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By Steve Lewis

Cloud Computing

Is it Time to Make the Leap?

Growing Number of SIORs Have Their Heads in "The Cloud"

In some circles it has become so familiar that people simply refer to it as "The Cloud." In fact, the term has recently begun to appear in commercials. But a large percentage of the business population, including SIORs, do not understand cloud computing and its benefits. Some are already "on the cloud," but don't even know it.

Cloud computing, at its most basic, involves the storage of information or the use of software (known as Software as a Service, or SaaS) remotely, thereby eliminating the need for costly servers or hard drives in the office. It enables staff members outside the office to access the information they need via a laptop, smart phone or tablet. Documents can also be viewed simultaneously by several different individuals, and even edited in real-time.

The benefits are clear to a number of SIORs who are already operating on the cloud. "Fellow SIOR's should use cloud computing because it is the easiest form of technology to track all of your documentation. It is a virtual network priced very inexpensively," says **Danny Zelonker, SIOR, CCIM**, of Mizrach Realty Associates in Miami. "I would not call it an advantage over the traditional use of the Internet; I would say a different type of use. It lets you organize all documents, files, pictures, etc., and gives you access from anywhere. Now that I use an iPad it lets me have the availability to show documents from anywhere as well."

"Cloud computing allows access regardless of device or location," adds **Kevin McGowan, SIOR, CCIM**, director of Newmark

Knight Frank Smith Mack in Wayne, PA. "Software upgrades are continuous, so there is no need to worry about having the latest version. SIORs can experiment with cutting-edge apps and make changes as competitive software applications emerge."

"The primary benefit to cloud computing is the ability to store and obtain your data from any location, at any time, on multiple types of devices. The beauty of it is that it's seamless," notes **Gary Joel Schacker, SIOR**, Principal of United Realty in Jericho, NY. "Although there are other methods of obtaining your data from a remote location, such as Logmein or PC Anywhere, they can be cumbersome —particularly on smaller devices. Moreover, cloud computing can be set up to be automatic. The Cloud is flexible, resilient, and redundant, and there are many clouds out there in the sky and more to come."

"The best way to describe the cloud is like electricity or electric power; you can consume it without necessarily understanding how it works," notes **Geoffrey Kasselmann, SIOR, LEED AP**, president of Des Plaines, IL-based Op2mize. "It's computing as a service, rather than a product."



"...for \$99 a year I have 50 gigs
of storage and no other costs."



It's More than Fluff

Kasselman goes on to note a number of additional advantages of cloud computing. "It's dynamically scalable; you can consume as much or as little as you need, by the hour, day, week, month or year, so you can match that up to your company's changing needs, which are also dynamic," he says. You would begin, he explains, with a baseline assessment of what your company's IT needs are—the number of people you have and expect to have in the future, the number of apps being utilized by your personnel, and so on.

The flexibility of the cloud is impressive, he continues. "When the next version of any given software is released and you want to jump to that platform you can simply do so by contacting your cloud service provider and authorizing the change," he explains.

In addition, says Kasselman, it moves computer costs from "Capex" to "Opex," because you're no longer investing in depreciating assets like servers, or hardware on site. "You're simply paying vendors for access to your platform or information; that's significant," he asserts. "The cloud should also produce operating cost savings."

In fact, says Kasselman, he has realized significant savings by moving to the cloud. "The cost model for a server would be \$1,500 for hardware, \$300-\$500 for software licenses, and \$1,000 a month

for third-party tech support," he shares. "Instead, for \$99 a year I have 50 gigs of storage and no other costs. I can put databases in there, and they're constantly being backed up. If I'm offline whatever is on my hard drive at that moment is the most current version, but as soon as I connect the Internet syncs with what has been updated. And if I lose my iPod, I just get a new device and download my data from the cloud."

Numerous Uses Cited

The SIORs who are on the cloud are using it in a number of ways to enhance their practices. "I use Clientlook, which is offered at a discount to CCIMs and SIORs; I pay \$26.95 a month," notes Zelonker. "This program lets me put all my deals online and invite anyone else involved in the deal so we can follow progress. It is great for teams; I invite all brokers, principals, attorneys, contractors, architects, etc. I post everything as a PDF." This is a little more technical, he notes, because you have to bring your contacts in by transferring them to an MS Excel format, "But they have great technical support," he says. "I also have Google Docs and Dropbox, both of which are free, but have migrated to the Apple program for ease of use," Zelonker adds.

