

CPN

Commercial Property News

The Business of Real Estate

June 2008

www.cpnonline.com

Business Matters | Technology

Log On, Link Up

Executives Expand Relationships, Forge Deals Through Online Networking

By Amanda Marsh

Commercial real estate executives are taking the handshake-and-business-card-exchange maneuver to the next level, increasingly promoting themselves and their businesses via online networking.

Web sites like LinkedIn.com, Facebook.com and MySpace.com enable executives to create profiles about themselves and connect to friends, colleagues, business associates and clients. And these connections can lead to others, allowing them to expand their business circles like never before. "As much as relationships are important, it's not about who you know but who knows you," said Brian Sperry, an advisor for Sperry Van Ness (and son of firm co-founder Rand Sperry).

Increasing the number of people in one's network speeds up both the pace of real estate deals and communication, noted Ryan Slack, founder & CEO of

real estate networking site MyDealBook.com. "Deals get done faster, which frees up capital to do more deals," he said. "Overall, Web-based professional networking should have an uplifting effect on the market." (*For more of Slack's insights into new technology's impact on the commercial real estate industry, see "Information Access Changes 'Business As Usual'" on page 6.*)

Jeff Buslik, director for New York City's Adams & Co. Real Estate L.L.C., had been trying to establish contact with one particular real estate company for two months but could not get a response. He then found the owner through LinkedIn and

e-mailed him. "He looked at my (LinkedIn) references and called me back two days later," Buslik said. "It's a good way to find sources who can read about you before they respond. Any tool helps."

Many members of the Royal Institution of Chartered Surveyors have also embraced online networking, especially as they begin to move globally. "It's a move to promote themselves and inquire into what's next," such as what the hot markets will be, said Matthew Bruck, Americas managing director for the organization.

As members of the younger generation, which grew up with online communication, become decision makers, online networking will become more important in the industry, observed NAI Global president & CEO Jeffrey Finn, whose firm has its own Facebook network and employs many who use LinkedIn. "They are better ways to collaborate and communicate," he said.

"You need to adapt and adopt to do business with (the younger generation)," Sperry reported he knows an increasing number of people who are joining networks, including older colleagues, especially when invited by younger counterparts.

There are drawbacks to many of the popular professional networking sites, however. Some, like LinkedIn, are considered too generic, and others, such as Facebook and MySpace, do not target the business crowd. A few real estate executives have responded to these needs by creating targeted social networking sites.

UPworld.com co-founders Jennifer Magee and Oisín Clancy, both of whom are architects, launched their networking site last year to provide the real estate industry with a tool to connect in an easy, fluid way. They realized that no existing online community helped real estate executives gener-

ate project leads, obtain professional advice or initiate virtual peer-to-peer interaction. "It's about making connections, finding new business and finding new experts," said CEO Magee. The site now has a base of 4,000 users in 66 countries.

"I made contacts that I wouldn't have met elsewhere," said Brian Murray, associate asset manager for Palisades Financial and an UPworld member, adding that members looking for financing and other deals have approached him through the site. An architect from St. Louis contacted him through another member and eventually helped him with a design for capital improvements to a 500-unit multi-family project in the city.

While that connection involved two United States-based executives, UPworld creative director Clancy reported that many European investors interested in U.S. multi-family proper-

The Next Frontier in Real Estate: Online Networking Destinations

UPworld.com

Marketplace Postings: Allow members to seek partners, search for or provide financing, seek projects or offer positions.

Profiles: Detail members' skills, education, expertise and projects.

People Listings: List profiles and portfolios of other members that are searchable by key words, industry, name, profession or location.

Events Listings: Allow members to post and review events.

My Network: Enables members to approve, reject, invite and manage access by other members to their information and projects.

My Messages: Allows members to contact other members through the Web site.

My Articles: Generates articles of potential interest to each member and allows members to post their own articles.

MyDealBook.com

Deal Postings: Allow users to post professional activities to gain credibility, seek funding, market properties, share files and more.

Mini-Feeds: Provide insights into projects and deal flow within users' networks.

Events: Help professionals connect in person.

Groups: Allow users to join or form groups for specific purposes, such as organizing events and sharing deal information.

Natural Groups: Assemble users by such factors as company, profession, location and association, allowing easy search for and identification of potential clients, business partners and service providers.

Services: Search and match users with complementary business partners.

Jobs: Provide users with opportunities to find or advertise job openings.

ty have been using the site to find and connect with U.S. teams that have international expertise.

Similarly, Slack launched MyDealBook in May to join people from 40 professions across real estate-related sectors because he felt that more general sites like LinkedIn and Facebook did not adequately meet networking needs for the industry. "At best, you can identify yourself (on general networking sites) as being in the real estate industry or interested in real estate, but there is no ability to go further than that."

—Reach Amanda Marsh, associate editor, at amanda.marsh@nielsen.com.

Visit www.cpnonline.com/search and enter key words "Virtual Handshake" in quotation marks for information on recruiting via online networking.