

## A fresh look: Value Cos. maintains solid spot in multifamily sector by updating its older properties with modern amenities

By Joshua Burd, March 14, 2016

For decades, the Value Cos. has been taking what's old and making it new again.

Look no further than the Gateways at Randolph, a 1970s-era, 900-unit apartment complex off Route 10, whose swimming pool was still functional but had run its course aesthetically by 2011. It's why the Clifton-based landlord spent some \$800,000 to renovate the area and give residents a country club feel with fountains, fresh landscaping and a new commercial-quality fitness center.

"We try to look at what amenities we could provide, so that if we were to build this property in 2010 (or) 2015, we would absolutely have certain things," said Andy Abramson, Value's CEO and president. "We can't have everything, but can we start to add or enhance some of amenities that we do have?"

It's one of the questions that is central to Value's strategy as the owner and manager of more than 3,200 properties in New Jersey, New York and Pennsylvania. The strategy is essential for the 64-year-old family business, one that's eager to stay competitive in an increasingly crowded multifamily sector.

"While we push the rents ... we're also very cognizant of heads in beds," Abramson said. "We want to have high occupancy, as opposed to some of the public companies that feel that 96 or 97 percent is full. We consider 99 percent full, and we run the properties that way."

Executives with Value have been taking that approach for years, they say, but the company is also focused on a



Jack Linefsky, left, vice president, property management, and Andy Abramson, CEO and president, Value Cos., at the Gateways at Randolph. - (PHOTO BY AARON HOUSTON)

newer strategy to help drive even more growth going forward: taking its expertise in management and offering it as a service to other landlords. The service, known as Value Asset Management, has been in existence for some three years already, but Abramson said he hopes to bring another 1,000 units under that umbrella within the next year or two.

Doing so means repeating success stories from towns such as New Milford, where it took over an aging 200-unit complex about two years ago and helped raise occupancy from 80 percent to 100 percent within just few months. For clients, that requires giving Value full control of their properties and being willing to invest in things such as deferred maintenance and new landscaping.

“We will only do it one way — our way — and when we go in, we tell them they have to spend money, they have to upgrade the properties,” Abramson said. “And we give them a pretty hefty budget, typically in excess of a million dollars, right up front that they have to allocate to us.”

Growing that niche will be a way to move forward for the second-generation business. Started in 1952 by Abramson’s father, Harold, the company still owns the first property he built, 80 units on the Clifton-Paterson border. Andy Abramson, who grew up working for the family business, started out learning the industry as a construction superintendent for a new community in Delray Beach, Florida, but then took the reins from his ailing father in 1981.

Today, he oversees a portfolio that spans many of the state’s middle class and affluent communities. But those are also the same markets that other developers are now targeting as they tap into a teeming rental market, an element of competition that isn’t necessarily a bad thing for Value.

“In some cases, it’s great for us, because it brings traffic,” Abramson said. “We bring a certain segment of the population to ours because of the price, they bring other people and additional traffic, and then somebody can make a decision.”

The company, which also dabbles in new construction, is only able to stay competitive because of the money it puts back into its communities.

With landscaping, for instance, the company doesn’t view it as a one-time installation. Value is in the midst of replacing the landscaping at each of the 15 courtyards in the Gateways at Randolph, knowing that overgrown trees can clog gutters, block sunlight and obscure the architecture of the buildings.

“Landscaping, to us, is a marketing tool,” said Jack Linefsky, vice president for property management. “One might overlook it, but when you see our courtyards and how beautiful they look, it just enhances a community. And instead of hiding the buildings and just being overgrown, it’s well-maintained.”

#### **Pet-friendly**

Of all the ways it has kept its properties fresh over the years, there was one rather simple step that the Value Cos. took about two years ago to bring a whole new layer of appeal to its apartments:

Becoming pet-friendly.

“Traditionally, we excluded a great segment of the population by not accepting pets,” said Jack Linefsky, vice president for property management.

People love their pets, added Andy Abramson, CEO and president of Value, so “having rational pet policies makes your community more attractive to a broader audience.”

“You’re going to have some people who say, ‘I don’t want a dog around,’ but you’re going to have four times that number that say, ‘I want to have my dog here,’” Abramson said.

“We’re in the era of when people love their pets as much as they love their children.”



Value has also made a point of adding the same technology offered at many newer communities, including an online system for maintenance requests and paying rent, and a service that can send phone or email blasts during emergencies or communitywide issues.

“We try to keep our properties relevant, and it’s hard to take a 1960s, 1970s platform and compete with (units built after 2000),” Abramson said. “But the difference is: How can we keep them so they’re still somewhat timeless?”