



A strategic approach of marketing to maximize the exposure of your property

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When meeting with property owners, we frequently find a misconception about the marketing process. Many owners believe that all that is required to market their property is to put a sign up in the window, and put an advertisement in the paper. Unfortunately many real estate agents believe the same thing, which is not what we would consider "adding value." It is easy to believe that marketing ends with a cleverly worded ad, or a catchy sign. But the truth of the matter is, to be successful in marketing requires strategic approach and frequently includes acquiring a very difficult set of skills, namely cold calling or canvassing.

If being a property owner is your sole business and source of income, these concepts may not be new to you and your business plan probably includes a certain amount of time dedicated to canvassing, whether it is you as an owner doing it personally, or staff hired for just that purpose. But not all property owners are in the primary business of real estate. In the past fifteen years it has become an increasingly popular business practice to own the real estate that your business operates out of.

If you are a strategic minded principal, you have probably purchased a property with some room for expansion and, therefore, have some space to lease. You may have even been approached by a real estate agent that wanted you to give him an "Exclusive." First of all, this may be one of the most misunderstood concepts in commercial real estate. While in the residential market it may mean that the broker is not going to list the property on MLS or is going to attempt to market the property only to buyers, in commercial leasing this is usually not the case. The key to successful marketing is to maximize exposure. In order to do this, it is in an agent's and owner's best interest to share this information with the brokerage community and the world.

It is almost considered standard operating procedure to co-broke, or share fees with an outside broker if they are the procuring cause of a sale or lease. In addition to advertising and putting up a sign, a good agent would also mail to and call all major real estate firms notifying them of the availability; do direct mailings to prospects; canvas via telephone and personal visits to prospective businesses and produce clear and informative brochures or flyers for distribution to all of the above and should provide regular reports to the owners outlining these steps they have taken. Frequently the broker will also have a broker's open house with tours and displays to present the property in the best possible light.

When an agent is asking for an exclusive, what they are usually looking for is some form of protection that when they do all the normal marketing procedures on the owners' behalf, that they are assured that when a transaction is completed they are entitled to a fee for their efforts in proliferating the information. Unfortunately, in an unscrupulous business world you cannot expect an agent to put forth their full efforts on a project without some form of protection. It is all too common

that an agent or prospect hears about a property through marketing efforts, and then attempts to contact the owner directly, believing they will get a better deal. In the absence of an "Exclusive Agency Agreement," it is more likely that the broker will call a few tenants they know and will "pocket" the listing information in hopes of being able to use it with a future tenant they come across. Advertising will be minimal since another savvy broker can simply contact the owner directly and possibly negotiate a better fee for themselves by leaving out the marketing broker.

What many owners believe to be in their best interest, giving the information to five or ten brokers they know, may in fact be substantially inferior to the marketing effort that a good exclusive agent can produce. A good agent will forward the information to 3 - 500 brokerage firms, reaching up to thousands of agents and tens of thousands of prospects. Five to ten brokers with a "pocket" listing will at best only get to a couple of hundred prospects. As with hiring of any professional, it is highly recommended that you interview at least three qualified firms and hire one with experience and ethics, who will both share the information broadly, and document the process for your records.

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