

Cover Story

Partnering for Success



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While many in the industry focus strictly on making a name for themselves as an individual to gain that competitive edge, others have found success in numbers by forming small partnerships to help boost the careers of everyone involved. Establishing yourself in a partnership can provide additional resources, support and, most importantly, sales. **By K.K. Snyder**

For Erin Mandel, a broker associate with Belgravia Group, partnering about four years ago with Paul Vranas, now broker/owner of his own Vranas Properties, was a sound business decision and one from which both have benefitted over the years.

“He’s professional, astute, knows the market and is an excellent researcher,” says Mandel, who grew up in the business. She appreciates the fact that Vranas has the same work ethic, in that both are determined to hold customer service in its highest regard; Mandel is fully loyal to the seller, while Vranas is equally loyal to his buyer.

“We represent opposite parties, but see the goodness in the end deal,” she says, adding that she was still working in finance when she first met Vranas.

“Every time I open a project, he’s first in line. We’ve grown at the same pace, first agents, then brokers and now Paul has his own business. I’ve been able to maintain a level of sales even through the most challenging of times.”

Mandel adds that she and Vranas both “respect the fiduciary,” and are on the same page with regard to business ethics. “He’ll never give up his loyalty to the buyer and I’ll never compromise my loyalty to Belgravia to make a sale happen. When honesty is part of the equation ... there is never a question of detriment.”

Vranas, who focuses on residential brokerage, recognized early on Mandel’s reputation for developing a quality product, including condos, townhomes and single-family homes.



A Win-Win Situation

By Geoffrey Ruttenberg

Common to my experience within the real estate industry, partnerships between agents, lenders and developers provide all parties with a significant advantage when it comes to selling homes - especially during these strained economic times.

Partnerships facilitate diversity in ideas, help to leverage resources and strengthen overall marketing when it comes to selling. Sustaining a successful collaboration can also present opportunities for future endeavors, as well as promote continuity from development to development as each partner furthers its understanding of the project.

Furthermore, development companies, like The Brixton Group, will seek exclusive partnerships with a single brokerage firm to ensure uniformity in marketing and branding their project. An added benefit is the cohesiveness in the approach both parties take.

Consistency is possibly most valuable in larger developments, such as multi-family housing projects or commercial real estate buildings. In these instances, where multiple units are for sale under the same developer, a brokerage partnership will help ensure all buyers receive identical information

consistent with the developers’ intended message.

In addition to uniformity, employing a partner can help infuse new energy and enthusiasm into a project. Partners can also offer fresh ideas in promoting a real estate space, which can result in broadening the reach of a project.

Like most successful partnerships, The Brixton Group’s current relationship with Chicago brokerage firm Koenig & Strey GMAC allows us to match potential buyers with Realtors who have experience working with our company and know the ins and outs of our current development projects. Our sales team uses their knowledge of our business to suggest marketing strategies that will best reach our target market to create a win-win situation for everyone.

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GEOFFREY RUTTENBERG IS THE PRESIDENT AND CEO OF THE BRIXTON GROUP LTD. A THIRD-GENERATION DEVELOPER, RUTTENBERG FORMED AND FOUNDED THE BRIXTON GROUP IN 1996 AS A RESIDENTIAL REAL ESTATE DEVELOPMENT COMPANY. A LICENSED REALTOR SINCE 1988, HE HAS MORE THAN 20 YEARS OF RESIDENTIAL SALES EXPERIENCE AND HAS SURPASSED THE \$100 MILLION MARK IN CAREER VOLUME. FOR MORE INFORMATION VISIT THEBRIXTONGROUP.COM.

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"I think having a history of working together allows me to provide my client with a lot of assurance and information," says Vranas, who credits eight transactions to what he refers to as an "informal" partnership. "There are a number of variables that go into buying a new home, especially when it's a new building, and our partnership allows me to accurately answer their questions and reassure them that Erin will deliver. It offers a level of confidence and saves everyone time and energy. So much of the deal is building trust between the parties."

Vranas adds that the partnership is sound enough that any questions flying back and forth between buyer and seller are never misconstrued as an underhanded way of negotiating price for his buyer, but rather authentic information gathering to satisfy his clients' inquiries. In return, that feedback Vranas provides to Mandel allows the developer to fully grasp the type of client best served by Belgravia's targeted marketing.

"Partnering up and having a relationship, whether formal or informal, in this industry is beneficial. Ultimately it's the client who decides where and what to buy," Vranas says, noting that he often seeks recommendations and advice from Mandel.