"I use Salesforce for CRM and Dropbox to



**Geoffrey Kasselman, SIOR,
LEED AP**



**Kevin McGowan, SIOR,
CCIM**



Gary Joel Schacker, SIOR



**Danny Zelonker, SIOR,
CCIM**

manage my files,” says McGowan. “My business accounting is done via Quickbooks.com, which is integrated with my online banking.” He adds: “I have a very powerful suite of data and applications that allows me to have a greater understanding of my market than my competitors.”

“For starters, you can back up all your data in the cloud, and therefore eliminate the need for servers. It’s cost effective and relatively safe,” says Schacker. “Using products like Dropbox allows placement of large amounts of data, which can then be shared on an individual basis. It’s like FTP access for dummies.”

Schacker says he downloads flyers and informational data, which he can then display at a meeting or showing. “Then it’s easily forwarded or shared with the prospect or client—see, no paper,” he adds. “It’s good to download a large document you can’t read at your office for further reading at home on your iPad, or for further reading from your iPhone at your daughter’s softball game.”

“Some of it is marketing, functionality, virtualization,” says Kasselmann. “For marketing, for example, we have a virtual network on which all our files reside; it gives us remote access from anywhere in real time. Changes are instantaneously synchronized across all our personnel’s devices of choice—whether iPad, laptop, or desktop. They just have to log in and authenticate themselves.” In terms of software such as Costar, he adds, he uses the programs via SaaS. “The only thing we keep on our hard drive now and backed up is QuickBooks, but that could or should be done in the cloud,” he declares.

The only reason he hasn’t made that move yet, he says, is security—the one potential downside of the cloud. “That’s the risk—can

somebody hack into my cloud?” he poses. “But in my case, do I really care if somebody sees my Costar reports? I do care if they see my QuickBooks, which is why it’s not out there—but I think the move is inevitable.”

How to Get on Board

Zelonker says it’s very easy to get up to speed with the cloud. “I use two iCloud programs from Apple, and if you go to an Apple store they will set you up; it is automatic and backs you up daily, for free,” he says.

“Software is becoming easier and easier to use thanks to men like Steve Jobs, who set the standard for allowing non-technical users to use computers,” says McGowan.

“Like anything relating to technology of this nature, it’s not hard if you put in the effort to learn,” adds Schacker. “However, because it can be automatic, a tech can do the initial set up, and the rest just happens (most of the time). It always pays to know and understand the technology though, and much of it is intuitive.”

“If you’re not on the cloud, stop wasting time,” says Kasselmann. “Get comfortable with it, talk to experts, do your research. Embrace it slowly at first, try the lower-risk apps and see how you like it. Once you’re out there and comfortable you can take down more over time.”

He recommends first seeking input from trusted peers and clients about who they use for cloud services and what experiences they’ve had along the way. Additionally, he recommends the following web-based cloud comparison sites which are geared towards small and medium-sized businesses: FindTheBest; Servdex; and Cloudsurfing. “If you run a small, medium or even large business, you should be able to break down what you’re looking for with these three price engines,” he asserts.

The benefits, say SIORs, far outweigh the risks. “My benefits are the availability to include others in any deal I am working on, automatic backup every day, and having all my technology at my fingertips from any computer,” says Zelonker. “It makes me more organized and saves me hours of work during the days.”

“I would say that the amount of paper that surrounds me is minimal and my time in the office and in front of clients has been able to increase,” adds McGowan.

“It’s another tool in the shed, akin to switching from your 20 oz. hammer to a pneumatic nail gun,” says Schacker. “It’s faster, easier and more expedient, and never to be ignored, though it comes with additional complexities. However, you still always need your ‘screwdriver.’”

“There are too many pros and too few cons not to use it in some way—even if you don’t throw everything into the cloud,” Kasselmann concludes. ☞

Los Angeles & Orange County Industrial Over 1,000 Deals Over \$500,000,000 Leased or Sold



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