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Undaunted by Giants

By **ROBIN FINN**

There is no shortage of residential real estate expertise in real estate-obsessed New York City. Upward of 20,000 licensed professionals are eager to step in and, for a seemingly small commission, assist sellers and buyers in negotiations with high-impact consequences. The brokerages employing the vast majority of agents are real estate's equivalent of corporations, with multilayered staffs equipped to unflinchingly process multitudes of transactions. Their success is measured in quantifiable dollars; their reputations precede them.

But there remains a stubborn, fiercely independent coterie of brokerages, most of them tiny by design and eponymous for a reason (the boss often runs the show), that persevere in a business paradigm where bigger tends to be perceived as better. For independent brokers, success is measured in repeat clients, laserlike focus and resilience.

"Everything is personal with me," said Mary Kay Gallagher, the matriarch of a three-person family firm that has sold Victorian houses in the historic neighborhoods around Brooklyn's South Prospect Park for nearly 50 years.

If and when she retires, Ms. Gallagher, 93, will cede her spot to her granddaughter, Alexandra Reddish. But retirement is not on her mind. This autumn Ms. Gallagher's firm set a record for the area with the \$2 million sale of a colonial on Westminster Road. She had, she said, been trying to sell the house at varying owner-dictated price points off and on for the last 16 years. So had, in recent years, a few arrivistes from the big-box brokerages, a form of competition Ms. Gallagher is resigned to but not intimidated by.

"We're staying afloat on personal service and pure reputation," Ms. Reddish said. "Real estate isn't always about being aggressive and being top dog. At the big firms, because the competition between agents is so fierce, the pressure is always on. We don't have that. You can't force people to buy a \$2 million house."

What the big firms offer, particularly to clients who aren't prepared to zero in on a specific neighborhood or who may be simultaneously trying to sell or buy an out-of-town property, is high-tech connectivity combined with unmatched advertising punch. Boutique firms have their charms but, the larger brokerages insist, are not superior purveyors of specialized

treatment and service just by virtue of their small size. Also, name-brand recognition carries serious clout.

Dottie Herman, the chief executive of Douglas Elliman Real Estate, the largest residential brokerage in New York, says small companies can't possibly compete with the prodigious resources of the major firms. "I think that what we do better, in this day and age of Internet technology and search engines and websites, is everything," she said. "About the claim that big means impersonal, well, my company is the least of impersonal. We're accessible, and it starts with me."

Yet indie brokers, for their part, are treated like consiglieres by clients. Despite a reputation in some circles as dinosaurs, they are trusted for advice on everything from which co-ops have shaky finances or forbidding boards to which dry cleaners, delis and dog-walkers in a given neighborhood do the best work.

When Jeffrey Tabak opened a real estate office on Hudson Street in TriBeCa some 30 years ago, it was a small neighborhood of familiar faces. His specialty was and remains TriBeCa's lofts and co-ops, and in 1988 business was so steady that he hired Andrew Melnick to assist; he's still there.

"That was our start and still seems to be our niche," Mr. Tabak said. "Now we're selling lofts for empty nesters who bought them 20 or 30 years ago, and selling to a second generation. To be honest, we've never had a bad year."

As Mr. Melnick puts it: "We've proven ourselves, we've built relationships, and we're willing to co-broker. That's how you survive."

Still, when TriBeCa gained cachet, and Douglas Elliman opened a 40-person office directly across the street, Mr. Tabak had a rude awakening. "It absolutely changed the game," he said.

Rather than try and compete with the bigger company's citywide listings, or accept overtures about acquiring his firm, he further emphasized the deep roots of his business. He changed its name to Tabak Is TriBeCa, moved the office to 137 Reade Street, and eventually added James Attard, 31, a homegrown agent who has never lived north of Jane Street.

"I've spent my whole life building this brand," Mr. Tabak said. "As a small company, you have more flexibility to get the deal done and the ability to be very fair to repeat customers. When you do a Google search for TriBeCa real estate, I think our name comes up second, which for a three-person firm is amazing."

When Michael Mancuso, Bratton Technologies' chief experience officer (a title he defines as "user experience designer"), decided to trade in his Hudson Street loft for one in a slightly less polished corner of TriBeCa, he took "the Goldilocks approach" and contemplated small, medium and large firms to market it.