"I think two businesses sharing ideas is a helpful thing,"

Vranas continues. "Having a relationship with people outside your expertise is beneficial and gives you someone to consult with on things you don't see working in your everyday world. I feel privileged to have such a great working relationship with Erin and Belgravia."

A similar partnership has existed between Susan Wyle Schreiber, an agent with Baird & Warner, and Lisa Pickell,

development when working with one agency exclusively," says Pickell. "On an individual level, working with someone like Susan, who knows the industry as well as she does, is invaluable. Having a strong relationship in the real estate community is something we couldn't do as successfully without a partnership."

Schreiber, who has 25 years of experience in the real

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ERIN MANDEL, BROKER ASSOCIATE, BELGRAVIA GROUP

marketing director and assistant sales manager for Orren Pickell Designers and Builders, since about 1995.

"From the builder's perspective, with an exclusive agency relationship it is very streamlined for us to be able to go to one agency ... It adds synergy and peace of mind to project

estate industry, including a number of years as a builder and many working exclusively with builders and remodelers, says another dynamic of a partnership exists when you have an agent well-versed in new construction. Often buyers aren't happy with what is available in existing properties, so she is able to suggest building a new home.

"Knowing my marketplace lets me determine which would be the best builder for that buyer. It also allows me to be respectful of everyone's time and budget and also is a great benefit to the buyer and seller," adds Schreiber, who had the unfortunate experience years ago of being in a partnership with a builder that turned sour. "I had to return his listings to him; I wasn't comfortable with him and he didn't do what he was supposed to do. It wasn't a good relationship and we walked away from it."

Sharing the same values and business philosophies is key to a successful partnership, she says, and Pickell agrees.

"You need to bring opposite skill sets to the table," offers Pickell. "If both partners are good at the same thing, you're not going to get much from it. You need someone to complement or even augment your weaknesses."

Schreiber says the partnership is full-service in that everyone is involved throughout the entire process, from product development stage through the closing of a property. It's a value buyers easily recognize in their agent.

Offering clients a "one-stop shop" can be very appealing, thus the success of partnered trio Suzy Kogen Friedman, partner with KZF Development; Bob Degen, regional sales manager with Fifth Third Bank; and Shannon Gibson-Giampa, sales manager with Gibson & James Fine Properties.

"I met Shannon from her persistence," recalls Friedman, noting that Gibson & James has exclusive listings on her developments. "She had contacted me on several occasions expressing interest in representing our Northbrook Greens community. We had several other relationships with brokers who were local, and were really considering going with them, as I always believed the people who can best sell your product are the ones who are 'from' that area. I am embarrassed to say I rebuffed Shannon's attempts to meet on several occasions. Finally she said, 'just meet with me once.'

"After that, I knew she was person we should be doing business with. Her professionalism, knowledge of the market



The Story Behind a Team

By Nathan Skillicorn and Rebecca Farrell

Not every partnership is a successful one, but when the right people come together a successful and prosperous business relationship can form. Sometimes, that partnership is so strong that the people involved form a team.

The Skillicorn Farrell Group is comprised of two core team members, Nathan Skillicorn and Rebecca Farrell, both operating out of Baird & Warner's Wicker Park office. Skillicorn and Farrell each started in real estate four years ago at Sussex & Reilly, and completed the training program together. Becoming friends instantly, they shared and enjoyed new sales experiences and challenges.

Six months later, Farrell left SR to work for a high-rise developer here in Chicago, the result of which made her acutely knowledgeable of how to run a development. Skillicorn continued with SR for another two years, enjoying the relationships he had developed, as well as benefiting from the new and repeat business he was consistently able to procure.

Although traveling different paths, Skillicorn and Farrell stayed friends and eventually started to tag-team to sell prime land to developers. Seemingly, whenever one partner had land available, the other had a buyer! Recognizing that they partnered well together, they joined forces becoming The Skillicorn Farrell Group, pooling their contacts and working together to routinely satisfy each new client.

Each member of the partnership recognized that trust is key; trusting each other and also being trustworthy to clients. Partnering together has allowed them to offer each of their clients a guarantee that two agents will be working hard for them instead of just one. Making themselves readily available, never missing any property showing and promising to provide quick responses produce more opportunities for their roster of clients.

Complimenting each other's skills set makes for a valuable team, and working together lessens any risk of individual oversight.

