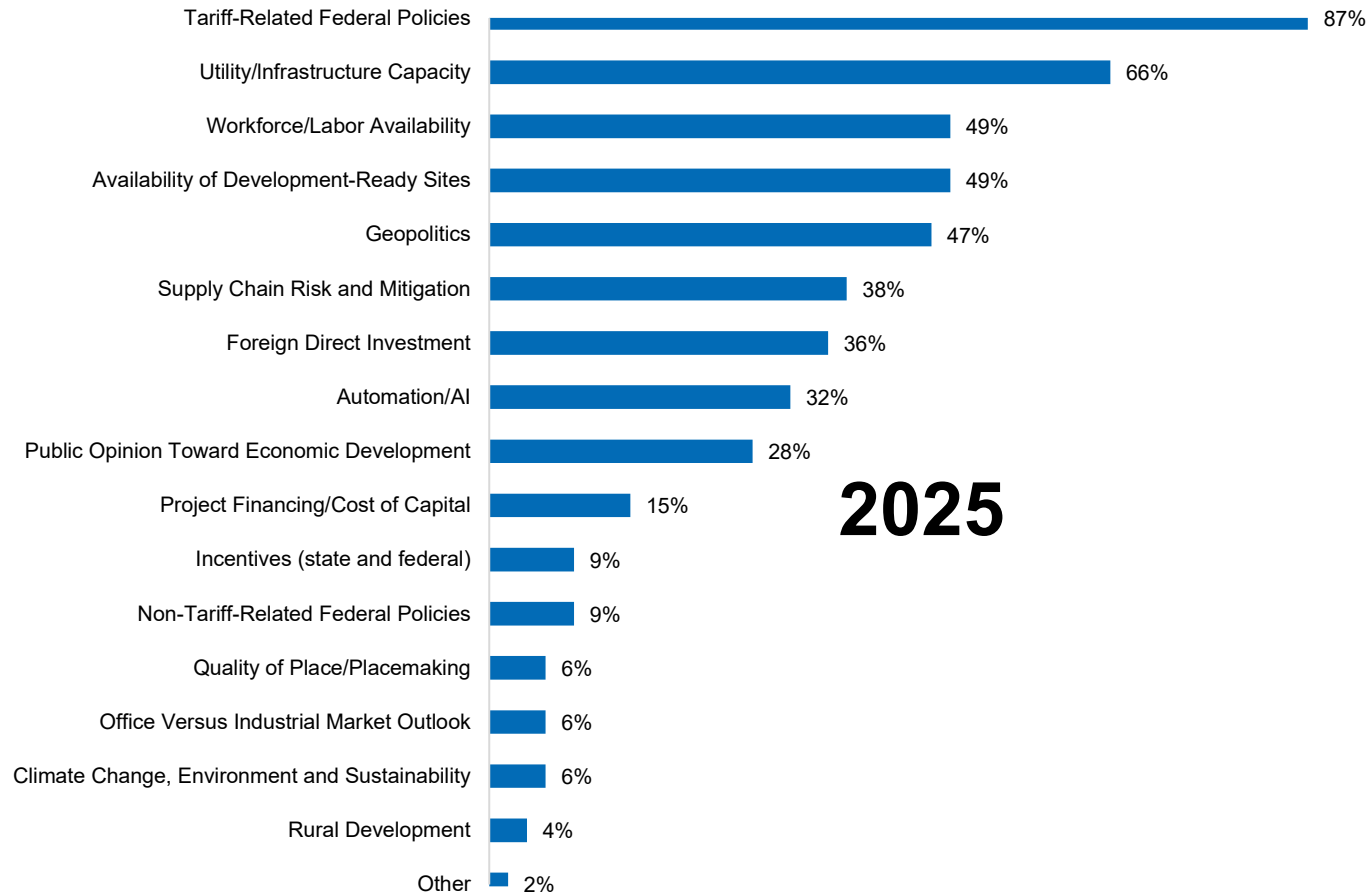
Is it Unique Time for Expansive Thinking, Scalable Ideas, the Unfathomable becoming Reality? AI Disrupting and Positioning Exponential Gain?

Planners...Pleasers...Pausers...Paupers:
Which one of these are you?



Top Factors Impacting the Site Selection Industry

Tariffs, utilities, workforce, sites, and geopolitics dominate the discussion



Source: 2025 State of Site Selection (Figure 3), The Site Selectors Guild.

2025 State of Site Selection

Executive Summary Highlights



Policy Volatility and Tariffs

- Political risk assessment and policy scenario planning critical as labor cost and infrastructure.
- Tariffs at large delaying or “postponing” investment decisions (“nuanced acceleration”)



Talent

- Talent is a strategic differentiator shaped by automation, AI, and the rising demand for specialized skills.



Power Supply & Speed to Market

- Energy access is broadly reshaping site selection strategy.
- Ready infrastructure now earns a valuable “speed premium.”



Community Acceptance

- Authentic early community engagement and transparency are now essential in a NIMBY-driven environment.



Sites and Buildings

- Focus is shifting from mega sites to a broader mix of real estate options.
- Industrial land remains tight, while office markets begin to rebound.



Industries in Focus

- Data Centers | Life Sciences & Pharma | Food & Beverage | Defense and Aerospace | Semiconductors | Metals & Packaging | Building Products

Tariffs

Uncertainty around tariffs is significantly impacting corporate location decisions, leading to adjustments in supply chains and a reevaluation of manufacturing footprints.



The political climate of a country, state/province or metro will impact talent-attraction efforts.



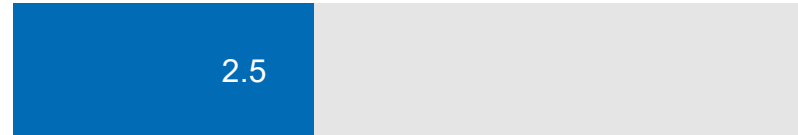
North American manufacturers are increasingly bringing production back to the United States, Canada and Mexico/Latin America because of the uncertainty around tariffs.



