

FEATURED ARTICLE



SIoux FALLS, S.D.:

THE NATION'S

SIOR CAPITAL?

By Michael Bender, SIOR, CCIM, Bender Commercial Real Estate Services

Our market appears on a lot of “best of” lists.

We were named the best small city for business and careers by Forbes in 2017.

CNBC said we were a top-10 place to start a business last year, too.

SmartAsset declared us the best city for young professionals.

But a little research and math also led me to discover Sioux Falls, S.D., holds another key distinction:

Most SIORs per capita in the country.

We expect there soon will be 13 of us in our city of just over 180,000 people. By comparison, our neighbors to the south in Omaha have 11 active members, with a population of about 450,000. Other large metros also trail us in SIORs.

When I moved to Sioux Falls from Dallas in the early 1990s, the first thing I did was start traveling to meet other brokers in nearby markets. Brokers in Minneapolis suggested I become an SIOR and agreed to sponsor me.

In Dallas, I was envious of those who had the designation. It connotes you're among the industry's best, and I immediately saw value. As soon as I had achieved the necessary transaction volume, I immediately applied for my active office membership.

I sponsored my business partner, Doug Brockhouse, to earn his SIOR in 1999. That allowed our firm to have both an office SIOR and an industrial SIOR.

"When Michael Bender showed up in Sioux Falls from Dallas and immediately achieved his SIOR designation, we hadn't seen that in our marketplace," Brockhouse said.

"The Sioux Falls market had always been considered too small for major brokerage firms, although those firms have customers here with requirements. Through SIOR, we started making trips to other markets to make sure those brokerage firms knew that we were in Sioux Falls and could be their preferred vendor in our market."

Soon after, our colleague across town, Kristen Zueger, was completing her CCIM designation, and we supported her application to become an SIOR.

"It was apparent to me that the SIOR organization is quite extensive and can provide incredible opportunities through its education, conferences, networking and professional development," she says. "It truly is an organization of the best people in our industry."

Because Zueger does much of her business out of state, SIOR has been "an incredible resource," she says. "From finding brokers in other markets with whom to collaborate, to gaining the respect of investment clients through the credibility of the SIOR designation."

I founded Bender Commercial Real Estate Services in 1997, and the impact of SIOR only grew. For me, it eliminates the need to be branded to a national affiliate network.

As we've represented clients including Citibank, CNA Surety, Coca Cola and IBM, our SIOR designation set us apart in securing the business and in working with the broker on the other side of the transaction. The rigorous requirements to achieve the designation bring credibility, so despite the distance and unfamiliarity between us, we quickly earned the respect of colleagues nationwide.

Both Brockhouse and I have had the honor of serving as president of our Minnesota Dakotas Chapter, as well as several national committee assignments. Doug took it a step further and has served on the national board of directors.

"SIOR has been an incredibly valuable resource for me professionally, for our company and really for our entire market," Brockhouse said. "It's been rewarding to help support the growth of SIOR in our community and serve as a connecting point regionally and nationally."

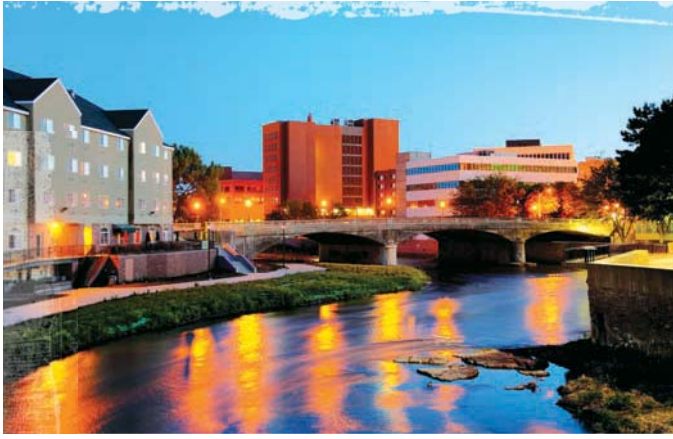
UNIQUE MARKET

So what is it about Sioux Falls that produces so many SIORs?

