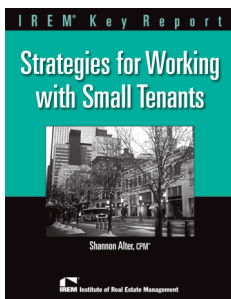


GET ON THE SHORT LIST Attracting business from owners requires knowledge and networking



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IT'S A SMALL WORLD. MY FORMER BOSS USED TO SAY THAT REAL ESTATE MANAGEMENT IS A HAND-SHAKE SORT OF BUSINESS, WHERE WHO YOU KNOW CAN BE JUST AS IMPORTANT AS WHAT YOU KNOW. THIS IS A CRUCIAL CONCEPT when it comes to getting your company hired as a third-party manager. How do you know what will appeal to owners in these tough times? Here are some ways to get your company's name on the short list.

Six degrees of separation: If you embrace this concept, then you know that everyone is only a few steps away from everyone else in the real estate management business. Carve out time now to build and maintain relationships. And don't underestimate the power of creating new alliances through social networking, available on sites such as *LinkedIn.com*.

Access is key: People like to work with someone they know and trust, so let your designation work for you. When I was hiring third-party managers across the country, it was normal for me to receive dozens of proposals. Guess which ones pushed their way to the top of the heap? Without fail, I read the ones from colleagues I knew or managers with designations such as the CERTIFIED PROPERTY MANAGER (CPM) first.

Get back to the basics: A colleague of mine recently discovered that her third-party manager had almost 20 outstanding lease renewals. Clearly, this outside manager wasn't getting the job done. Today, it's all about necessity. Forget the fluff and get back to the basics—be organized, professional and timely with information. If you aren't an expert already, refine your skills and make sure you know your property type, your market and your tenants inside and out.

"Don't give your tenants any reason to leave," recommends Mitch J. Sigband, CPM, RPA, director of client solutions for Cushman & Wakefield, AMO®, in Irvine, Calif.

Qualified personnel: Most owners don't really care if you show up with the cavalry when it's time to make your management pitch. Instead of bringing only top executives to the meeting, bring the property manager who will actually handle the property. Assure the owner that a point person will still be involved in making key decisions.

While you're at it, make sure your manager has excellent communication skills. Effective communication will give you credibility.

Be fair: Given the current economic recession, just about everyone is price sensitive. An associate I know recently received a standard management proposal replete with a myriad of fees: Top-end management fees, leasing commissions, set-up costs, executive salary reimbursements and a retainer were all included. Although this may have worked in a stronger economy, it doesn't work so well now. A better idea might have been to customize the proposal, increasing fees after a certain time period or including incentive fees based on lease-up or added value.

Be able to execute: Owners do not want to hire someone who can't make a decision or carry out a plan. As a colleague of mine once put it, managers who can execute well are the ones who will keep their jobs, get contracts, retain tenants and be successful in the long term.

Getting on an owner's short list for third-party management is dependent upon building connections, presenting well-informed plans for adding value and delivering on your promises. ■