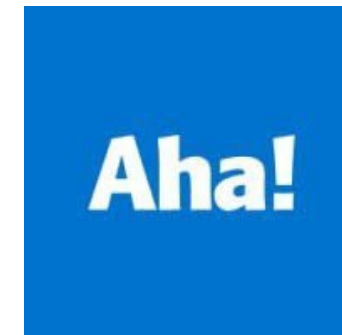
Companies are increasingly trying to match their corporate values with the social and/ or political climate of the locations they are considering for new or expanded facilities.



There is a great deal of "chatter" around recent legislation and political climate, but few companies are weighting it differently during the location process.



- Complex supply chains are adopting a wait-and-see approach due to the impossibility of calculating reliable operating costs.
- Significant growth in FDI and manufacturing projects (maybe), which are driven by tariff-avoidance strategies, geopolitical risk mitigation and policy incentives.
- Political risk assessment - country-of-origin restrictions, immigration policy impacts, social acceptance
- Scenario Planning – adjusting supplier mix, market entry timing around low, high and medium tariff bands



Power & Speed to Market

Increasing electrical grid capacity is a multi year process, with timelines varying depending on the specific project and location, but generally taking several years to even a decade or more.



The current demand for electric power is not sustainable and will compromise diverse industry growth.



For industrial projects, electric power availability is the top location driver in 2025.



Project timelines are getting exponentially longer because of the lead time needed to meet energy demand.



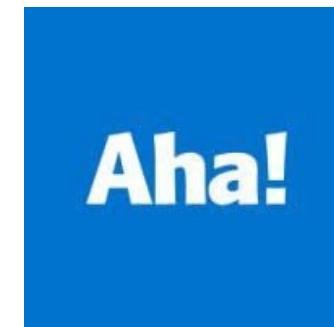
Automation and AI has challenged areas with strained electric power grids and limited generation capabilities.



Increasingly, businesses are developing or investing in their own electricity generation capabilities to meet their energy demands.



- The electrical grid is at or near capacity in many markets, and transmission delays of four or more years are a common occurrence.
- Site readiness now requires dated utility commitment letters, realistic schedules and price-certainty windows — documentation modeling that was less critical when power was readily available.
- The “speed premium” means locations with existing infrastructure capacity can command higher values and attract projects that otherwise could go elsewhere, even if other factors are less favorable.



Source: 2025 State of Site Selection, The Site Selectors Guild.

Sites and Buildings

Site searches must occur much earlier in the process, and other criteria (labor, training, quality of life) are considered only when at least one acceptable site has been identified for the proposed operation.



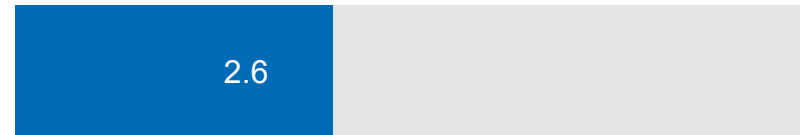
Project schedules are being delayed or cancelled due to a lack of development-ready sites.



All of the "best sites" are gone, requiring my clients to compromise on other location factors.

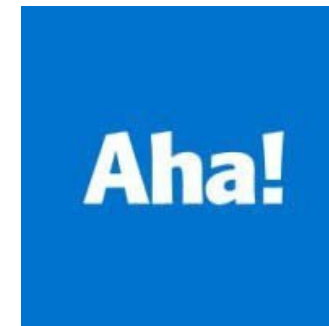


States and provinces are adequately investing in infrastructure to address the lack of sites and buildings.



Industrial Projects: Agreement with Statements on Industrial Sites and Buildings
(1=don't agree, 5 = completely agree)

- Data centers consuming prime industrial locations and driving up land costs across sectors.
- Having access to broader and more-diverse real estate options has replaced the fixation on megasites.
- The first screening criterion has become whether consultants "know to have at least one viable candidate site that would be suitable for the proposed operation".
- Office market is showing signs of recovery



Talent

Talent shortages are a global issue (and are not limited to just U.S. locations).



Increasing automation of work processes, AI and machine learning is fundamentally changing workforce skills and requirements.



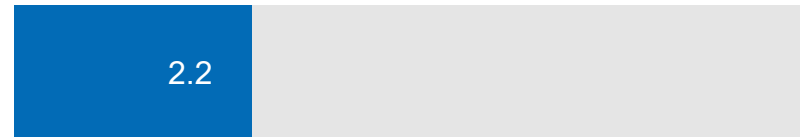
Immigration policies are a major constraint to filling the talent pipeline that is required now and in the future.



Economic development groups are pursuing less labor-intensive/more capital-intensive projects as talent shortages persist.

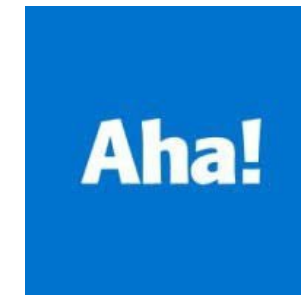


Government programs for new-worker training and employee retraining are sufficient for the current demands of industrial projects.

