

In his own words...an insider's look at the market.



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Marketview?

"This is a very interesting and dynamic time. Investors continue to bid up the price of quality properties that generate cash flow, including retail centers, apartments, office buildings, distribution buildings. Well-located available retail space

is difficult to find in most areas. Large blocks of distribution space in most submarkets, except for one or two, are basically unavailable. Save for a few sites, the Meadowlands and Port Newark/Elizabeth offer only a handful of development sites for large distribution facilities, a condition that continues to drive large distributors to other markets.

"In most submarkets, large blocks of office space are difficult to find, yet demand for space is sluggish. Few new office buildings are being constructed, so the impact is that rental prices continue to rise slowly. With the cooling of the residential resale market, new developments have begun to slow, with residential developers taking second and third looks at opportunities, passing on those that could offer challenges and offering lower purchase prices for those that are likely to succeed."

How important is building relationships in real estate, as opposed to simply conducting deals professionally?

"Both are equally important. However, there's no single approach. Every company has its own agenda, engages service providers based on their own style and way of conducting business. Some companies think they hire other companies when engaging real estate service providers. But in reality, those executives don't engage real estate companies—they engage people who work in those companies, so long as those people are backed by the resources needed to get the job done.

"For real estate projects that are less complex and may not greatly impact the client from an operational or financial perspective, in most cases where the client is engaging a service provider for the first time, he or she will likely engage one based on expertise, experience and resources. When a client is first engaging a service provider for a complex, costly or strategically important project, the client will typically first eliminate service providers who don't have the talent, expertise and abilities. Then, the client will typically select the service provider based on a combination of negotiated business terms and trust. That can be a combination of personal trust that the individual making the recommendation or selection will not risk

his or her neck, and trust in the fact that the service provider can accomplish the client's objective, deliver quality services, has been and will continue to be honest. Trust does not occur spontaneously...it builds as the result of relationships.

"The client may turn first to the real estate service provider with whom he or she maintains a relationship. With some people, relationships override all else. So, in that instance, it's likely that the real estate service provider with whom the client maintains a relationship would be selected over others.

"However, if the client maintains a relationship with a service provider who is not qualified to achieve the desired objective, the experienced, intelligent businessperson would likely select the service provider who is better qualified. If the objective of the project is to build a relationship, selecting service providers based on relationships is the way to go. If the intention is to achieve an operational or financial objective, then in the best interests of the businessperson's stakeholders, it's incumbent on that person to select the service provider who can get the job done. Of course, in this case, the same relationship issues hold true, meaning early on the client will have to assess whether he or she can trust the new service provider, and, this trust will form the basis for a new relationship."

You're chairman of the SIOR Tenant Representation Specialty Practice Board. What are some of the issues?

"SIOR members include real estate service providers in just about every aspect of commercial real estate. Given that diversity, my job is to bring together the collective wisdom of those members who provide tenant representation services and to elevate not only the levels of expertise offered from within SIOR, but also to enhance and grow that component of the overall commercial real estate services industry."

What's the best part of your job?

"My primary role is developing and executing approaches to redeploying real estate to either solve clients' business challenges or uncover profitable opportunities our clients didn't know existed. The really cool part is when we advise sophisticated, experienced financial executives who really know their stuff, and collaborate with them when executing on new ideas, and they say things like 'How come I've never heard of an approach like this before?'"

What's the most frustrating part?

"Nothing frustrates me! I love my life and my career."—RENU