First, I think being a smaller market gives the designation even more value.

Our newest SIOR, Gregg Brown, was encouraged by his firm's senior broker, Dennis Breske, SIOR, to earn it as soon as he relocated from Washington, D.C.

"OUR MARKET IS UNIQUE IN SO MANY WAYS, IN THAT WE HAVE A BUSTLING AND VIBRANT MEDICAL COMMUNITY THAT BRINGS PEOPLE HERE FROM ALL WALKS OF LIFE."



"In the D.C. market it wasn't even on my radar, but he felt in a smaller market where there's a national network to connect to that it's really valuable, and I've already seen it," said Brown, a broker with NAI Sioux Falls.

"There have been brokers and SIORs in other markets who already have reached out with referrals, so it's definitely a source of business and quite important in a smaller market."

In D.C., Brown was an office specialist. His world revolved around a handful of buildings on K Street. In Sioux Falls, "it's a different world," he said. "The sandbox is smaller, but there's way more to do. You can do a retail deal, an industrial deal, an office deal, you can sell a building and represent a buyer, and you may do all those things in one year, which makes it way more exciting."

The city's steady and diverse growth supports that level of commercial real estate activity.

"Our market is unique in so many ways, in that we have a bustling and vibrant medical community that brings people here from all walks of life," Zueger says. "Our annual population growth has been astonishing compared to other markets, and the median income levels and demographics are strong."

Sioux Falls escaped the hit office and industrial sectors took elsewhere in the country last decade. It's also a regional retail hub with nearly 100 percent occupancy in its enclosed shopping mall and a very high online shopping rate for national retailers.

It's created a magnet for commercial real estate talent.

"I have never seen in any other market, the kind of talent per capita, in the commercial real estate field, as we have in Sioux Falls," Zueger adds.

"The other SIORs in this market are extremely bright, capable individuals and think outside of the box to make this community more vibrant and generate more transactions. Sioux Falls is lucky to be surrounded by so many of the 'best of the best' in

the office and industrial segments of the commercial real estate arena. I think that those that strive to be the best are attracted to people with similar beliefs and work ethics, which is why there are so many SIORs in this market."

GROWING INVOLVEMENT

We anticipate the SIORs in our market will become even more involved in the organization. Several of us are organizing a chapter event this summer to welcome SIORs from Minnesota and North Dakota.

"We plan to really showcase Sioux Falls," Brown said. "What I like about it is it's a fun event collaborating with the other shops in town and working together to highlight the growth of our city."

Zueger also has become more involved in recent years and finds the benefit of SIOR's global network invaluable.

"I attend the World Conferences as often as I can and find that the education sessions are beyond what we can find anywhere in our industry," she said.

"I use the *SIOR Connect* tool to make connections with the other brokers worldwide, and I utilize the Member Alliance to stay connected with the National Association of REALTORS®. I check in with *SIOR Pulse* to stay on top of market trends and industry news, and I am financially involved with the SIOR Foundation on an annual basis. The measurable results I have seen in my exposure nationally and worldwide, along with increased business, make me realize that to be involved is key; and I look forward to more involvement in the near future."

As the market's longest-tenured SIOR, I'm proud of how my colleagues and SIOR have grown together in Sioux Falls. Our market is immeasurably stronger because of it. ▼

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SIORs in Sioux Falls:

Andi Anderson
Bender Commercial Real Estate

Michael Bender
Bender Commercial Real Estate

Raquel Blount
Lloyd Companies

Dennis Breske
NAI Sioux Falls

Doug Brockhouse
Bender Commercial Real Estate

Gregg Brown
NAI Sioux Falls

Jim Dunham
Jim Dunham & Associates

Rob Fagnan
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