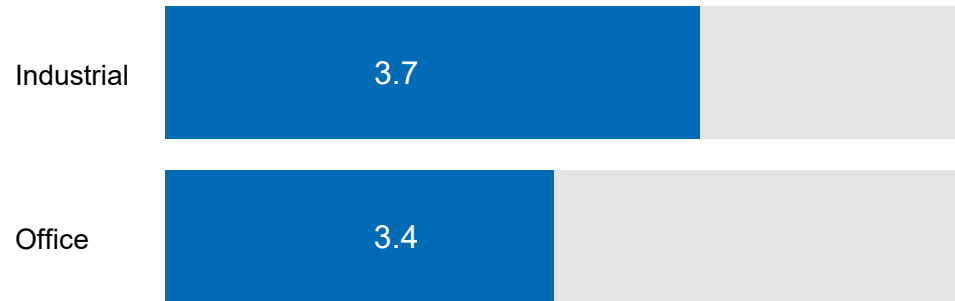


Industrial Projects: Agreement with Statements on Workforce and Talent (1=don't agree, 5 = completely agree)

- While shortages in talent and skill have been recognized for years, a more-nuanced perspective exists on the greatest challenges and opportunities, including the impact of automation and AI. Talent has become scarcer and more specialized, shifting from a basic requirement to a strategic differentiator.
- Communities that pair strong skills programs with quality-of-life advantages offer companies a rare asset



Community Acceptance

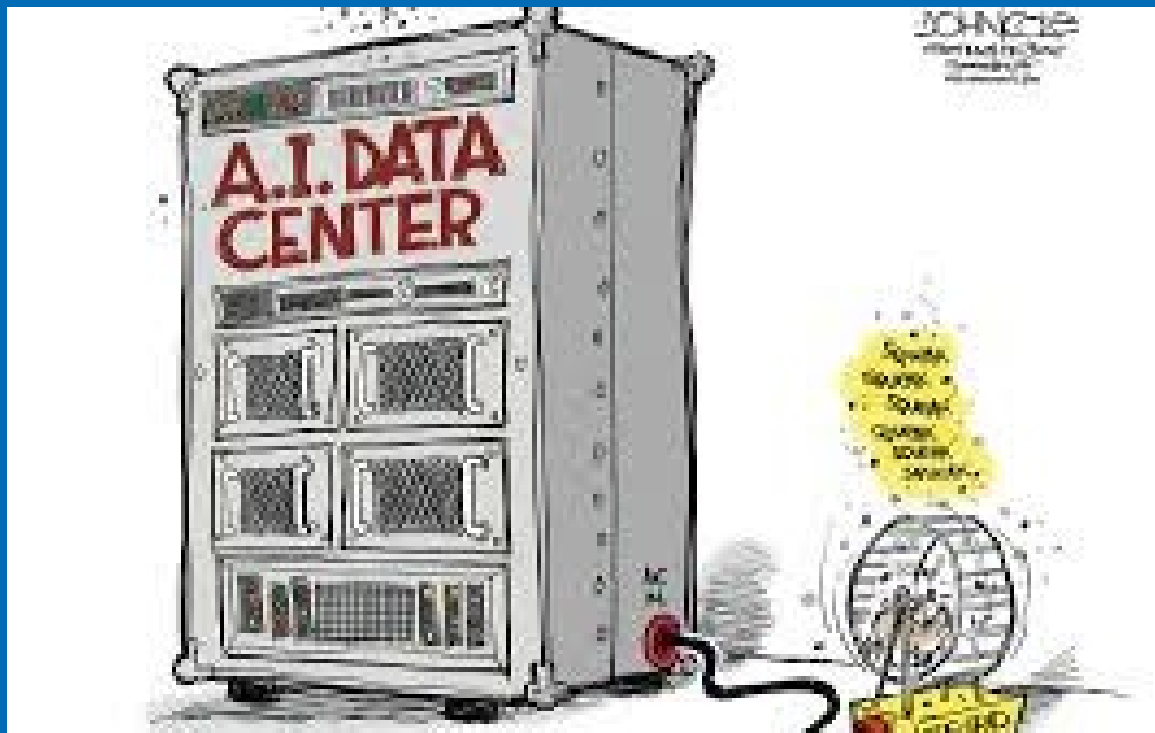


Agreement with the Statement "NIMBY-ism Is at an All-Time High and Is Impacting Site selection and Economic Development Strategies."
(1=don't agree, 5 = completely agree)

- Asked to assess political and legal stability, incentive reliability
- ***Community acceptance must be cultivated from the beginning of the process and cannot be bought at the end of it.***
- Companies that master community engagement early, transparent communication and authentic benefit-sharing are developing competitive advantages in an environment in which technical and financial qualifications are often secondary to social acceptance.

Aha!

NIMBY on the rise: What is the root cause of this? How can this be dealt with better by both sides? It impacts all of you in the built environment! Interpersonal communication and business case presentation a lost art?



Due Diligence Still Matters!

