

Builder/Architect

Special Feature

NRC Realty Advisors, LLC

Delivering Results in Changing Markets

By Elizabeth McQuern

Since its inception in 1989, Chicago-based NRC Realty Advisors, LLC has made excellent use of emerging communication and information technologies to keep itself well armed with the most up-to-date market information in real estate and finance. NRC's goal has always been to offer key

information to its long list of national clients and potential buyers, and to facilitate even the most complex sales expeditiously and in a cost-effective manner.

NRC handles a diversified portfolio of real estate related transactions. They are focused on studying each market in which

The NRC Land and Related Assets Division (left to right): Anne Arnos, Jeff Pomerantz and Douglas Nataluk.



PHOTO COURTESY OF KURT GERBER, WWW.GERBERSCARPELLI.COM

they are involved so that they can move swiftly as the needs of their clients change in an ever-changing marketplace.

“Over the years we have entered a number of different venues, driven by market demand,” explained NRC’s founder and current Executive Managing Director Evan Gladstone, from his office in Chicago’s fast growing River North neighborhood.

Gladstone’s first job in the industry was with Sheldon Good Company, where he began honing his commercial real estate instincts in 1974 with a wide variety of commercial properties. After starting his own company, he began doing residential auctions, with clients like Fannie Mae, Freddie Mac and HUD. “Throughout most of the ’80s, I was highly involved with residential properties and some type of accelerated sale or auction-type process, which we did nationally, selling over 4,000 houses during that time.”

NRC has been successful in navigating through the fluctuating waves of the real estate market and the United States economy, and that adaptability has contributed to its continued success, according to Gladstone.

“In the mid ’90s, the company was very much involved with corporate real estate owners, who had access to industrial real estate, and other kinds of properties, and then in the first four or five years of the savings and loan bailout era, we handled a much larger variety of properties, ranging from single-family houses and subdivisions to large office buildings and retail and shopping centers,” Gladstone explained.

“Currently, the housing market is in the process of stabilizing, coming off of five years of pure market exuberance. Sales are significantly down, there remains an unbalanced excess of inventory and too much capital is invested in land holdings. As a result, builders, developers and lenders are interested in quick asset turn, which allows for greater agility to reinvest in other areas of the business,” Gladstone said.

One theme has been consistent for NRC across industries

according to Gladstone, “We bring liquidity to the client and sell his or her property for the highest price in the shortest possible time.”

NRC’s success and growth are also credited to the invaluable support and guidance of co-owners and Managing Directors Hope Mineo and Dennis L. Ruben, whose broad collective experience and expertise allow NRC to offer an increasingly greater range of services fortified with streamlined and smartly targeted communications efforts.

(See sidebar article to learn more about the NRC Team)

“LAND DIVISION” BUILDS ON A STRONG FOUNDATION

NRC’s land division offers its clients a customized, accelerated sales process, as well as thorough real estate and financial advisory services to lenders, builders and developers.

As the United States real estate market continues to stabilize, NRC has increasingly been contacted by builders and developers across the nation looking for divestiture services, including accelerated structured sealed-bid sales. “We are especially excited about the inquiries we have received from individuals in markets that are experiencing the most dramatic downturns, such as South Florida, Michigan, Southern California and Las Vegas,” said Douglas Nataluk, V.P. of Business Development for the division.

For builders or developers, NRC provides solutions for inventory reduction, finance renegotiation, work-outs and liquidation. For lenders, NRC can help provide reassurance that the best financial solutions for assets are obtained, should their clients encounter difficulty in repaying the loan.

“We can also offer alternatives to walking away from optioned property or ways to free up land assets quickly for current projects,” said Anne Arnos, Director of the NRC Land and Related Assets Division, who works with her colleague Nataluk on educating builders, developers and lenders on the benefits of the accelerated sales process.

A recent project involved a 3-acre development parcel just off the Las Vegas strip that was zoned for gaming, enterprises, commercial or residential high-rise use. NRC marketed the property internationally to a variety of developers, casinos and investors, and generated more than 200 responses, some from as far away as Holland and China, and recently put the property in escrow at over \$13 million per acre. “Oftentimes an accelerated sales process,

NRC Snapshot

Chicago-based NRC Realty Advisors, LLC, is a nationwide leader in commercial real estate sales and has completed more than \$1 billion in commercial real estate divestitures since its inception. They have sold or successfully consulted on over 10,000 properties.

NRC began a foray into convenience store and service station real estate in 2001, and has netted over \$560 million for its clients. NRC’s land division offers its clients a customized structured accelerated sales process, as well as thorough real estate and financial advisory services to lenders, builders and developers.

with a fixed bid deadline, stimulates the market in ways that a conventional ‘for sale’ process cannot,” said Gladstone.

