

The Hard Sell

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SHORTLY AFTER 8 o'clock on a frigid Sunday night in early January, Dolly Lenz, one of the city's best-known luxury real estate brokers, bustled into the Four Seasons with the familiarity of a longstanding customer. Dressed in a simple black Valentino suit, teetering a bit in her heels, she flashed girlish waves at the various employees and stopped to greet Steven Roth, the big-time financier behind Vornado Realty Trust, before settling in at a table alongside a bubbling pool in the center of the room. Lenz stuck out her tongue at one waiter in a friendly hello. After dinner, on the way out, she remembered to ask the maître d' how his daughter was doing on her college applications.

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Gillian Laub

Down but Not Out Dolly Lenz became a quasi celebrity when high-end real estate brokers like her got in on the market boom. Times change.

For years, Lenz, a top-selling broker in New York, if not *the* top-selling broker, has been a regular at the Four Seasons, on East 52nd Street, known for its powerful clientele. One waiter assured me, as I waited for her to arrive, that Lenz was rarely late. He knew her habits well — or at least, he suggested, he once did.

“She used to come here many times a week,” he said. “But lately we haven’t been seeing much of her at all.”

As the market soared in the past decade, so did the status of once-humble real estate brokers, some of whom became quasi celebrities akin to their clients, boldface names who appeared in gossip columns and, yes, became regulars at the Four Seasons, dining alongside the city’s most high-profile movers and shakers. Lenz, who is 52, is one of the brashest among them, and she enjoyed huge profits as New York’s infatuation with real estate transformed into a full-blown love affair. When other high-end brokers turned their noses up at condo developments in the early ’80s, Lenz, who saw their potential, swooped in, garnering a reputation for selling in volume and finding ways to close challenging deals.

Prudential Douglas Elliman ranks Lenz, who is a vice chairman, as its top-selling broker, though it won’t release specific sales or commission figures. Her rivals have contested as wildly exaggerated one published figure that suggested she sold properties worth \$748 million in 2006. Whatever the real value, Lenz says her sales revenue since October is “way off” — by about half from last year. And how many of those deals will actually close is something she’s still trying to determine.

The economic downturn also coincided with Lenz’s losing a client: [Manhattan](#) House, a major development on the East Side where Lenz, until late January, was the sales-and-marketing agent. Lenz claims that the developers wanted to find a broker to whom they could pay a less-expensive monthly retainer; Brian Fallon, of O’Connor Capital Partners and the partner in charge of Manhattan House, said in an e-mail message that Lenz was removed from the project for “performance-related reasons, not financial reasons.”

There are surely brokers relishing the chance to see Lenz, who has burned a bridge or two along the way, take a few blows. But even those brokers probably wouldn’t risk their last dollars betting against

Lenz's resourcefulness. If you want to see how a high-flying broker hustles around this market, Lenz — a child of immigrants who got her early sales experience at Waldbaum's — isn't a bad choice.

"I don't think she'll do well in this economy," says [Donald Trump](#), who says he doesn't "have a lot of patience for Dolly," even as he admires her prowess. "But I think she'll do better than everyone else."

Brokers all over the city are gasping for air, and Lenz would be the first to admit that she has plenty of challenges right now. "Fewer deals means fewer meetings," she said when asked about the waiter's comment. Yes, she's out to dinner a lot less often, and she says she misses the \$50,000-a-table fund-raisers at Cipriani, the jaunts on clients' private planes to the West Coast. "It's like my life went from glamorous to hard knocks," she said. "And it happened" — she snapped her fingers — "like that."

These days, Lenz tells anyone who asks that she's making hundreds of sales. Unfortunately, they involve only a handful of apartments. She has to persuade the buyer; and then the bank; and then the same buyer again, because he has gotten cold feet; and then another buyer, if she's lucky enough to find one to replace the first one, who ultimately walked away. "I have to keep selling and reselling and reselling the apartment to get them to close," Lenz says.

She told me about a typical meeting at the Four Seasons with a couple in their early 40s who were seriously considering walking away from a \$450,000 deposit they'd put down on a \$4.5 million apartment. What was killing them, she says she suspected, was that the market had fallen since they signed the contract three months earlier. "In an up market, everyone's dying to close," Lenz told me shortly before she lost the Manhattan House business. "You have to redo the floors — O.K., it's \$20,000, but maybe you've made that much money on the apartment's value anyway by the time you move in. That's the kind of calculation people used to make." Given the downturn — condo prices are down 10 percent from a year ago, and recent estimates suggest

they will drop by another 20 percent by the end of 2010 — jittery would-be buyers are doing the math and deciding it makes sense to walk away from a 10 or even 20 percent down payment. If the apartment is worth 20 percent less, why throw good money after bad? One friend of Lenz's gave up a \$1.7 million down payment he put on a property. "He didn't need it," she said. "For him, it was a purely financial decision."