**DUE
DILIGENCE**



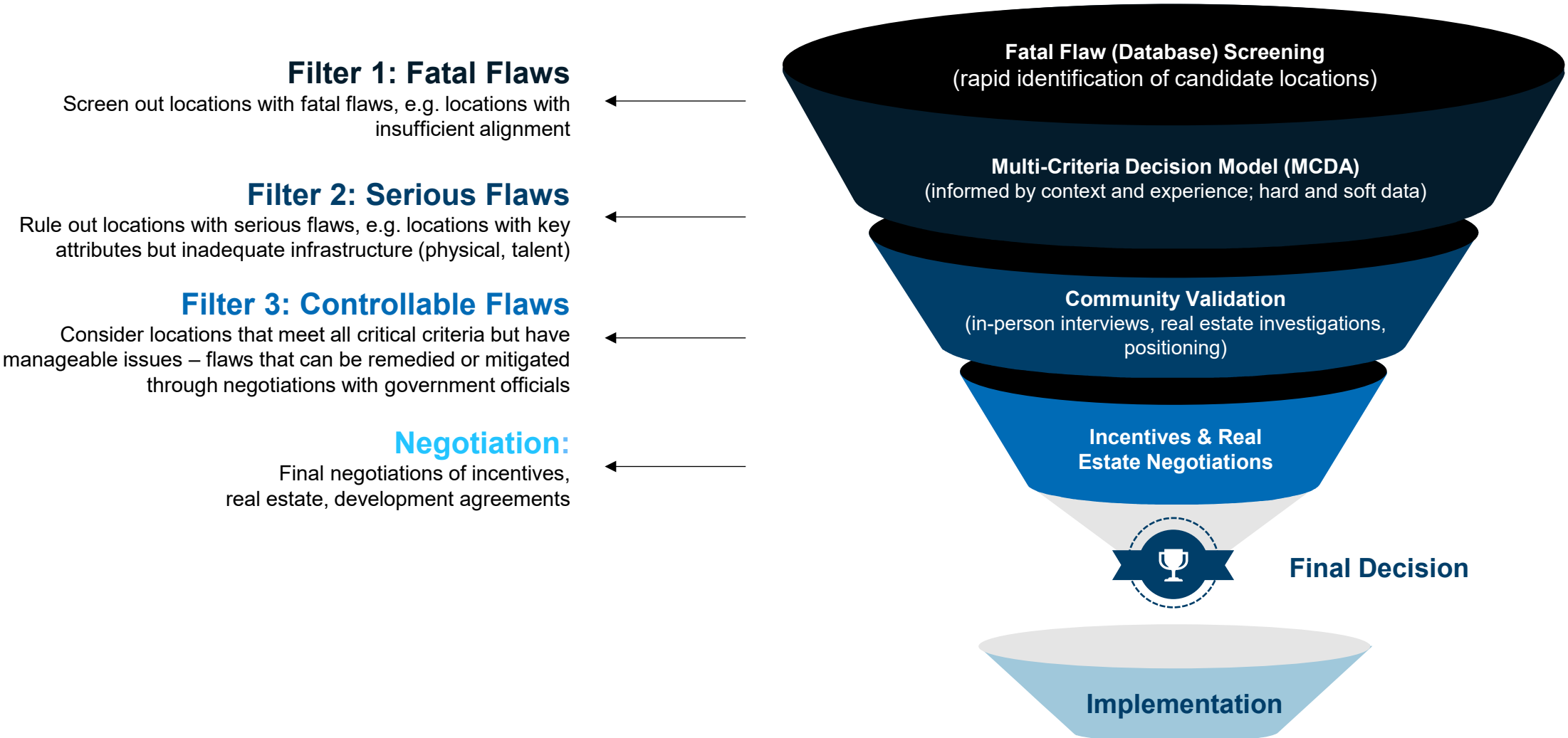
Solving for Each Strategic Problem

Site Selectors work closely with client at the beginning of process to further vet the Drivers that have led the client to consider expansion/relocation, the Factors that are critical to the success of the project, and Influencers, both internal and external, that are key to the ultimate decision making.

| | Trade | Labor | Incentives | Real Estate | Energy |
|--|---|--|---|---|---|
|  Triggers | <ul style="list-style-type: none"> - Supply Chain Dynamics - FDI (Reshoring & Nearshoring) - Market Presence | <ul style="list-style-type: none"> - Shortages & Competition - Workforce Development - Remote Work | <ul style="list-style-type: none"> - New Measures & Programs - Free Trade - US versus EU vs China | <ul style="list-style-type: none"> - Facility Optimization - Lease Expiration - Capacity Planning | <ul style="list-style-type: none"> - Increasing Costs - Limited Availability - Massive AI Demand |
|  Hurdles | <ul style="list-style-type: none"> - Value Chain Disruptions - Workarounds - Tariffs | <ul style="list-style-type: none"> - Skilled Labor - Professional and technical competencies - Employee Retention | <ul style="list-style-type: none"> - Diminishing Federal Aid - Proof of Financing & Clawbacks | <ul style="list-style-type: none"> - CAPEX Requirements - Obsolescence | <ul style="list-style-type: none"> - Regulatory & Procedures - Generation & Transmission |
|  Drivers | <ul style="list-style-type: none"> - Operational Costs & Regulations - Market Presence & Customer Access | <ul style="list-style-type: none"> - Workplace Inefficiencies - Productivity of Talent - Cost Optimization | <ul style="list-style-type: none"> - Upfront Investment Costs - Ease of Implementation - Community Support | <ul style="list-style-type: none"> - Quality of Place - Business & Customer Adjacencies - Site Readiness | <ul style="list-style-type: none"> - Renewable Targets - Sustainability - Procurement |

