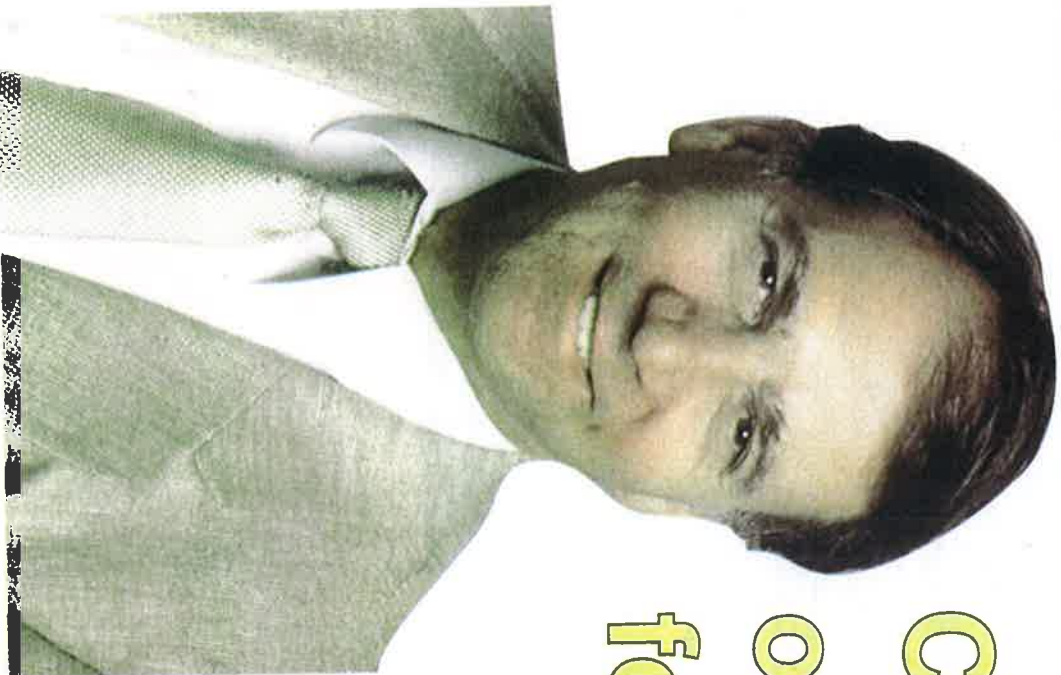


PROFILE

Jim Mazzeo, founder & principal,
Weichert Realtors - Mazzeo Agency



Career built on a concrete foundation

"I worked very well and I learned how to survive working commission only (a full-time real estate agent's first lesson). I also learned that I found both the tangible nature of real estate fascinating and that, for me, it was necessary to be the master of my own fate," Mazzeo said.

His career flourished in the early 80s when we went to work for J.I. Sopher & Co., which, at the time, was a major player in New York's rental market. But that segment of the housing sector — the rental market — didn't hold Mazzeo's interest and he quickly transitioned into sales, selling co-ops, condos and

lots in SoHo and Tribeca. "The problem I found with rentals was that it was limiting in scope," Mazzeo said.

With sales, Mazzeo discovered he could also learn legal matters, financial markets and found greater depth in the client relationships and less pressure involved since most clients in the sales market operate under a more flexible deadline than tenants. "The sales customer is self-motivated. They don't need a place to live; they want a place to live," he added.

Mazzeo closed his first sale in 1982 — a time when MLS didn't exist. With his client eyeing a Tribeca loft, he submitted a \$145,000 offer on a unit Mazzeo thought was listing at \$160,000. The seller had lowered the price to \$125,000

but failed to notify every agent, which made Mazzeo's client's offer particularly appealing.

The bulk of Mazzeo's early business was concentrated downtown. At the start of his sales career, loft space went for \$100 psf but, within a year — thanks to growing popularity of the area — units were fetching double that price.

Mazzeo, who was promoted to director of sales at J.I. Sopher in 1991, didn't just stick to his niche. That residential activity soon snowballed into a wide variety of transactional volume from clients who not only had home-buying needs, but office and retail needs as well. He noted that of all the transaction types he's handled, commercial leasing was most difficult to grapple with since that expertise is highly specialized. But Sopher sold to Douglas Elliman in 1996 and,

after 15 years with the firm, Mazzeo went on to work for Jerry Weinstein at Manhattan Apartments, where he spent the next four years developing its sales division. Meanwhile Mazzeo was considering franchise opportunities.

"I had wanted — and tried — to buy the Coldwell Banker franchise, but I got there a little too late," Mazzeo said.

After Douglas Elliman and Corcoran sold to large national companies, Mazzeo said the New York market became more hospitable to an MLS system. And with Weichert going national, it seemed like a smart time to look to franchising. Plus, he said the company had a strong relocation division that would be advantageous in the Manhattan market.

So he launched Weichert Realtors. Mazzeo Agency in 2001, becoming one of the company's first franchise affiliates. Nearly a decade later, he said it's been a perfect fit.

Mazzeo now has 55 agents executing deals throughout Manhattan, including a rental exclusive at a new development at 229 East 13th Street. There the team's leased half of the property's 28 units thus far.

While he sees some similarities between today's sales environment and the market of the early 1990s, one important difference he notes is the health of existing inventory — and it's why Mazzeo's hopeful this downturn will prove shorter-lived.

"In 1991, we used to say, 'I find something to do until 2002.'" Mazzeo said. "In the 80s, they were building like crazy, so when we had the savings and loans crisis, we had so much inventory. The dilemma that we're really having today is the problem with financing."

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Mazzeo said product priced between \$200,000-\$700,000 has moved quickly, the stock market has restored some confidence in the housing market, foreign buyers (notably Korean) have returned and all-cash buyers continue to keep deals churning.

While he sees plenty of evidence pointing to a "gradual recovery" in the residential sector, he's less bullish about the commercial market. With the increasing adoption of technology, not just real estate firms but companies in all industries are realizing that new modes of mobility and virtual employees means fewer real estate needs. Mazzeo believes this trend could cripple the commercial leasing industry for years to come as enterprises continue to modify office space.

Mazzeo, married with three children, lives in New Jersey. He is an active eight-year member of the Manhattan Association of Realtors, serving as secretary for the organization in 2007.

market with the Lefrak Organization, where he brokered rental deals in Brooklyn and Queens.

His reasons for pursuing real estate were twofold: "I wanted to do something that had the potential to make me a lot of money, but I did have this altruistic reason and that was helping people," said Mazzeo, a Brooklyn native.

Diagnosed with Crohn's Disease (an inflammatory, autoimmune disease that affects the intestines) at 17 years of age, Mazzeo said he learned to juggle his career and illness early on. In his 20s, with the disease at its peak, he asked Lefrak to restructure his earnings from a salary to a straight commission basis.