A year ago, Lenz says, mortgage brokers were practically begging to place a liaison in her office, setting up lavish catered brunches. Now she's the one begging the lenders. When the credit crunch hit hard in September, she went through 16 appraisals and eight banks before she could close on a \$2 million apartment. Around the same time, Lenz started working the phones at various lenders, finding her way up the food chain, taking banking executives to dinner, sending them the link to her Web site, dropping names, whatever she could do to win their few remaining credit lines. In late February, she spent a day at the offices of Morgan Stanley's private-wealth group, trying to persuade the bankers to finance some properties. She even gave a banker a tour of some of the properties for which she was trying to get financing, pointing out the working fireplaces, the river views, the strength of the assets. "Never did that before," she said. "Total first."

One evening last month, Lenz dug out of her Hermès bag a photo of herself taken 15 years ago on the yacht of a billionaire investor. Dressed in a one-piece bathing suit, her two young children beside her, Lenz appears as an Everymother, a stout brunette with oversize glasses.

Today Lenz presents a perfect (if, by her own admission, clichéd) version of a successful, wealthy woman: blond hair furnished by [Frédéric Fekkai](#), trim figure, manicured oval nails, makeup by Chanel. "This is my uniform," she said of her Valentino suit. It's the kind of look, she says, that communicates: "I'm a coward or a conformist"; also, money, prestige and effort.

She first set her mind to this transformation seven years ago, and to keep it up, Lenz starts every morning by running 10 miles, stopping occasionally to check her BlackBerry. Sometimes she gets e-mail messages from friends who have caught a glimpse of her and comment on her unusual form: she runs fists clenched, her arms across her chest, Rocky-style. “Gearing up for a fight?” her friends sometimes ask.

The glossy armor, the 10-mile runs, the rapid-fire patter that Lenz can unleash in several languages — they’re all useful tools in the arsenal of a competitor in a cutthroat field. Lenz, who admits she’ll “get in your face if I think I’m right,” was famously ordered by a judge to stop showing a property on Park Avenue long after the developer reassigned the exclusive to one of her competitors. Other working relationships have also ended acrimoniously.

“She’s a lightning rod,” says Paul Purcell, the former president of what was then Douglas Elliman who is now a co-founder of Charles Rutenberg Realty. “I’m very fond of her. But I would say that 10 percent of my time at Douglas Elliman was spent handling complaints from other brokers about her. I could never figure out what was fact and what was fiction. I’d say that a lot of very successful people push the limits.”

These days, Lenz is trying to adjust to new limits — and to a new market psychology. When she shows an apartment, she says, she doesn’t want to have so much bad financial information about her client that she might reveal, however subtly — through body language, an expression — the seller’s level of anxiety. “If a buyer smells desperation, that’s the kiss of death,” she says. “It’s game over.”

She recently lost a client to a broker who assured the seller that he could get more for the apartment than Lenz was sure he would. “Now I have to think, Did I make a mistake?” she said. “Should I have been more positive somehow?” She talked about losing that client several

times over the course of a few weeks; it was obviously bothering her, and she was working it over in her mind.

Lenz has always been driven to head off every glitch that might get in the way of a closing. Cheryl Milstein, to whom Lenz sold a \$20-million-plus apartment in the Dakota, recalls Lenz's volunteering to help the seller pack to get the deal closed. But her availability has reached a new level of accommodation in this market. She recently got a call from a client, a buyer who needed to meet at a specific time. It conflicted with a promise she made to attend the memorial service for a friend of her 19-year-old daughter's. Even Lenz would not ordinarily have missed something that important to her daughter, but this time, she says, she had no choice. "It was not fair to anyone for me to miss that meeting," she told me.

One advantage to being multilingual is that you can seek solace in the comforting clichés of more than one language. Lenz has a few she likes in Spanish, the language she grew up hearing from her Spanish parents: full stomach, empty mind; when the water's rough, fish. Lenz is now trying to seek the opportunities in the downturn. She talks hopefully about discussions with an investor looking to pick up a big development at a low price and include her as a principal. In the last serious real estate downturn, in 1991, Lenz eventually ended up profiting: when developments went belly up, the banks turned entire buildings over to her to sell, so she had the advantage of volume (and, at the time, a base of foreign buyers happy to swoop in).

Still, she says she feels she missed an opportunity. "I sold to trusted friends and should have gone in with them," Lenz said in one of her typical near-stream-of-consciousness messages sent via BlackBerry — meaning she should have invested rather than just brokered. "This I regret not financially . . . all about opportunity cost after all . . . but for the adrenaline kick of it."

Lenz insists that she never mistook real estate for a high-status profession, private planes and drivers aside. "That just means you

have money,” she says; “It doesn’t mean you have status. We’re middlemen. What could be less important than that?” But these days, she says, she really feels it. Some clients who once would have chatted about her kids now have no interest in small talk. When things go wrong, she says, she hears about it, and loudly. “It’s challenging; it’s interesting,” she told me at the Four Seasons, as the waiter brought the check and the burbling pool finally was shut off. “It’s just not as fun.”