Site Selection and Due Diligence: The Funnel of Doom

A Process of Elimination



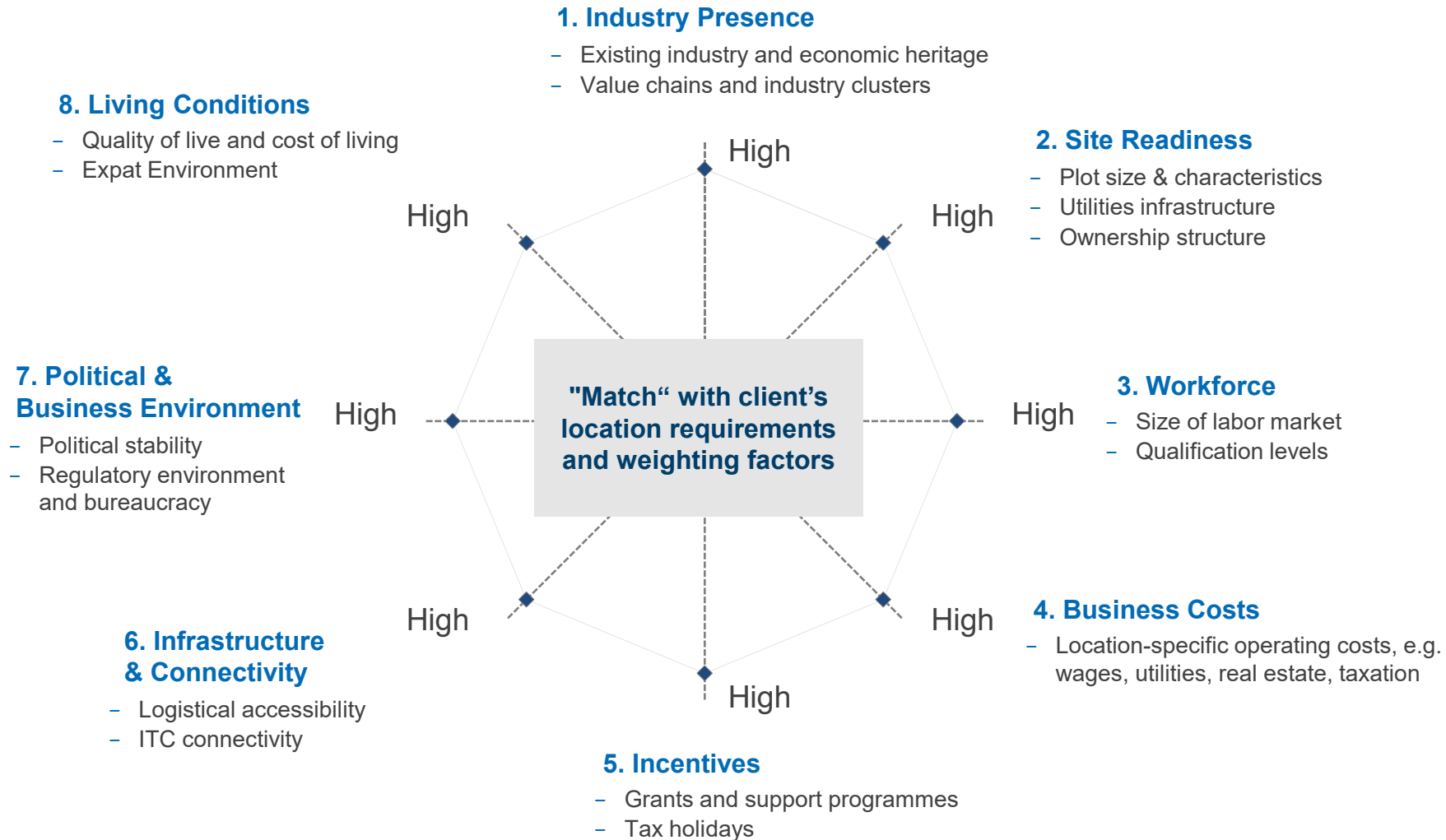
Typical Site Selection Methodology

Value Framework



| PHASE 0: | PHASE 1: | PHASE 2: | PHASE 3: | PHASE 4: | PHASE 5: |
|--|--|--|--|---|---|
| Feasibility / Go No-Go | Project Mobilization and Criteria Development | Search Area Screening and Candidate Identification | Detailed Community and Site Due Diligence | Real Estate and Incentive Negotiations | PMO and Implementation Services |
| Result: - Business Case for Special Projects / Capital Planning and Strategy Framework | Result: - Project Drivers, Criteria, Physical Specifications and Project Blueprint | Result: - Advance Six to Eight Shortlist Areas/Sites for Due Diligence and Resource Planning | Result: - Two to Three Ranked Finalists with Preliminary Business Case | Result: - Recommended Location/Site, Final Business Case; Board Approvals/Action Plan | Result: - Final design, budget, schedule, and on site development PMO - Org design around solution |

Overview of key location criteria – optimal match with client’s location requirements is essential for selection of best-fit production location



Comprehensive cost analysis of location-specific parameters

*Project investments and VAT impact

| LAND and/or BUILDING PURCHASE | Site #1 | Site #2 | Site #3 | Site #4 | Site #5 | Site #6 | Site #7 | Site #8 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Number of Hectares | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 |
| Building SM | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 |
| Cost per Hectare | € 400,000 | € 200,000 | € 270,000 | € 230,000 | € 108,074 | € 150,000 | € 170,000 | € 170,000 |
| Real Estate Transfer Tax | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% |
| Total Land Cost (before incentive) | € 49,440,000 | € 24,720,000 | € 32,400,000 | € 27,600,000 | € 12,968,880 | € 19,080,000 | € 20,400,000 | € 20,400,000 |
| Annual Lease cost (in annual Cash Flow where needed) | | | | | | | | |

*Real property tax schema and impact

| PROPERTY IMPROVEMENTS | Site #1 | Site #2 | Site #3 | Site #4 | Site #5 | Site #6 | Site #7 | Site #8 |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Severe Top Grading | | | | | | | | |
| Utilities Upgrades | | | | | | | | |
| Total | | | | | | | | |
| Year 2023 | 100% | 100% | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 |
| Year 2024 | 100% | 100% | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 |
| Year 2025 | 100% | 100% | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 |
| Year 2026 | 100% | 100% | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 |
| Year 2027 | 100% | 100% | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 |
| Year 2028 | 100% | 100% | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 | 159,921 |

