

## REASONS TO LIST WITH A PROFESSIONAL MULTI-FAMILY BROKER

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It is important to note that the marketing of an apartment building is very different from a single-family home or even an apartment complex of 4-units or less. In general, a home or a building of 4-units or less is placed on the Multiple Listing Service ("MLS") and a sign is placed on the premises. As such, all agents and/or anybody with access to the MLS will know the property has been listed and through whom. In larger apartments, being a much more specific product type, the marketing strategy is a much more complex endeavor. The following outlines the general ways in which these two strategies differ:

- Apartment buyers are almost always current apartment owners. In fact, a 5 to 50-unit apartment property will attract a local owner/investor, not typically a national investor. Therefore, the marketing of an apartment building is done directly to owners in the market in which the property is located through postcards and phone calls. We have a database of over 10,000 owners who own 5 or more units in San Francisco, of which approximately 4,500 are non duplicates and they each receive a mailing regarding this opportunity.
- We follow-up with a personal phone call to any investor on our "short-list", which is comprised of known active investors, 1031 buyers, and clients of the firm.
- As it is near impossible for a buyer to find a listed apartment building without an apartment broker, active investors align themselves with one or two brokers in the particular market they are interested in. To be sure we market to all investors, we email the active apartment brokers in the community an executive summary and follow-up with our "short-list" of apartment brokers as well. This way, there is no stone unturned and the apartment marketplace is well aware of the property's availability.
- The financial process, the contingency timeframes, the deposits, and the contracts are very different from single-family to multi-family. It takes considerably longer to secure a loan, almost double the time it takes of a single-family property. We have much larger deposits that are often passed through to the seller prior to closing, no financial contingencies, large down payments, and different types of disclosures and due diligence..
- We advertise in the Sunday edition of the San Francisco Chronicle, which contains a specific section in their Real Estate portion for multi-family listings, as well as on many multi-family websites, which is the benchmark for apartments advertising in the Bay Area.
- There are a surprising amount of flaky investors that will enter into contract to purchase a property, only to drop it mid-way through. The active apartment broker knows who the honest apartment brokers are, who the honest buyers are and who the flaky buyers are. Without that knowledge, one is more likely to have a dry-run, or possibly two, before getting your property closed. There is no way to avoid a lost escrow, but the risk of one occurring can be mitigated to a large degree simply with this invaluable knowledge of who is reputable and who is not.
- It usually takes 4 to 12 weeks of significant "elbow-grease" on the part of the apartment broker to locate the right buyer. One cannot simply rely upon advertising means to sell the asset; one must make calls and actively market these assets for a timely and fruitful sale.

In summary, the marketing this type of multi-family asset is a starkly different process than the marketing of its single-family and 2-4 plex counterpart. If one desires the highest price with the least headache, one must list their property with the professionals in that arena, which is also why when we apartment brokers buy or sell our own home; we utilize the local single-family agent to get the job done right. Please contact us to discover how else we can serve you.