

# A Line on the Skyline

Selling a lifestyle is important to multifamily high-rises. By **Tia Dobi**

**A**n essential real estate argument is that a skyline defines a city. Maybe the Egyptian pharaohs weren't exactly thinking about skylines when they had their slaves slap together the pyramids as class-one boneyards. Perhaps as medieval Christians stacked the stones in European cathedrals, they weren't intent on impressing the neighbors. But almost inevitably, these tall structures had that effect. They were, after all, a loud-and-clear expression of economic, social and political power.

A skyline is not just a matter of economics, but also identity. Imagine all the TV programs that open with a profile of a city. You almost immediately know where the setting is, whether it's Chicago, Boston, Washington, D.C. or San Francisco.

Bringing it closer to home, push aside thoughts about ego, primal urges and political statements. The truth is revealed: *big* buildings are designed to make *big* money. And who can dispel the rational argument that luxury apartment homes are built to produce rents? In Houston, with the uncertainty of our still-flailing economy, with a 6.4 percent unemployment rate and with home mortgage rates at a bargain-basement low of 5.25, how does an investor move units with a price tag of \$1,500 to \$15,000 a month?

Real estate is the Hollywood of Houston; a "show business" that's vital to our economy. Marketing pretty properties with pretty pictures is a sensual and serious business. Just ask Dwight Douthit of Douthit Design. He's constructed his business over the past 17 years with brochures that drip luxury, print collaterals that snag awards and nationally-acclaimed letterheads and Web sites that turn heads – and multifamily leases.

Selling the highest to the richest isn't a war of superlatives. A luxury apartment home renter's dollar is captivated with the most powerful, persuasive advert on the planet: human capital. In *Marketing Review* magazine, Jeff Resnick states that companies that excel at creating and maintaining loyal customers can command prices that are 4 to 7 percent higher than weaker competitors, and that they can generate up to three times more profit. A living space, as pretty as a well-designed architect's drawing and as secure and

supportive as a builder's podium against a breath-taking blue sky, must be filtered through all pores of the seller and the buyer. Who is the first person a potential resident encounters? It is the branding agent who is also referred to in the industry as the leasing professional.

How do leasing consultants learn to be branding agents? By being shown and not told by top brass on how to live and breathe their company's mission. Hanover exemplifies this by having a laminated copy of the mission statement nestled in each leasing staff members' pocket.

Regional Supervisor Marti Powell has worked for the gamut of property developers in her 20-year career. "For this to be such a large development company, I have never seen a more personal company that values the individual. The best product in the world cannot be sold and customer satisfaction cannot be retained without having a leasing team that is enthusiastic and knowledgeable of the product and its surroundings. The leasing professional must have a sincere desire to fulfill one of the most important needs of the human soul: the sanctuary of a happy home."

## Drawing the Line

When the amenities, the service, the convenience and the lifestyle are rolled-out, a one-bedroom high-rise rental price isn't too far-fetched from some of Houston's Class A garden styles. "Everyone expects to be treated with absolute respect," says Jennifer Hamelet, Regional Property Manager for Greystar. "It's not like leasing office buildings where the client's there from nine to five and then goes home. I don't care if you're renting for \$300 a month or \$15,000. You should still greet that client with a smile, wipe the doors down, and clean the welcome mat. An office building is not their home. This is. And if we're not making it enjoyable for them to come home to each night, we're not doing our job."

Behavior reinforces the brand. This is where multifamily high-rise leasing consultants control quality and service, which are two out of three of the most important factors in staying loyal to a brand. While price is the third, research shows that about 70 percent of a buying decision is made for emotional, not economical reasons.

Today's high-rise leasing professionals have a relationship with the brand that goes beyond customer service. "You're totally dependent on leasing agents. An agent at The Museum Tower must be put together well, charismatic, articulate, intelligent and caring," says Edith Personette, marketing guru and consultant to The Fingers Companies.

"We have many clients who are thinking about this lifestyle and sell a house because of it. It's a very traumatic experience sometimes. It can take many visits. You don't pick an agent who isn't good with people. If she can't develop rapport – forget it. The goal for leasing agents is to love the lifestyle themselves. That's key. They have to love it and believe in it."

As a leasing consultant visits with potential residents, it is important to revisit the company's promises: that's branding. Like a big building, a great brand stands on its own, attracting people to it. And in the end, only people can deliver on it.

## The Bottom Line

Here's a truth about marketing just about anything, whether it is a product or a service, whether it is marketed to consumers or to corporations: Most people can't buy the product. Either they don't have the money, they don't have the time, or they simply don't want it. Rick Campo, Chairman and CEO of Camden, states, "The most significant issue for the Houston apartment market in 2003 will be excess supply of high-end apartments inside the Loop."

The Museum Tower has already achieved 70 percent lease-up. 3333 Allen Parkway's more expensive apartment homes (\$7,000+) are "going like hotcakes." And although 1200 Post Oak just started leasing, it boasts a waiting list for certain units while construction comes to a summertime close. What will the return of adding to the Houston housing inventory be for these three properties? One thing's for certain: A beautiful multifamily skyline can only be built from the ground – and leasing consultant – up. 🏗️

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