*Utility unit costs

| 12-YEAR NET PRESENT VALUE ANALYSIS WITHOUT INCENTIVES | Site #1 | Site #2 | Site #3 | Site #4 | Site #5 | Site #6 | Site #7 | Site #8 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| INVESTMENTS | | | | | | | | |
| Property Purchase / Lease | € 49,440,000 | € 24,720,000 | € 32,400,000 | € 27,600,000 | € 12,968,880 | € 19,080,000 | € 20,400,000 | € 20,400,000 |
| Building Depreciation (phased in) | € 175,484,062 | € 175,484,062 | € 224,502,053 | € 224,502,053 | € 224,502,053 | € 390,771,491 | € 244,040,627 | € 244,040,627 |
| Building Construction Materials Sales Tax | € 31,459,964 | € 31,459,964 | € 42,264,478 | € 42,264,478 | € 46,289,697 | € 86,559,856 | € 45,942,796 | € 45,942,796 |
| M&E Depreciation (phased in) | € 901,075,748 | € 901,075,748 | € 901,075,748 | € 901,075,748 | € 901,075,748 | € 901,075,748 | € 901,075,748 | € 901,075,748 |
| M&E Sales Tax | € 214,175,600 | € 214,175,600 | € 224,884,381 | € 224,884,381 | € 246,301,941 | € 203,468,820 | € 224,884,381 | € 224,884,381 |
| Site Improvements | € - | € - | € - | € - | € - | € - | € - | € - |
| TOTAL INVESTMENTS | € 1,371,615,074 | € 1,346,895,074 | € 1,425,126,660 | € 1,420,326,660 | € 1,431,138,288 | € 1,580,953,916 | € 1,436,343,542 | € 1,436,343,542 |
| COSTS | | | | | | | | |
| RECURRING COSTS | | | | | | | | |
| Human Resources (HR) | | | | | | | | |
| Wages - Direct | € 179,927,881 | € 156,307,179 | € 269,665,523 | € 269,665,523 | € 208,422,168 | € 453,410,886 | € 205,116,965 | € 205,116,965 |
| Wages - Indirect | € 238,029,821 | € 206,783,511 | € 302,671,461 | € 302,671,461 | € 287,376,485 | € 344,200,610 | € 191,912,207 | € 191,912,207 |
| Fringe Benefits | € 108,477,441 | € 95,827,243 | € 181,408,172 | € 181,408,172 | € 127,067,086 | € 195,713,333 | € 195,123,357 | € 195,123,357 |
| Human Resources | € 526,435,143 | € 458,917,933 | € 753,745,156 | € 753,745,156 | € 602,865,719 | € 993,324,828 | € 592,158,529 | € 592,158,529 |
| Cost Differential: Costover Low | € 67,517,210 | € - | € 294,827,223 | € 294,827,223 | € 143,947,785 | € 534,406,895 | € 133,240,596 | € 133,240,596 |
| Utilities | 14.7% | 0.0% | 64.2% | 64.2% | 31.4% | 116.4% | 29.0% | 29.0% |
| Electricity | 1.15 | 1.00 | 1.73 | 1.73 | 1.33 | 2.90 | 1.31 | 1.31 |
| Electricity - Sales Tax | € 482,478,833 | € 482,478,833 | € 446,554,002 | € 446,554,002 | € 584,822,828 | € 677,884,338 | € 543,049,769 | € 543,049,769 |
| N2 | € 96,495,787 | € 96,495,787 | € 93,778,340 | € 93,778,340 | € 134,508,250 | € 128,760,024 | € 114,040,451 | € 114,040,451 |
| N2 - Sales Tax | € - | € - | € - | € - | € 1,071,207 | € 1,183,966 | € 1,183,966 | € 1,183,966 |
| Process Water | € 2,650,233 | € 3,703,032 | € 2,212,580 | € 2,212,580 | € 291,769 | € 19,208,109 | € 15,415,437 | € 9,120,813 |
| Process Water - Sales Tax | € 4,715,382 | € 6,588,557 | € 8,392,515 | € 8,392,515 | € 1,297,812 | € 3,648,541 | € 1,541,544 | € 912,081 |
| Wastewater | € 943,076 | € 1,317,711 | € 839,251 | € 839,251 | € 103,825 | € 2,137,063 | € - | € - |
| Wastewater - Sales Tax | € - | € - | € - | € - | € - | € - | € - | € - |
| Total Utilities | € 669,317,238 | € 677,881,842 | € 642,739,648 | € 642,739,648 | € 793,624,514 | € 911,413,180 | € 742,886,363 | € 735,962,277 |
| Cost Differential: Cost over Low | € 26,577,590 | € 35,142,193 | € - | € - | € 150,984,966 | € 288,873,532 | € 100,148,715 | € 93,222,626 |
| Taxes | | | | | | | | |
| Real Property | € 8,820,340 | € 14,700,567 | € 64,544,205 | € 64,544,205 | € 126,854,867 | € 49,839,327 | € 32,341,248 | € 32,341,248 |
| Corporate Income Tax | € 160,896,744 | € 160,896,744 | € 305,703,814 | € 305,703,814 | € 305,703,814 | € 241,345,116 | € 391,430,289 | € 391,430,289 |
| Local Business Tax | € - | € - | € - | € - | € - | € 190,903,987 | € 15,678,988 | € 15,678,988 |
| Property Taxes | € 169,717,084 | € 175,597,311 | € 370,248,019 | € 370,248,019 | € 432,558,681 | € 482,088,430 | € 439,450,525 | € 439,450,525 |
| TOTAL RECURRING COSTS | € 1,365,469,466 | € 1,312,397,086 | € 1,766,732,823 | € 1,766,732,823 | € 1,829,048,914 | € 2,386,826,439 | € 1,774,495,417 | € 1,767,571,330 |
| TOTAL COSTS | € 1,365,469,466 | € 1,312,397,086 | € 1,766,732,823 | € 1,766,732,823 | € 1,829,048,914 | € 2,386,826,439 | € 1,774,495,417 | € 1,767,571,330 |
| TOTAL INVESTMENTS & COSTS (NPV) | € 2,737,084,540 | € 2,659,292,160 | € 3,191,859,483 | € 3,187,059,483 | € 3,260,187,202 | € 3,967,780,354 | € 3,210,838,959 | € 3,203,914,872 |
| AMOUNT OVER LOWEST % OVER LOWEST | 77,792,380 | 2.9% | 532,567,323 | 20.0% | 527,767,323 | 19.8% | 600,895,042 | 21.9% |
| TOTAL INVESTMENTS & COSTS (NPV) LESS INCENTIVES | € 2,399,749,953 | € 2,321,957,573 | € 3,132,957,578 | € 3,128,157,578 | € 2,816,695,303 | € 3,776,151,724 | € 3,143,836,008 | € 3,136,911,922 |
| | 34.3% | 0.0% | 34.9% | 34.7% | 21.3% | 62.6% | 34.4% | 35.1% |

~10-15 Year Operating Cost Model

Time to Get off the Paper! Field Tours of Potential Locations

We identify and reach every available site out there...



