

Dover Realty Advisors

Property management firm's success built on relationships

By GRETA GUEST
FREE PRESS BUSINESS WRITER

To succeed in the worst housing slump in decades takes hard work, but to grow revenue by 50% on top of that takes something else.

For Terry Schwartz, principal of Dover Realty Advisors in Bingham Farms, that something else is the professional network he built up over the years.

"One thing I learned from my father, it is all about relationships. Life is too short. Money is secondary," said Schwartz, 59, of West Bloomfield. "The relationships are what I enjoy most."

Dover is a real estate advisory company that specializes in property management for apartment buildings. The company's work includes turning around foreclosed properties and handling foreclosures for Fannie Mae. It manages more



PATRICIA BECK/Detroit Free Press

Terry Schwartz, 59, of West Bloomfield, principal of Dover Realty Advisors, stands in a 10th-floor one-bedroom model loft apartment at the Lofts of Merchants Row, a project he manages, in Detroit last month.

than 8,000 apartment units representing more than \$20 million in rent.

Last year, Schwartz saw significant growth both in metro Detroit and through a Midwestern expansion. Revenues grew 50% in 2010 as Dover added 10 properties and 2,200 units in metro Detroit to its property management portfolio. It also opened a Cincinnati office to handle work in Ohio, Kentucky and Indiana.

It hired 40 employees for the Cincinnati office and has 135 in Bingham Farms.

Before starting Dover in 2003, Schwartz was president and chief operating officer of Farmington Hills-based Village Green, a luxury apartment developer, for 16 years. Some of the key people he had built relationships with at Village Green were first to sign up as clients, such as David Hermelin and Robert Schostak.

Hermelin, who died in 2000, had been ambassador to Norway and one of the developers of the Palace of Auburn Hills. Schwartz helped the Hermelin family sell its 5,000 apartment units around the country.

Schostak, chairman of the

Dover Realty Advisors

Principal: Terry Schwartz

Based: Bingham Farms

Founded: 2003

Employees: 175

What it does: Dover is a real estate advisory company that specializes in institutional asset and property management including turning around foreclosed properties and handling receivership work for Fannie Mae. It manages more than 6,500 apartment units representing \$20 million in rent.

Growth: Revenues grew 50% in 2010 as Dover added 10 properties and 2,200 units in metro Detroit to its property management team. It also opened a Cincinnati office to handle work in Ohio, Kentucky and Indiana.

Michigan Republican Party, who is on leave as co-chairman and CEO of Schostak Brothers, needed Schwartz's property management help on its Lofts at Merchants Row housing development on Woodward Avenue in Detroit.

The 157-unit development was done with upscale touches

such as granite countertops in the kitchens and bathrooms plus a washer and dryer in each unit to attract people working downtown at companies such as Quicken Loans and Compuware, he said. He manages the development for Schostak.

Schwartz does more than collect rents. He gets deeply involved in the projects he manages.

"I'm loving what I've been doing," Schwartz said during a recent tour of one of just two unoccupied units at the lofts development. "This opportunity here was phenomenal because I got involved in selecting the finishes and the floor plans. It's been a fascinating journey."

There are 46 floor plans ranging from studios to three-bedroom units and 580 square feet to 2,060 square feet. And Lofts managers run a shuttle for students to Wayne State University. The shuttle also makes weekly trips to Eastern Market, happy hours at local bars and restaurants and trips to wherever residents want to go nearby.

"This is important for them. We don't just give them a room, but a lifestyle," he said. The lofts are leased by accountants, lawyers, engineers, dental and law students and employees of General Motors and Quicken Loans.

In coming years, more of his work is likely to be outside of the metro area because there isn't much local growth in the multifamily sphere.

For now, the receivership work he's doing for Fannie Mae will keep him busy. Dover Realty takes the properties through receivership and tries to fix them up to sell and recover part of what was owed to Fannie Mae.

Still, Schwartz said Detroit is special to him.

He's excited that the lofts project has brought him downtown again in a big way. He first moved to the city in 1984 and lived on the Detroit River with his family, watching tugboats go by and walking to Tiger Stadium for games.

"I have a thing for the city," he said.

■ CONTACT GRETA GUEST: 313-223-4192 OR GGUEST@FREEPRESS.COM