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Hammerling's Hectic Home Management

By Maya Avrasin

"Walt Hammerling is just a very smart guy who knows the business, knows the area and the most important thing to me is that he is honest and trustworthy." -- Bob McCullen on why Argus is so successful

Looking at Walt Hammerling, you would never guess that he has the power to decide whether you can park on the sidewalk or run your sprinklers at night. Hammerling's kind disposition and energetic spirit can hide the fact that he is president of Argus Property Management, which manages 130 homeowner and condominium associations and more than 13,000 units throughout Sarasota, Manatee and Charlotte counties.

"Walt Hammerling is just a very smart guy who knows the business, knows the area and the most important thing to me is that he is honest and trustworthy," says Bob McCullen, secretary of the Gulf and Bay Club Bayside on Siesta Club, one of the oldest associations managed by Argus. Hammerling's 15-year-old company takes care of every aspect of home ownership: from caring for the common areas around your home, to renting it out to safe people while you are away, to finally taking it off your hands when you're done enjoying it and ready to sell. "We kind of become maybe the family away from home," said the former high school economics teacher.

Securing a foundation

Hammerling didn't get into property management initially. He started as a college student majoring in business when his former high school football coach recruited him to be a teacher for his old high school in St. Joseph, Michigan, a town with a population of about 8,000 people. During his time off between semesters, Hammerling found solace in buying fixer-uppers and renovating them, sometimes accepting help from his students, many of whom continued helping him even while attending college. A select few followed Hammerling's career choice and became property owners themselves. "I would buy these buildings that needed a little TLC," he said. "I got kind of attached to the buildings that I renovated and kept most of them." Because of his attachment to the homes, he sometimes became attached to his renters, particularly the elderly who were on fixed incomes. "I didn't have the heart to raise their rents every year so I kind of let them go several years in a row," he recalls. "One time the government put on a rent freeze, and here I'm so behind I couldn't even raise the rent." By the end of his 10-year tenure in St. Joseph, Hammerling had acquired about 40 of the homes, many of which were located in what would be the future downtown area of St. Joseph. But in order to become a downtown, the city council had to buy out Hammerling's holdings, which he agreed to only if they claimed eminent domain on him, he said. That way, he could reinvest his money without being taxed.

Shortly thereafter, Hammerling found the heat of Florida and, after a short

stay in Orlando, made his way west to Sarasota. "For me, coming down here was like being reborn," he said. He did manage to keep one small apartment house that is nestled in the heart of downtown St. Joe, and he said he plans to hold onto it. "I get a letter probably twice a year from law firms that would like to buy the building," he said. "So I figure, well, as long as I keep getting inquiries about buying it, I might as well hang on to it."

From owner to manager

After reinvesting his newly acquired monies into more property, Hammerling found himself becoming a manager more than a property owner. People began calling on his services to take care of their associations' administrative duties such as collecting maintenance fees, painting homes, fixing roofs and handling the budgets. Although it was hard in the beginning to attract clients when he couldn't show them much more than his ideas and work ethic, Hammerling did manage to take on clients, some of them large associations such as Palmer Ranch and The Landings.

Today, Hammerling's company continues to have people call him, no longer soliciting for new clients and many times, turning people away. "We're not going to get in the car and drive 60 miles just to have an account somewhere," said Hammerling, who has a staff of 95 people working for him, including 16 property managers who handle many of the daily tasks with the associations. Riding the information superhighway Two years ago, Hammerling decided to upgrade his business, transforming it into a virtual company, where much of the communication and work is handled online, through a central network. Instead of having an actual office, Hammerling travels throughout the day, visiting more than a dozen satellite offices throughout the three-county area and checking on dozens of associations. "Sometimes you actually have to tie him down to a chair," said his friend and colleague, Bob Salyers, vice president of Argus. "Walt's taken tremendous steps in the last couple of years streamlining the operation and making it more efficient." Salyers has known Hammerling for 15 years. But just two years ago, Salyers was one of the people who helped bring Hammerling's company into the information age. Now, Salyers takes care of the little details in running the company, allowing Hammerling to roam free. Hammerling's only tool is his cell phone/computer, which could double as a homing device because at any given time, it rings. People call in to complain about ants in their homes, or a staffer may call to pose an administrative question. "You have to be available because you handle all the emergencies and emergencies don't happen between 9 and 5," said Hammerling. "If I really have a lot of things that I need to get done, I usually do them in the middle of the night when typically the phones don't ring. It's not too unusual to get up at 2, 3, 4 in the morning." One of the unusual aspects of his management company is that it doubles as a rental resort company, with the World Wide Web helping Hammerling cater to his European clients. Many of the them fill his rentals during the off-season.

