



Realty Services

**Message from the CEO:**

***The Massey Knakal Territory System™ - Our Competitive Advantage***

*April, 2010*

Having recently undertaken a company-wide strategic planning exercise, we reaffirmed that Massey Knakal's single competitive advantage **is our Territory System™**. Our territory platform is the cornerstone of our ability to provide 1) excellence in client service and 2) a workplace environment that is wonderfully unique.

**What's the Massey Knakal Territory System™?**

Each of our fifty (50) agents work in a geographic area (or "territory") that: have approximately 1500 investment properties each with a value of at least \$1.5 million. Each territory also normally has turnover of 35-45 buildings annually representing a \$300-400 million in sales (not like 2009!) which allow our top agents who achieve 25-50% market share to be among the top earners in the New York metro area.

**Why don't other companies have a "Territory System"?**

Many do. Some of the historically great sales organizations in our country (Colgate Palmolive, Proctor and Gamble, IBM and Xerox to name a few) employ rigid territory systems to great advantage. Any company that desires the benefits of a territory system should be prepared to commit to a daunting level of personal and organizational discipline. Massey Knakal agents spend 90-120 days studying every aspect of their territory before they ever speak to a potential client. They then become the ultimate authority on the market...before they begin work! They also commit to sharing fees if they generate business outside their territory with the local agent where the property is situated.

Massey Knakal allows our agents to split fees anyway they desire but the firm rigidly enforces a minimum shared split guideline for the territory expert (or business-receiving agent). In this way our most talented agents are generating sales opportunities all over the New York metro area and receiving large fees in the process – a fact unknown (or ignored) by our competitors.

**The Massey Knakal Territory System was created to benefit sellers.**

The main appeal of Massey Knakal's platform is that our Territory System allows our agents to provide great client service. Our agents understand their local markets (75% of all investors already own property in the acquisition target area). Our agent's underwriting skills are unparalleled. They also are greatly advantaged in executing the sales process because they more than any person know the positive aspects of a neighborhood or sub-market.

**The Territory System makes Massey Knakal the voice of the market.**

By having all our agents sharing comparable sales data, Massey Knakal can produce our market leading quarterly Massey Knakal Property Sales Reports. Each agent contributes to these reports by providing unmatched details on all of his or her respective territory sales. Combining and sharing this data allows us to help our clients, who have been especially appreciative in today's market with otherwise few data points.

**The Territory System makes Massey Knakal a collegial work place.**

45% of all Massey Knakal sales are worked on and shared by 2-3 Territory Agents within an office and over 20% of our sales are worked on by agents in different offices. Business flows in a "frictionless" manner between our agents. Our guidelines entirely eliminate internal dispute resolution. Massey Knakal has had a formal dispute resolution policy for twenty years. In the history of the firm it has been used twice – in both instances over (15) years ago.

Clients benefit from our collegial nature as soon as they are introduced to Massey Knakal. Our agent benefits from spending their careers in a happy home where people help and root for each other's success. There are no locked offices (no offices at all!) and no proprietary information that can't be shared internally.

**Can we put our Territory System to work for you? Call us – anyone of us!**

Very truly yours,

Paul J. Massey, Jr.  
Chief Executive Officer