



Local Real Estate Companies Battle The 'Big Boys'

Posted September 4, 2014 by [Steven Schwarz](#)

Across all business sectors, local companies are constantly running into challenges competing against the big, national companies that possess more resources, easier access to capital and power of size. This is no different in the local Phoenix, real estate investment and development business. So, how do these companies survive and excel?

As a foundation, local companies must have 1) access to capital that is properly aligned with the company's strategies; and 2) excellence in operations. On a deal level, local companies cannot forget the importance of location and, just as critical, timing, i.e., being on the forefront of market shifts.

The following elements are key to the successful business strategy of a local company:



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ESTABLISHED RELATIONSHIPS:

Longstanding relationships may offer local companies unique opportunities and help them to more quickly access the right type of capital.

TRACK RECORD:

A successful track record is critical to establishing credibility with debt and equity sources and to procuring the best investment opportunities.

RAISING DISCRETIONARY

EQUITY CAPITAL:

Discretionary funds allow local companies flexibility to pursue new opportunities that are on the forefront of market changes. Relationships and solid track record are key to being able to raise these discretionary funds. Our company, ViaWest Group, is presently raising a \$50M real estate fund from private investors that will provide it with the discretionary capital it needs to have a competitive advantage. Its ability to raise these dollars will be based, in large part, on its deep investor relationships established over many years and its ten-year highly successful track record.

BEING CREATIVE:

Local companies need to be creative in their pursuits, whether, as examples, establishing joint venture relationships with land owners or creating unique deal structures that incentive brokers to bring them opportunities.

PROVIDING LOCAL SERVICES:

Some local companies have found success by taking the "if you can't beat them, then join them" approach by providing services to national companies that can be done best on a local level. With the building of relationships through services, such as property management, local companies can sometimes parlay these into larger opportunities.

Local companies do have the advantages of flexibility, responsiveness and market knowledge and, when matched with the key elements above, they have significant opportunities to outcompete the larger national companies