

“My ideal client would be a privately held, high-growth company that occupies office, industrial or biotech space in any major market throughout the United States. As a commercial real estate broker that works exclusively in tenant representation, I would be interested in clients looking to expand, contract and/or relocate their facilities or simply renewing their lease currently in place.”

David Rubenstein is a principal of the Miller Richmond Company, a commercial real estate brokerage firm specializing in tenant representation for office, industrial and healthcare facility requirements. Rubenstein, a member of the Atlanta Business Forum Executive Committee, recently met with *cliqe* to discuss his firm and the status of the Atlanta commercial real estate market.

cliqe: David, can you share with our readers some information about your role with the Miller Richmond Company?

David Rubenstein: I am a partner in the company and also serve as a broker within the firm. We are a commercial real estate brokerage firm specializing in tenant representation. We represent companies that occupy office, industrial and healthcare space. Our healthcare clients include biotech companies, medical device firms and large medical practices. Our clients are either looking to lease or to buy real estate to operate their particular business.

We tend to work mostly with privately held companies or small public companies. Our clients tend to lack significant in-house expertise when it comes to complex real estate transactions. So they require a higher level of support than a Fortune 500 company might need. Larger companies tend to have in-house staff to handle many of their real estate issues. That’s not to say that they don’t use an outside real estate broker, but their reliance on their broker may be less intensive than that of a venture-backed start-up, a mid-sized professional services firm or a family business. We offer a “boutique” approach to companies who require a very high level

of service. We help our clients assess the amount and type of space they need, and all the different bells and whistles that they need in order to function efficiently. We then go out to the market and find potential space that can meet their needs. Once a location or short list of locations is determined, we help our clients negotiate the business terms of their transaction and coordinate the efforts of attorneys, space planners, general contractors, furniture dealers and technology consultants to facilitate the final delivery of facilities.

cliqe: What makes the Miller Richmond Company unique?

David: Most of the people that do what I do tend to be jacks-of-all-trades. They represent landlords. They represent tenants. They sell buildings. They buy buildings. They provide a whole variety of consulting services to a broad range of clients. We are strictly focused on being an objective tenant’s advocate, and by design, we will never represent a traditional landlord. With this approach, we’re able to avoid a lot of conflicts of interest, which are pretty common in our business. We have no incentive to bring a particular tenant to one building or another. We can help a tenant negotiate a lease in any building within a given market with no hidden agendas.

As a specialty firm, we do most of our work in the metro Atlanta area. We bring that local expertise to bear, which is important in our business because everything comes down to location and the inside knowledge of a local expert. But at the same time, we are part of the Alliance of Tenant Representatives, which is an umbrella organization that covers 25 major markets around the country. It gives us a

ATLANTA CHAPTER
EXECUTIVE COMMITTEE
MEMBER

David Rubenstein
The Miller Richmond
Company

Professional Category:
Real Estate –
Commercial Brokerage

Member Since:
December 2005



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platform to take on national assignments. For instance, if we have clients that have needs in multiple cities, we have partners in each market who have the local expertise we need to consummate the right transactions.

clique: What is the hot topic in the commercial real estate industry at the moment?

David: Well, our business is driven by the economy. There are a lot of uncertainties in the economy that have a direct impact on our business. There's a lot of caution amongst our clients in terms of expanding their business and spending money, which often has implications on real estate needs. Many firms are holding off on major decisions as we wait and see how this economic crisis pans out.

clique: How does the commercial real estate market in Atlanta compare to other major cities in the U.S.?

David: Different markets react differently. I think the economy nationwide right now is in a scary place. I don't think it's necessarily unique to Atlanta. Atlanta actually has a pretty broad employment base. It's a heavy white-collar service industry that consistently grows its employment base. We have a lot of small, medium-sized businesses that drive our market. We also have a significant Fortune 500 presence, but it's the small businesses that create the entrepreneurial spirit in this city and really serve as our engine of growth.

Atlanta tends to be an easy market to develop in, relative to other cities. In markets like New York and San Francisco, it can be very challenging to get the zoning and the entitlements that you need to break ground on, let's say, a class-A office building. On top of that, land is very expensive. In the Atlanta market, land is still relatively cheap, and the entitlement process is still relatively simple. The future will tell whether that has helped us or hurt us in this particular cycle. Right now, there are a variety of buildings that are under construction that will deliver in 2008, 2009, 2010. The question is, will the demand be there to fill up those buildings? If the demand is there, those developers will prove to be great visionaries. But if we have a flat year

in '08 and even in '09, those developers may be sitting on some empty space for a while.

Given the current residential crisis and how much residential contraction has played a big role in our growth, I think Atlanta may be hurt more in the short run relative to other markets in the country. Long term, however, I would not bet against this city. It's a great place to do business and will continue to be a successful market for our firm.

clique: When it comes to BFI, how would you describe the types of leads and opportunities you are looking for?

David: Our sweet spot would be any company that occupies between 10,000 and 100,000 square feet of office space and probably 25,000 to 500,000 square feet of industrial space. Unless these companies own their own real estate and don't have any dynamic forces that will require them to relocate any time soon, I would say just about any company that has those requirements could be a good lead for us.

clique: What do you bring to the table for your fellow members?

David: What allows us to compete against the big names in our industry is the individual reputations of the brokers that work here and the relationships they have in a very dynamic business community. We spend a lot of time helping other service providers with introductions, with leads, and with support. We're constantly providing referrals for attorneys, architects, design professionals, general contractors, IT consultants, headhunters and others. We bring that relationship management to the table and have helped out a number of folks within the Atlanta Business Forum, in terms of making appropriate introductions.

If you want to contact David Rubenstein about The Miller Richmond Company or the Atlanta chapter, call (770) 390-1891 or e-mail him at drubenstein@millerrichmond.com.

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