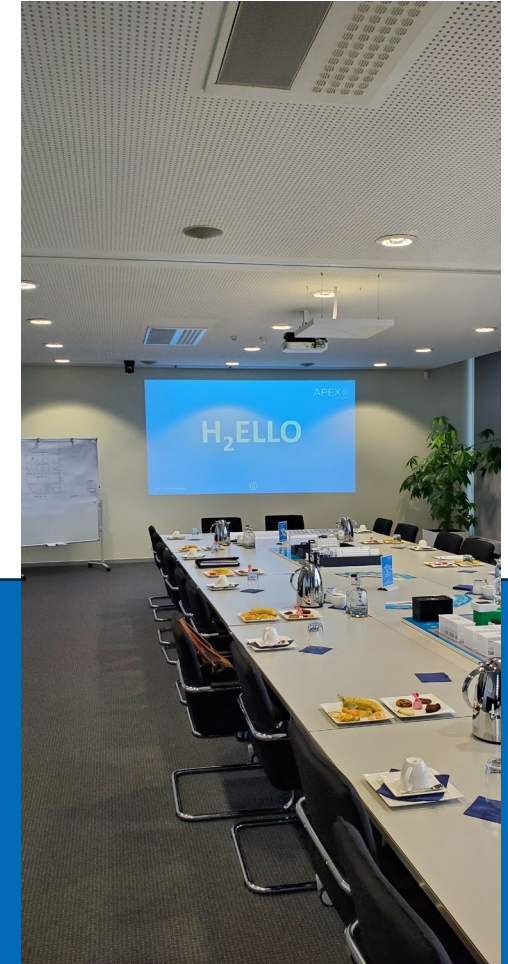
We ask the right questions and reveal hidden costs...



We identify risk factors and pick up on the things that matter...



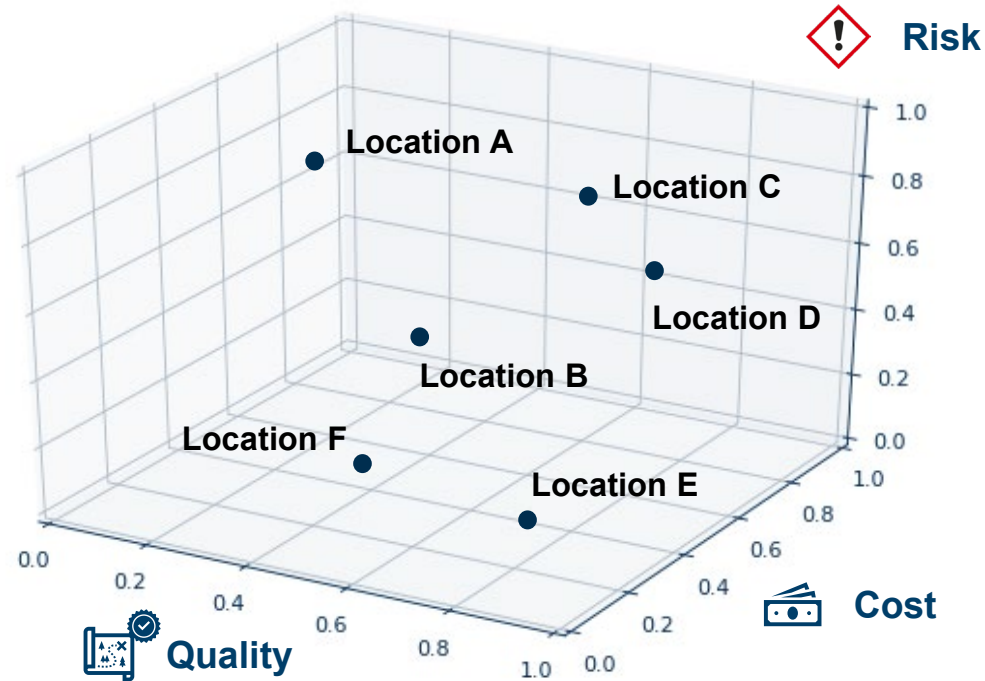
We conduct personal interviews to understand local realities...



Location Attractiveness Portfolio – final recommendation is based on weighted comparison of qualitative & quantitative location criteria as well as major risks

Quality

- Plot
- Labor & Education
- Logistics & Connectivity
- Business Environment
- Political & Macroeconomics
- ESG & Sustainability
- Community Acceptance



Risk

- Geopolitics
- Volatility of energy prices
- Timeline risks (permitting, utility infrastructure, etc.)
- Change to investment / business laws or regulations
- Shifting budgets and tariffs

Cost

- Labor Cost
- Land / Real Estate Cost
- Utility cost (e.g., water, electricity)
- Supply Chain and Logistics