"Over the years, especially some of our foreigners, they really rely on us, we're kind of their eyes and ears," he said. "Europeans can actually see every room in every condominium complex looks like before they rent it." The Web site also features panoramic views of Sarasota, giving potential renters or buyers an idea of where they

might be living. Argus has about 400 to 500 resort rentals, many of which are located on Siesta Key, where Hammerling have lived for the past 19 years. McCullen, the secretary for Gulf and Bay Club Bayside, is an owner of one of the Argus rental resorts, and has owned his condo since 1993, living in it a total of 10 weeks out of the year. McCullen said he has never worried one day about his home when strangers are living in it, because of Hammerling. "He takes a personal interest, it's almost his baby," McCullen said. McCullen does remember one time he had a problem renter, but it wasn't Argus' decision to rent to the guy, he said. "I think the worst renter we ever had was my brother and he broke a plate," McCullen said.

Branching out

About eight years ago, Argus Realty Group spun off from its main corporation to help service those clients who no longer wanted to be owners of the properties Argus managed, Hammerling said. Instead of a client choosing to go with another Realtor, Hammerling began helping his clients find new owners. Now, Argus Realty has grown slightly, but remains as a minority share under Argus Incorporated umbrella, with the management remaining the larger of the corporation's holdings, he said. Hammerling's management company has grown to include commercial and medical complexes in addition to his residential associations. But he said the residential management is still the foundation of his success, amassing about 80 percent of his businesses' total dealings and contributing about \$50 million worth of business to area banks, he said. "The management is a long-term relationship," said Hammerling, who sometimes trades in his post as president to fill in for a property manager who might be tied up at a board meeting. "If something goes wrong on another property, that property manager is not going to leave that board meeting to take care of a phone call. "And sometimes when there's somebody antsy and is calling three or four times, and the property manager is still at a meeting, chances are I'll end up with the call to find out what is the problem here. And it's usually something like there is a white dog on my lawn and we want you to do something about it right now," Hammerling said. One of the challenges Hammerling faces as a residential manager is the fine line of being the employee, contracted to the association and being the enforcer of rules that he is bound to create. "We're the hired help and we're telling them not to do that and so those people will not like what we're doing," he said. "We're the guys who are saying' you have a lien on your property and if you still don't pay we're going to foreclose on your property.'" With the addition of his virtual business, Hammerling said he can now handle payroll and administrative consultation for companies who are not located on the Suncoast. If a company in Miami wants Argus to manage its payroll and accounting, for example, Hammerling said that as long as it is hooked into his network, its checks are printed in its Miami office. His next step with his network is to allow the associations to access their data through the Internet, gathering much-needed information such as annual budgets, monthly minutes and reports, Hammerling said.

Coming home

But being president of a management and realty company is just one-half of his life. Another portion goes to the media: Hammerling works as a monthly columnist clearing up misconceptions about owning and managing property to the laymen. "Condominium

Living" is a monthly feature in the Pelican Press, and where Hammerling shares his (and sometimes other colleagues' ideas) about the real estate business. He said his next column idea will be about the hidden agenda of board members, which he thinks might be a bit close to home for some of the associations. Aside from writing, Hammerling spends time with his wife and 8-year-old daughter, who he says, "tells me how to do business." Argus' Web site, www.argusmgmt.com, is fully functioning seven days a week, 24 hours a day. Or you can call them for more information.