



## Inside Real Estate

October 2006



### Promoting Condominiums with Newspapers

Real estate companies target specific audiences

*By Jennifer Streisand*

In major metropolitan markets, condominium building is on the rise, and the new construction has made the real estate category more robust at newspapers.

Condominium construction is changing the landscape of many downtown areas, according to executives interviewed by MacDonald Advertising Services.

At The Miami (Fla.) Herald and El Nuevo Herald, the real estate category has had double-digit growth in revenue during the last year and is still going strong, said Classified Advertising Director Pat Royal. A good portion of the revenue growth has resulted from condominium construction and advertising.

“In Dade and Broward Counties, there is not a lot of land left for single-family homes. Condominiums are changing the look of Miami,” Royal said.

Developers like building on the waterfront because they can ask for higher prices, said Layla Caballero, real estate manager at The Miami Herald and El Nuevo Herald.

“Traffic in South Florida is creating a higher demand for people to want to live downtown and closer to where they work,” Caballero added.

While some people buy condominiums as a primary residence, increasing numbers of people are buying them as a second home or an investment, Caballero explained.

The level of condominium sales often depends on pricing and incentives offered by developers, said Kim Kirschner, CEO and licensed real estate broker of Kirschner Realty International, Inc., in Hollywood, Fla. The company sells properties in Miami, Ft. Lauderdale, Palm Beach, Stuart, Orlando, Tampa and Sarasota.

Overall, sales in Florida are slower than in 2005, but certain structures in specific areas are still selling at a rapid pace.



CONTINUED

CONTINUED

## Promoting Condominiums with Newspapers

“Palm Beach County, in general, is slower than Dade and Broward Counties. Orlando and Tampa are still pretty strong, but it is price sensitive,” Kirschner said.

One tool The Miami Herald and El Nuevo Herald use to advertise condominiums in their market is the US Condo Exchange — [www.miamiherald.uscondex.com](http://www.miamiherald.uscondex.com) — otherwise known as US Condex. The site is an online marketplace where condos are listed, researched and purchased. It also partners with Web sites from outside the United States to attract international buyers to South Florida.

Currently, most people go online to research what is available, look at floor plans, examine pricing and make reservations to take the purchasing process one step further. While the capability to finalize the transaction online exists, most people use it for research before final paperwork is completed, Royal added.

“People use Google Earth for mapping to see an aerial view of the property: the condo, the surrounding area, etc. It’s really a way to be outside of the market and get a clear picture of what it is you are buying,” she said.

US Condex has been successful in advertising real estate in the Miami market because many condominiums are built and sold in South Florida.

“One of the things we like about US Condex is that we think of them as a technology provider. They have a very robust site with about 35,000 condos. It’s really one-stop shopping for condos,” Royal explained.

An emerging advertising and sales category at The Miami Herald is the condominium/hotel, which is an upscale condominium with hotel amenities. Developers are building the structures in tourist destinations like South Florida.

“We had some projects start in 2005. All of a sudden, beginning in January and February of this year, we have seen even more projects planned to roll out in 2007 and 2008,” added Caballero.

In Halifax, Nova Scotia, Canada, the market has been robust for new condominium construction, said Elaine Stutely, advertising representative at The Chronicle-Herald.

The newspaper works with advertisers to promote condominiums with grand opening full-page features that include editorial content and photos.

“The Chronicle-Herald has been a valuable marketing tool for our advertisers,” Stutely noted.

Downtown Los Angeles is also the location for a lot of new condominium construction, said Clara Kim, real estate marketing manager at the Los Angeles (Calif.) Times.

CONTINUED

CONTINUED

## Promoting Condominiums with Newspapers

Developers often target an upscale audience for condominiums in sales and advertisements.

“They are targeting a lifestyle segment, which is high income and very affluent. The demographic really does not speak to age as much as lifestyle,” Kim noted.

The downtown construction trend is also taking place in Baton Rouge, La., said Classified Advertising Director Mike Nola of The Advocate.

The real estate market dramatically changed since Hurricane Katrina in August 2005, he explained. Evacuees who moved from New Orleans to Baton Rouge needed places to live. As a result, the available real estate inventory was depleted, he said.

“Some people from New Orleans have since sold the homes they bought here and moved back, but the majority of them have stayed. Developers have been using every piece of available land to build new real estate, and that includes condominiums,” Nola said.

Condominiums are going up along the waterfront of the Mississippi River.

“Riverfront property is in a pre-construction phase, so developers are trying to get enough commitments to start construction downtown,” said Nola.

Advertising new condominiums becomes even more important because developers want to have a certain number of units sold before building the structures.

“They have been using both ROP and classified to promote these properties,” he said.

