

Training for the Commercial Real Estate Professional

Welcome . . .

Performance Realty Solutions (PRS) is a commercial real estate sales and technology training company committed to providing you with the best results-based training in the industry.

A diverse industry calls for targeted training

As a 30-year veteran of commercial real estate, I realized that it takes a very long time for new or inexperienced commercial agents to get started making money. This is the nature of commercial real estate. Commercial real estate is a broad industry that encompasses many property types, each with its own unique qualities. Deal structures, commission arrangements, landlords, rental rates, etc., are different for each property type. Understanding the diverse aspects of the business takes time. Why? Because either you aren't receiving any real guidance or you are being guided on a piecemeal basis.

The high cost of yesterday's training

It costs commercial real estate brokerage companies a lot of money to have you work for them, even if they are not paying a salary or a modest draw against future commissions. Therefore it is in their best interests to have you working self sufficiently as quickly as possible. Ironically, most commercial real estate brokerages currently rely on a 40-year-old training method—known as mentoring—that is time-consuming and incomplete. Mentoring is no longer cutting it in today's fast-paced business environment. You need a modern, practical approach to commercial real estate training.

Let's consider the mentoring system: You are a new agent and have been tucked under the wing of a supposedly experienced member of the company. You have no idea how well this person can teach, coach, or motivate you. And yet you are totally dependent on his training abilities to nurture your professional development. The unfortunate reality is that the mentor is not going to drop everything to teach you the ropes. He can't afford to; he needs to make money and attend to his clients' needs. So what happens? You miss out on valuable learning opportunities and become a "tag-a-long."

Learn from your own experiences, not someone else's

When you learn through your mentor's experience, you only learn the piece of the business that the mentor is working on. You have not created your own identity or begun developing your own relationships. In addition, you wind up doing the tedious, unfulfilling "beginners" work your mentor stopped doing long ago.

So what happens when you break tradition and train with Performance Realty Solutions?

You build your confidence, enthusiasm, and income!

Learn more at: www.performancerealtysolutions.com

Commercial Real Estate—The Age of Specialization

The Age of Specialization is upon us. Specialization is a common trend that has affected many professions, from physicians to attorneys, and it has become widespread in the commercial real estate industry. The day of the generalist is over, and for good reason: Commercial real estate is a complex, multifaceted profession. If you believe you can be a "jack of all trades" in this industry and be successful, you don't fully understand the nature of the business.

Making the distinction

There are basic distinctions among the various commercial property types. As a result, there are differences among developers, owners, landlords, and real estate investment trusts (REITs) who specialize in specific property categories. In the case of REITs, Wall Street actually punishes those REITs that steer away from their core property discipline.

This specialization includes property types and the subsets within the specific property types. For example, some developers build retail real estate. However, within that general retail area you will find developers that specialize in community retail or neighborhood retail centers versus enclosed regional malls. The same holds true for office developers. While some will only build or own buildings

that are 250,000 sq ft and up, others deal specifically with smaller office buildings. Within each property category you will encounter specialization.

Specialization within commercial real estate has even affected the types of transactions that agents specialize in. For example, there are those agents that deal solely with investment real estate, and to break it down even further, the investment sales of specific property types, such as retail, office, or multi-family properties. Then there are agents that are only involved with either office or industrial leasing and sales, but not the investment sale.

Finding your niche

Focus on a specific property type and geographic area. This way you will learn the properties and the owners/developers/landlords in that particular location. When you position yourself as the local expert, you become the “Go To” person for that property discipline and market.

Always remember that people tend to do business with people they:

- like;
- have confidence in;
- trust; and
- consider reliable.

Specialists know their market, the rental rates, the market dynamics, the good landlords from the bad ones, and the individual characteristics of all the above. Specialists also know everything there is to know about their competition, which gives them a competitive edge when trying to win business assignments.

Sales Motivation: What Does This Mean for Commercial Real Estate?

I’ve been asked many times, “Are salespeople naturally born, or can they be taught the skills for success?”

To some extent, I believe the answer is “yes” to both.

Selling real estate is not like selling vacuum cleaners door to door, working the counter of a retail store, or even selling professional business products. Commercial real estate brokerage is as unique a sales experience as there can be.

Reality check!

When you sell commercial real estate, you are essentially selling your services. You are a go-between, someone who finds property to buy or lease. That’s where you get the professional title *broker*—you broker deals. This means you are selling your services.

Understand this one fact, no matter what you are involved in selling:

YOU ARE SELLING YOURSELF!

You are actually selling your experience, knowledge, skills, contacts, and yes, your personality and integrity. If you can’t sell yourself, you will not be a successful salesperson.

Defining service

Service means more than just putting your clients in your car, driving them to various properties, handing them off to landlords, and saying, “Let me know when I can pick up my commission check.” Service means being completely engaged with your client.

Getting “engaged”

What does it mean to be “engaged” with your clients? It’s simple: You take the time to understand their needs. You analyze their current real estate situation, ask questions about their business, and learn about their future plans. In addition, you provide your clients with supporting information that helps them make educated decisions. As a result, you are able to find the right property for their needs.

I always tell salespeople, “Put yourself in your client’s shoes.” Operating from the customer’s perspective benefits both of you.

In our next issue . . . What is a successful sale?



Training for the Commercial Real Estate Professional

Bob Canter, Principal and Founder

Performance Realty Solutions, LLC
1 Research Court, Suite 450 • Rockville, MD 20850

Phone: (240) 403-4040
www.performancerealtysolutions.com