

Industry Leader Q & A

With Steven Schwarz of ViaWest Group
by Tonya Lively

Can you describe your role at ViaWest Properties and some of the challenges and opportunities you are facing within the industry at this time?

SS: I am a founder and principal of ViaWest Group and my primary functions include sourcing, underwriting, and analyzing new acquisition and development opportunities; overseeing our accounting and marketing functions; and assisting in our equity raising and debt negotiations.

We have historically been a value-add and development-focused company, so, of course, we have been very active the last couple of years with over \$150MM of properties acquired during that period. Most of these assets are reaching stabilization, and we have begun selling those that are properly positioned for sale.

Our greatest challenge is the cat-and-mouse game of finding capital to match our strategies to allow us to keep on the forefront of changes in the market. Most of the distressed assets have now cleared the system and those type of opportunities are becoming more difficult to find. That being said, we believe there are a couple of asset classes in certain geographic markets that can still be bought well below replacement cost and should experience a significant growth in rents. We are presently raising a \$50MM fund from private investors focused on these strategies. Additionally, we continue to pursue value-add acquisitions and are looking at some significant development opportunities.

What are some of your strengths in the business and how do you feel these have helped you succeed throughout the years?

SS: Fortunately, over time, and having the benefit of diverse experiences, I have acquired a pretty unique skill set that includes a strong understanding of finance, design, construction, legal, negotiations, operations, and marketing.

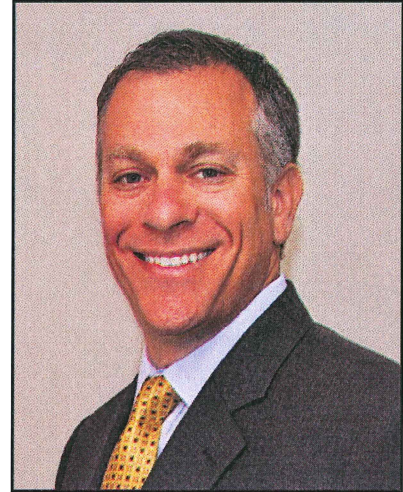
These skills have enabled me to tackle any problem and seize upon opportunities as they present themselves. I, along with incredible support teams along the way, have developed over 4,000,000 s.f. of multiple property types in various cities; have acquired over \$500MM of properties; have run two companies that managed over 6,000,000 s.f. of assets; have been on the lending side to other property owners; and have assisted in the management of a hedge fund investing in publicly-traded real estate companies. This combination of experience has enabled me and my company to be an early-identifier of the trends and shifts in the marketplace.

Describe your most memorable career experience/moment thus far?

SS: I have been very fortunate to have some of the greatest experiences imaginable in this business. Of these, the most memorable experience was the development of a three-phase, 2.2MM s.f. national distribution center for Williams-Sonoma when I was 28 years old. This deal included a multi-party agreement with six governmental entities, wetlands issues, construction of highways and county roads, state bond financing and much more. It was named one of the Exceptional Developments in America by NAIOP. This deal provided me with confidence and tremendous growth in this business that formed the foundation of my career.

How do you maintain balance of life and career?

SS: Life balance is very important to me. In juggling career, family and community, I try to stay focused, I am very efficient, and I happen to multi-task well. I am very passionate about the things I do, which makes doing them easy. I also make sure I always have a great team around me; my wife is amazing and our people at ViaWest are truly special. I don't waste



Steven R. Schwarz
Managing Director
ViaWest Group

VIAWEST
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much time and tend to appreciate and stay focused on what I am doing in the moment, especially when I am with my kids. I also avoid things that take a lot of time, like golf and marathons (also because I'm really bad at both).

What advice would you give a young professional looking to establish themselves in commercial real estate?

SS: This is a great business. Figure out what you are good at and what you enjoy doing and then go for it. Don't be afraid to ask for advice and to seek out mentors. Put yourself out there—relationships matter. Early in your career, don't be too focused on the money, focus on the experience and the knowledge you are gaining. And, there is no money in the world that can make up for a loss of credibility and integrity. Never sacrifice either. ■