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SVN Asset Management Launches Growth Push

By Bob Howard

IRVINE, CA—Sperry Van Ness Asset Management & Leasing plans to expand its operations in Southern California and has named Don Keena vice president and regional manager, a new position that was created to spearhead that growth. Keena, who comes to his new post from Sperry Van Ness Commercial Real Estate Advisors, tells GlobeSt.com that SVN Asset Management & Leasing will focus primarily on growth in Los Angeles and the Inland Empire.

"We have 13 agents now and we would like to double that," Keena says. Some of the new agents will be in Irvine, but most will be in Los Angeles and the Inland Empire. "We will be looking to add senior agents with leasing and sales experience to really go out and bolster the third-party management and leasing," Keena says.

Both Keena and Jack Carroll, president of SVN Asset Management & Leasing, tell GlobeSt.com that the company sees a chance to take advantage of changing market conditions throughout the commercial real estate industry as well as the growth that has occurred in the Inland Empire in recent years. As Carroll explains, "We believe that in a real estate market that is softening, property management and leasing are going to become more valuable to owners."

Carroll explains that the rising values and generally good times that have blessed the real estate market in recent years have enabled virtually all owners to do well, regardless of whether they paid attention to management and leasing. "When markets start getting soft, as they are with the subprime debacle that has leaked into commercial real estate, two components that become more valuable to owners are savvy leasing brokers and savvy property management," he observes.

Sperry Van Ness Asset Management & Leasing already manages a portfolio totaling 13 million sf throughout the US. About 6.5 million sf of that total is property that it manages on behalf of SVN Equities, which invests in office, industrial, retail and apartment properties, and the other 6.5 million sf is property that it manages on behalf of third-party owners.

Both SVN Equities and SVN Asset Management & Leasing were formed in 1998 by Burton Young and Carroll, along with Rand Sperry and Mark Van Ness. Sperry and Van Ness are the team that founded Sperry Van Ness in 1988.

Carroll says the fact that half of SVN Asset Management's assignments are for third parties is a sign of the quality of its operation and the commitment that the firm has made to its third-party assignments. He calls the third-party management portion of the business "kind of a quiet secret" that has grown via word-of-mouth.

Last year SVN Asset Management & Leasing completed 187 leasing and sales transactions on 474,000 sf of property in deals valued at just shy of \$95 million, with probably 85% to 90% of that in leasing, according to Keena and Carroll. Keena, who served as an office and industrial leased investment specialist for Sperry Van Ness Commercial Real Estate Advisors before stepping into his new post, has been with Sperry Van Ness for six years. He began with the company as an investment sales agent and also served as a sales manager for two years before returning to brokerage about a year ago.

Keena says that in looking for someone to head the expansion, SVN Asset Management & Leasing "wanted an in-house person who understood the value proposition and the platform at Sperry Van Ness." He says that he will focus on working with agents, recruiting and retention in the effort to expand the company's presence in Los Angeles and the Inland Empire. He says that in the Inland Empire, in particular, "We have not had a lot of agents, but management and the ownership feel that it's time to grow that market."

According to Carroll, the market appears to be turning in a way that will be conducive to hiring leasing agents. "As the sales climate softens, there will be a lot of investment brokers who switched from leasing and went over to sales and investments who will now want to get back into the leasing environment," Carroll says. "We want to take advantage of that because we think there are a lot of quality brokers in that niche."

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