As a team, Skillicorn and Farrell can work together to balance valuable work time and leisure time, and commit to spending quality time with their families and loved ones. They acknowledge that real estate transactions happen seven days a week, at all hours of the day. But at the end of the day, when a client recognizes "the perfect place," both Skillicorn and Farrell share the satisfaction of the "hunt" and the excitement of the close, together.

THE SKILLICORN FARRELL GROUP IS COMPRISED OF CORE TEAM MEMBERS NATHAN SKILLICORN AND REBECCA FARRELL, WHO BOTH OPERATE OUT OF BAIRD & WARNER'S WICKER PARK OFFICE. SKILLICORN CAN BE REACHED AT NATHAN.SKILLICORN@BAIRDWARNER.COM, WHILE FARRELL CAN BE REACHED AT REBECCA.FARRELL@BAIRDWARNER.COM.

and upbeat attitude were impossible to ignore. Not to mention the fact that my partners had met her on a project she had just completed, and were so impressed with her they tried to hire her off that job!”

Five Things To Consider

Consider these five questions before entering into a partnership

Not every partnership is going to work, and not everyone will be the right choice of partner for you. If you think of finding a good partner in your business as similar to finding a partner in your romantic life, you'll see how difficult it can be. Below are five important things to consider before forming a partnership.

1. How will the partnership benefit me or my business? If the partnership you are about to enter will not benefit your business, then stop right there! For instance, maybe you have a close friend at another company who is trying to trap you into a partnership. Even if the two of you share a special bond, a bond and a partnership are not the same thing, so be careful. Do not feel pressured to do something that might not be good for your business.

2. Is this a person that I can trust? Make sure that the person you are entering into a partnership with is trustworthy. If you have any doubts at all then it is time to reconsider. Not only can that person betray you, but they can betray your clients as well.

3. How long do I want this partnership to last? A partnership by no means has to last forever. If you'd just like to form a partnership for a year or even on just one property, make sure the company you are aligning with knows this from the start. This will make the situation a lot easier if you want to sever ties when the project is complete or the year is over.

4. Am I a good communicator? In order to have a successful partnership, you have to know how to communicate. Unless you're partnering with someone who has ESP, communication is extremely important to forming a successful partnership. Lay all of your cards out on the table from the start.

5. Do I want to form a partnership? A partnership is not the right path for everyone. Just because it works for others does not mean it will work for you. If you prefer to work alone, then by all means follow the path that you feel leads you to success.

On the finance side, with Degen and Fifth Third Bank serving as the preferred lender arm of the partnership, buyers are getting better rates, lower appraisal fees and access to a special team of processors and closers dedicated to the project and to making it a smooth transaction, says Degen, noting that his bank initially entered the partnership as the construction lender, before also taking on the home financing.

“A lot of buyers have mortgage questions, like how to bridge the gap between closing on their new house and their old,” says Degen, who has 20 years of experience in the industry, and whose bank has a long history with KZF Development.

“You can't be an expert at everything, especially in these times,” adds Gibson-Giampa. “People have very detailed questions and it's important to line up experts in their fields. So for construction questions, we would ask Suzy's advice, and if there is a financing question, we pass it to Bob.

“It's just a comfort level knowing the client is being taken care of and having an established relationship making us a team. The buyer benefits by having a preferred lender who is already familiar with the project and we don't have to recre-

“If both partners are good at the same thing, you're not going to get much from it. You need someone to complement or even augment your weaknesses.”

LISA PICKELL, MARKETING DIRECTOR AND ASSISTANT SALES MANAGER, ORREN PICKELL DESIGNERS AND BUILDERS

ate all the information for him, which makes for a smoother transaction. Especially in today's climate, a lot of lenders are overly cautious about doing business with new customers,” Gibson-Giampa continues.

Friedman acknowledges that partnerships can be detrimental in some situations and feels fortunate not to have experienced such issues.

“The possibilities are endless. I don't have enough time to tell you all the things that can and do go wrong. From the most basic issues that start with contracts, all the way down to personality conflicts, and at the worst financial issues,” says Friedman.

For others interested in forming similar partnerships, Friedman has this advice: “I always look for someone who is honorable, has good judgment and hopefully previous experience. That is not to say someone without experience might not be wonderful to work with as well. We have met with prospective partners in the past, that on paper were experienced, in good financial standing and had well-known industry names, but there was not a connection. We as a company did not get the right gut feeling about moving forward with them. Sometimes you have to go with a gut instinct.” **C.A.**

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