CREATING LASTING RELATIONSHIPS

During their 30 plus years in the business, Managing Directors Gladstone, Mineo and Ruben have been able to obtain several hundred million dollars in real estate sales revenues for their clients by never losing sight of the fact that real estate success is about strong interpersonal relationships.

“We believe in being fair in our relationships with our customers,” Mineo added, “and people want to do business with people they like — it’s not all about the deal and the money. Having been in the business as long as we have, we’ve created

a lot of really good relationships with our clients. Some of them have become good friends over the years.”

NRC has also earned glowing endorsements from an impressive array of high-profile clients, including ComEd, Wachovia, GE Capital Franchise Finance Corporation, Sunoco and many more.

“NRC’s understanding of environmental and buyer issues, and its ability to rapidly assemble large amounts of detailed due diligence information about each site has been the key to success. That work helped us achieve our strategic objectives, and we were able to meet and/or exceed our price expectations through the competitive bidding process,” Sunoco’s Heineman said.

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Durham, NC attorney Richard Hutson II attests to NRC's remarkable ability to quickly organize efficient teams to handle complex and time-sensitive projects. In October of 2002, Mr. Hutson was appointed trustee in the Swifty Serve bankruptcy case, a tenuous situation which left over 500 stores across the Southeast empty of employees, full of inventory and completely unattended.

"NRC and the mortgage lenders cooperated together with me as trustee, and the NRC team arranged very quickly for all the stores, scattered across states including Florida, North Carolina, Ohio and Kentucky, to be secured. Concurrent with that, NRC arranged to sell all of the stores at auction. They came in with a team, assembled a data book on each store, clarifying whether each store was owned or leased by

the company that had declared bankruptcy, and just did a tremendous job within a few short months," Hutson explains.

The NRC team moved quickly and succeeded in turning a potentially chaotic situation into a series of successes by any measure. Hutson continues, "By December, we were well on our way and had sold most of the stores, and closings took place in February or March of the next year. NRC got good prices for the stores. They were dealing with what I would consider a sales information 'dog and pony show' in cities such as Atlanta and New Orleans, and provided accurate information to prospective bidders, worked very diligently and just did a marvelous job for us."

Ruben agrees that the key to their success has been in

Continued on Back Cover

Anne Arnos (center), Director of the NRC Land and Related Assets Division, evaluates due diligence materials with Douglas Nataluk (left), Vice President of Business Development for the NRC Land and Related Assets Division; and Jeff Pomerantz, V.P. Business Development for NRC Realty Advisors.



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About the NRC Team

Evan Gladstone, Executive Managing Director

Gladstone founded NRC in 1989, initially specializing in international real estate marketing and disposition with a concentration in accelerated real estate sales. With over 30 years experience in the real estate market, he is personally credited with several hundred million dollars in closed real estate sales, directing the creation of cutting-edge technology for the sale of large real estate portfolios, as well as expanding to the current focus of services offered through NRC Realty Advisors. Mr. Gladstone attended the University of Illinois and the University of California, Berkeley. He is a member of the National Association of Convenience Stores, National Association of Realtors, National Auctioneers Association and the National Association of Corporate Real Estate Executives.



**Evan Gladstone,
Executive Managing
Director, NRC Realty
Advisors, LLC**



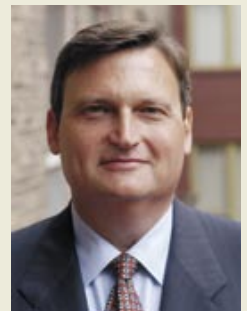
**Hope Mineo, Managing
Director, NRC Realty
Advisors, LLC**

Hope Mineo, Managing Director

Mineo came to NRC in 1996 after success as a senior level executive at the Michael Thomas Corporation, and she also served as president of the international non-profit organization Save the Children after earning her B.A. and graduate degrees in psychology from the University of Maryland. At NRC, she is key to developing and determining the company's direction and managing NRC's operations and strategic development.

Dennis L. Ruben, Managing Director

Ruben brings over 25 years of specialized real estate law and finance expertise to NRC, and earned his B.A. and J.D. degrees from the University of Iowa. Before joining NRC's team, Ruben served as executive vice president and general counsel of GE Capital Franchise Finance Corporation, where he supervised the legal department and directed legal matters, including loan origination, real estate acquisition and major financing.



**Dennis L. Ruben,
Managing Director, NRC
Realty Advisors, LLC**

Anne Arnos, Director of the NRC Land and Related Assets Division

Arnos works as the Director of the NRC Land and Related Assets Group and is another essential member of the NRC team. She attended Northwestern University and previously worked as the director of executive operations for a top builder headquartered in the Chicago area and operates in multiple markets across the United States.