Real estate companies have also used the newspaper to promote a condominium complex that offers residents special rates and access to cultural attractions and other facilities connected to Louisiana State University. Although it isn't an assisted-living facility, such a complex is attractive to mature residents who don't want to maintain a home, but like what the university has to offer.

“They have buses and trams to cultural and sporting events. They have a golf course at the university, and residents can use that,” he said.

Condominium conversions account for many sales and a healthy segment of advertising in two major markets: San Diego and Detroit. Condominium conversions are apartments converted to condominiums. They generally give people good value, a way to afford owning the unit and an entry point into owning real estate in the San Diego area, explained Gerry Winkleman, real estate manager at The San Diego (Calif.) Union-Tribune.

CONTINUED

CONTINUED

## Promoting Condominiums with Newspapers

“We have condominium conversions in the \$200,000 range, and there are very few homes in that range in our marketplace. The bulk of our condominium advertisers have been condo conversions,” Winkleman explained.

Advertising for these units usually run in the “Sunday Homes” section or in the “Saturday Change of Address” section, he said.

In Detroit, the affordability of condo conversions appeals to many buyers and as a result, the newspaper is advertising their good value and ease of lifestyle, said Dave McDade, real estate director at the Detroit (Mich.) Newspaper Partnership that includes the Detroit Free Press and The Detroit News.

“Advertising for condos has been up, and the actual sale of condos below \$110,000 has been good. Apartments that have been converted to condos are enjoying the most success,” McDade said. He noted that this information comes from discussions with local Realtors and developers, not statistical data.

“Real estate companies include their Web sites in their display ads and/or list their properties on our newspapers’ Web sites, and we provide a link to each advertiser’s individual site,” he explained.

In South Florida, The Miami Herald and El Nuevo Herald are ready to adapt to changes in the marketplace, said Caballero.

“We are going back to the basics and the way real estate has always moved,” she explained. “It typically takes between four to six months to sell a house or a condominium, but for the last two years, they have often sold faster.”

Based on the rapid growth of new condominiums in the market, the trends in selling and advertising may change, Royal concluded.

“Right now people are buying condos at a rapid pace, but some activity is going to shift to rentals and resales, and we are positioned to meet the needs of the marketplace when that happens.”

CONTINUED

CONTINUED

## Promoting Condominiums with Newspapers

**Layla Caballero**  
The Miami (Fla.) Herald/ El Nuevo Herald  
Phone: 305-376-2639  
E-mail: [lcaballero@miamiherald.com](mailto:lcaballero@miamiherald.com)  
Web site: [www.miamiherald.com](http://www.miamiherald.com)  
Web site: [www.elnuevoherald.com](http://www.elnuevoherald.com)

**Clara Kim**  
Los Angeles (Calif.) Times  
Phone: 213-237-6676  
E-mail: [clara.kim@latimes.com](mailto:clara.kim@latimes.com)  
Web site: [www.latimes.com](http://www.latimes.com)

**Kim Kirschner**  
Kirschner Realty International, Inc., Hollywood, Fla.  
Phone: 954-924-4107  
E-mail: [kim@krionline.com](mailto:kim@krionline.com)  
Web site: [www.krionline.com](http://www.krionline.com)

**Dave McDade**  
Detroit (Mich.) Newspaper Partnership  
Phone: 586-826-7082  
E-mail: [dmcdade@dnps.com](mailto:dmcdade@dnps.com)  
Web site: [www.detroitnews.com](http://www.detroitnews.com)  
Web site: [www.freep.com](http://www.freep.com)

**Mike Nola**  
The Advocate, Baton Rouge, La.  
Phone: 225-388-0102  
E-mail: [mnola@theadvocate.com](mailto:mnola@theadvocate.com)  
Web site: [www.theadvocate.com](http://www.theadvocate.com)

**Pat Royal**  
The Miami (Fla.) Herald/El Nuevo Herald  
Phone: 305-376-2690  
E-mail: [proyal@miamiherald.com](mailto:proyal@miamiherald.com)  
Web site: [www.miamiherald.com](http://www.miamiherald.com)  
Web site: [www.elnuevoherald.com](http://www.elnuevoherald.com)

**Elaine Stutely**  
The Chronicle-Herald, Halifax, Nova Scotia, Canada  
Phone: 902-426-2881  
E-mail: [estutely@herald.ca](mailto:estutely@herald.ca)  
Web site: [www.thechronicleherald.ca](http://www.thechronicleherald.ca)

CONTINUED

**Inside Real Estate**

October 2006

CONTINUED

**Promoting  
Condominiums  
with Newspapers**

Gerry Winkleman  
The San Diego (Calif.) Union-Tribune  
Phone: 619-293-1478  
E-mail: [gerry.winkleman@uniontrib.com](mailto:gerry.winkleman@uniontrib.com)  
Web site: [www.signonsandiego.com](http://www.signonsandiego.com)