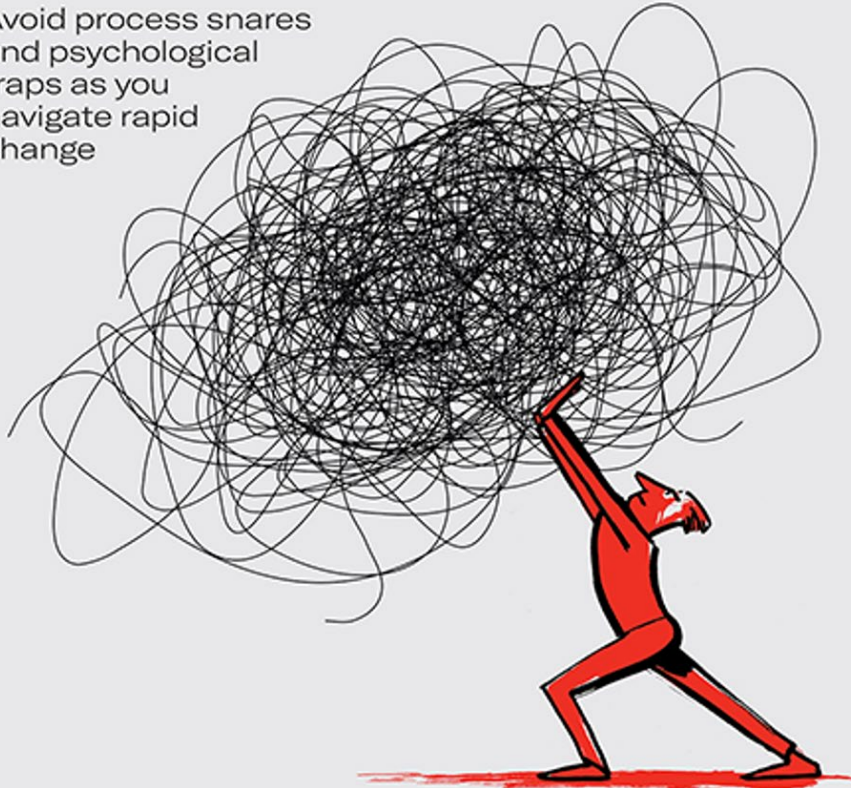
Harvard Business Review Special Issue

How to Make Decisions Amid Chaos

The Best of HBR
Fall 2023
HBR.org



Avoid process snares and psychological traps as you navigate rapid change



B alance



1. Are differing perspectives represented fairly & equitably?
2. Does the placement or timing of a message indicate bias?

I ntent



1. What is the author's purpose?
2. Is there extreme language?
3. Are there loaded words?
4. Is there mudslinging?

A ccuracy



1. Is the source credible?
2. Are the "facts" true?

S lant



1. Is this the whole story?
2. Do the visuals match the facts?

A Few Due Diligence Musts...on Decision Making PM

Do

- Take the time to structure a problem statement, ensure that stakeholders up and down the value chain of project (after mapping) are heard or consulted with; back ends go better with better front scenario planning and criteria development

Don't:

- Wait to speak up if what you are asking to solve for does not feel right; it's your project and be prepared to defend your facts and figures and perspectives; experience and expertise still counts, challenge mediocrity and bring fresh ideas in right moments

Do

- Proactively identify and list potential issues and concerns, and prepare to discuss them openly with suggestions for solutions
- Continue to evaluate whether initial plans are still the best solution or if adjustments need to be made along the way

Don't:

- Assume the client is always right without testing the best options – as an expert you may have ideas they haven't considered
- Wait to speak up

Do

- Position transparency of the what the project entails earlier and often, demystify where possible the difficult parameters and be a spokesperson for the economic impact of the endgame

Don't:

- Think that digital and virtual presentations and proof of concepts are the primary way to communicate value; make it face to face when it matters, form relationships and coalitions early and create an environment of “can do” attitudes

A Few Due Diligence Musts...on Implementation PM

Do

- Establish a Governance Model – Define decision-making structures, escalation paths, and project roles to avoid confusion.
- Engage End Users Early – Gather input from key stakeholders and user groups to inform design decisions.
- Evaluate Infrastructure Thoroughly – Assess structural, MEP, and IT systems early to mitigate risks.
- Integrate Consultants Early – Involve IT, sustainability, and operations experts from the start.
- Choose Partners Strategically – Prioritize experience and fit over lowest bids.

Don't

- Treat Site Selection as a Finish Line – Momentum must continue beyond acquisition; execution is where value is realized.
- Assume Everyone Shares the Same Vision – Reiterate and reinforce the project vision throughout the process.
- Overprogram or Inflate Needs – Design for core use cases, not exceptions.
- Ignore Flexibility – Plan for future adaptability in layout, systems, etc
- Overdesign or Chase Trends – Avoid design excess that doesn't support functionality or long-term value.
- Ignore Operational Input – Facilities and IT insights are critical for sustainable design outcomes.
- Overlook Long-Term Operating Costs – Evaluate total cost of ownership, not just initial spend.
- Move In Without a Pilot Phase – A phased occupancy or soft launch reveals operational gaps.
- Disband the Project Team Too Soon – Keep key partners engaged for post-occupancy support.

For more information:

Robert Hess

Vice Chairman

P: +1 847 254 0681

E: robert.hess@nmrk.com

Newmark has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents. Newmark Research Reports are available at nmrk.com/insights.

All information contained in this publication (other than that published by Newmark) is derived from third party sources. Newmark (i) has not independently verified the accuracy or completeness of any such information, (ii) does not make any warranties or representations, express or implied, concerning the same and (iii) does not assume any liability or responsibility for errors, mistakes or inaccuracies of any such information. Further, the information set forth in this publication (i) may include certain forward-looking statements, and there can be no guarantee that they will come to pass, (ii) is not intended to, nor does it contain sufficient information, to make any recommendations or decisions in relation to the information set forth therein and (iii) does not constitute or form part of, and should not be construed as, an offer to sell, or a solicitation of any offer to buy, or any recommendation with respect to, any securities. Any decisions made by recipient should be based on recipient's own independent verification of any information set forth in this publication and in consultation with recipient's own professional advisors. Any recipient of this publication may not, without the prior written approval of Newmark, distribute, disseminate, publish, transmit, copy, broadcast, upload, download, or in any other way reproduce this publication or any of the information it contains with any third party. This publication is for informational purposes only and none of the content is intended to advise or otherwise recommend a specific strategy. It is not to be relied upon in any way to predict market movement, investment in securities, transactions, investment strategies or any other matter. If you received this publication by mistake, please reply to this message and follow with its deletion, so that Newmark can ensure such a mistake does not occur in the future.

NMRK.COM

NEWMARK