

FACE TO FACE WITH...

Edna Meyer-Nelson
President and chief executive officer
The Richland Cos.



In 1993, Edna Meyer-Nelson founded The Richland Cos., a privately owned real estate investment firm that specializes in the acquisition and management of commercial real estate properties. The company's portfolio includes 30 properties in four states, representing almost 2 million square feet of commercially owned retail, industrial, office, office-warehouse and office flex space, with assets valued in excess of \$250 million. Meyer-Nelson began her career in the banking industry where she served in various roles for several banks in Houston, including Great Southern Bank, Fondren Southwest Bank, American National Bank and Charter Bank. Meyer-Nelson serves on numerous advisory and development committees throughout the Houston area. She is also president of the Houston Children's Charity. Meyer-Nelson was interviewed by Christine Hall

Q How did you get involved in real estate?

A I am a native Houstonian, several generations, and my family has owned real estate in Houston and the surrounding areas, so it's in my blood. After spending 20 years in the banking industry, where I made a number of loans on real estate, I decided it was time for a change. Around that time, my partner Suzanne Klein approached me about starting a real estate firm, and I like a good challenge. Thus, The Richland Cos. was born.

Q Early on in your career, what challenges did you face, and how did you overcome them?

A Being a woman in a very male-dominated arena is a challenge in and of itself. There is a real "good ole boys" club in real estate just like the oil business. I realized I could survive if I was knowledgeable, showed tenacity and did not back down, and that is exactly what I've done—being a former banker and understanding how to structure financing deals did not hurt, either. Another thing I feel made a difference is putting the right people in the right positions on my team, making sure they felt a sense of ownership in The Richland Cos.' success and instilling the same traits in them. We are not a com-

placent bunch; we never stop fine-tuning our skills. I also think treating your clients like partners is the key to building long-term relationships — I still believe your word is your bond and a handshake is as good as a signature.

Q The real estate industry has been hit hard by the recession. Is this industry one that is able to change and adapt, or is it difficult?

A Real estate is a cyclical business. Our cycle is down right now, but it will absolutely bounce back. Owners and lenders will adapt. We all need to realize we are in this together — that means banks understanding owners' obligations, owners understanding banks have to please examiners, and both working together to find a solution. It may mean reducing a debt some or splitting a note into two units. One truism is they aren't making any more land. If you understand the market and have a diversified portfolio that is well-selected, intelligently structured and securely financed, you can hold onto your properties through the tough times and come out on top.

Q There has been a lot of movement on the retail front, and some areas have hardly any tenants, while others continue to do well and attract tenants. What

could be the reason for that?

A These are trying times for all of us, and retail has been hurt the most in commercial real estate. Real estate has always been "location, location, location." Retail is "convenience, convenience, safety, convenience." That means good lighting, clean surroundings, safe and convenient parking and a good mix of tenants. We believe an owner's success is built on tenant success, and owners need to be ready and willing to work with every tenant they have in a true business partnership rather than just a leasing arrangement. That could mean customizing leasing agreements for long-term profitability, for example, getting to know the tenant's industry and restructuring payments so that they pay more during busy seasons and have a lighter burden in slow times. Owners also need to be mindful of visual appeal and preventative maintenance — anything that will increase consumer confidence in the retail center as a whole.

Q Where do you see Houston's commercial real estate business heading in the next five years?

A Commercial real estate in Houston will do nothing but improve in the next five years. I feel we will be in a lull for the balance of 2010 and begin to feel an ease in 2011. From there, as always, the sky is the limit in Houston. I am a native Houstonian and I'm sold on my city.

Q Is there anything Houston can do today that would ensure it gets there in five years?

A I believe we need to make sure our government leadership stays abreast of the needs of our city. We need to work on Metro, a monorail system and safety in the fourth-largest city in the U.S. The Greater Houston Partnership and the Greater Houston Convention & Visitors Bureau both do a fine job promoting our city and each of us needs to do our part to attract national and international conventions and other events. If we do our part, the city will prosper and so will the land — and that is real estate any way you put it. ■

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