**Anne Arnos, Director of
the NRC Land and Related
Assets Division**

Douglas Nataluk, Vice President of Business Development for the NRC Land and Related Assets Division

Nataluk formerly served at the National Association of Home Builders as an environmental policy analyst before working for several top home builders as a vice president of land acquisition, planning and entitlement. Nataluk completed his undergraduate studies at George Mason University and obtained master's degrees at the College of Environmental Science and Forestry at Syracuse University in both landscape architecture and forest resource management.



**Douglas Nataluk, Vice
President of Business
Development for the NRC
Land and Related Assets
Division**

Jeff Pomerantz, V.P. Business Development

Pomerantz has 35 years of CEO/COO experience with U.S. and international industrial, eCommerce, and service companies. He founded Dalworth Tool & Supply in 1974, gaining extensive experience working with manufacturers and distributors in aerospace, oil and automotive industries. In 1998, he moved to Barcelona, where he founded an IT and direct marketing consulting firm. After returning to North America, he served as COO for emachinetool.com, where he focused on marketing and business development. Pomerantz did postgraduate work at Southern Methodist University and earned Spanish fluency accreditation from Barcelona's Esade University. He currently lives in Vancouver, BC.



**Jeff Pomerantz, V.P.
Business Development,
NRC Realty Advisors, LLC**

building relationships with clients and ensuring effective communication. “I think that our clients know that we will go all the way for them and do whatever it takes to accomplish their goals.”

A SOLID STRUCTURE THAT GOES WITH THE FLOW

What sort of structure exists within the company to keep the flow going from market to market?

Ruben describes the framework that supports NRC this way: “We are set up with three or four distinct teams. On the business development side, we’ve got five or six people who are really focused on listening to our clients’ needs and formulating solutions, cultivating relationships and finding situations that would lend themselves to benefit from this unique sales approach.

“Once we are engaged to handle a project, we assign a project team, which is led by a licensed real estate attorney. For project assistance we have an entire marketing team, which performs a multitude of responsibilities, including website design and Web-lead tracking, creating brochures and marketing collateral, preparing direct-mail pieces, designing media plans and managing public relations.

“Then, when buyers respond to our marketing communication push, they talk to someone in our customer service department, and if the customer expresses further interest or needs a higher level of information on a property, they are put in contact with someone from our sales team who can work with them on all aspects of the property. We believe that we have assembled a group of highly skilled people who work well together in interlocking teams in order to make sure that our clients and customers get what they need.”

Arnos, a member of the NRC business development team, differentiates NRC from traditional real estate firms this way. “Unlike most real estate firms, we are internally made up of 95% operations and 5% sales. Each team member is a professional, carefully selected based upon his or her industry knowledge, experience and level of expertise. NRC begins each new engagement by assigning a dedicated team of professionals led by a project manager who facilitates that all of the moving parts of each transaction are seamlessly integrated.”

Gladstone believes it is NRC’s “funnel” approach to marketing properties that sets it apart. “Most traditional brokers — not that we equate ourselves to traditional brokers — work with five to 10 different prospects, whereas we’ve always had a philosophy that we can quickly reach

10,000 or 100,000 potential prospects in our database, who can self-select if they want more information after seeing an ad or receiving a direct mail postcard. If a customer wants more information, they can buy the due diligence information (on a large land parcel or commercial building) for a nominal fee, self-selecting and gradating their level of interest once again.”

Up-to-the-minute Internet communications are a focal point of the market strategies for Mineo, “Part of how we do what we do so well is with fax blasts, e-mail blasts (in accordance with applicable e-mail laws, making sure that recipients have an opt out right) and our internal national database of nearly 100,000 prospects. We are able to find avenues to quickly generate awareness of our clients’ properties in ways that most companies can’t. We’re able to approach the market with a broad stroke, so from 100,000 prospects come 50 to 150 serious leads, who are well qualified, and have sufficient information and a readiness to complete a deal. That’s what works well for us.”

THE FUTURE OF NRC

Where is NRC heading in the near future? As you might expect of a company born out of seizing an opportunity when it arises, the managing partners at NRC have plenty of ideas to go around.

For Mineo, they are “delving deeper into the current builder market and are looking at ways to assist several national and regional companies with asset sales in the near term.” They are also exploring several other lines of business, such as becoming a franchise broker for companies like BP.

Ruben states that new clients can expect to enjoy several benefits of NRC’s full-service customized real estate and financing solutions, including the ability to eliminate carrying costs on land and related assets, maximizing selling price through competitive bidding and financing opportunities, reducing selling time for slow-moving inventory on the open market and enjoying the highest returns independent of market liquidity.

Gladstone believes that continuing to hone the process that started NRC will be important to its future. “One of the things that we’ve attempted to do over the years is find ways to bring immediate liquidity to real estate without sacrificing price. I think the key to NRC’s success is having developed a process that can provide the liquidity that our clients need and want, which, in turn, helps their businesses be more successful.” ■

For more information, visit us at www.nrc.com.