"All of the Goldilocks choices were competent and had a great track record of selling multimillion-dollar properties," he said. "But in the end, instead of going with the heavy hitters, I opted to go with the small, local firm, knowing the listing would be seen by everyone no matter who I chose."

On the buy side, Mr. Attard was as tireless as Mr. Mancuso was picky. "I think he showed me 51 lofts. He was very cool about the whole thing. No stress. No hysteria."

Jason Tillis, who bought Mr. Mancuso's Hudson Street loft in 2012, thought so, too. When he and his wife, Jessie, changed their minds about living in Manhattan after she became pregnant, he retained Mr. Attard to sell the loft so they could move back to New Jersey, where he is president of his family's firm, Imperial Bag and Paper Company, to be closer to relatives.

"I was so impressed by how comfortable he made us feel as buyers, even though he clearly had the seller's interests at heart," Mr. Tillis said, "that we knew we wanted him to handle our sale."

Mr. Attard's attentiveness to personal service extended to walking the Tillises' dog during showings.

"We go above and beyond for our sellers," Mr. Attard said. "We'll clean the windows, fix closet doors, make the bed, whatever it takes."

Judy Rubin Real Estate gets similarly high marks from clients for devotion to detail.

"I call her my boutique concierge service," Pnina Piontkowski, a retired architect with homes in Manhattan, the Hamptons and Port Jefferson on Long Island, said of Ms. Rubin, an uptown iconoclast who incorporated in 1988. "My family has done nine deals with her; she listens to you and never wastes your time. She's taught me so much that I could almost be a broker myself."

Ms. Rubin has one saleswoman, does not use a website, and jokingly refers to herself as "the weirdest broker in the city," explaining: "If someone wants to find me, they'll find me. I do not solicit listings, but I am a barracuda on behalf of my clients. What matters most to me is to hear them say, 'She's a great broker.' "

Jenny Siklas and her husband, Harry, met Ms. Rubin at an open house on Sutton Place. When they were ready to buy, they sought her out. “She was almost motherly, very selective, and knew the nuances of every building inside and out,” Ms. Siklas recalled. “One day she called and said, ‘I think I have the right building for you.’ ”

It was the Chatham, a brand-new tower designed by Robert A. M. Stern Architects at 181 East 65th Street. “Somehow she got us into the sales office the first day it opened,” Ms. Siklas said, “and we bought preconstruction.” In 2001 the couple paid \$1.2 million for a three-bedroom three-bath condo, which they sold in 2008 for \$3.7 million. There were multiple bids, but Ms. Rubin advised them to sell to a couple buying the place as an investment.

“We’re still living here because they rented it back to us,” said Ms. Siklas, who has two young children and was delighted to stay put and turn a profit. “When we’re ready to buy, we’ll always go with Judy; she’s never steered us wrong.”

Indie brokerages count on the personal touch as their main drawing card and build their clientele the old-fashioned way: through word-of-mouth and referrals. But, yes, they are becoming a lonely, if not endangered, species.

According to Martin Krasnoff, who got into the business in the ’90s and with his partner, Nan Shipley, runs Rand Realty NY on the Upper West Side, the camaraderie of two decades ago, when 600 to 700 independent brokerages operated in the city, no longer exists. He estimates fewer than half remain, with camaraderie having been replaced by competition. Greed is not good, he said, but it has permeated all facets of the business, whether indie or biggie.

“The consolidation of the big firms changed things,” he said. “They like to keep listings in-house if possible, rather than co-broke stuff. But there’s still a lot of misinformation about exclusives in Manhattan. Sellers think it’s better to use a Corcoran or an Elliman, but the reality is, I get a listing, put it out on the web, and seconds later 10,000 brokers have that information. The other reality is that 80 to 90 percent of all residential transactions have two brokerages involved.”

Added Ms. Shipley, who came to Rand from another small firm in 2006: “There is nothing that Corcoran can do that I can’t do: the only difference between us and them is they have a higher-speed copier. We give our clients our all. We keep on spending until we sell an apartment, and we’ll cut our commission to make a deal happen.”

Jason and Allison Isbell, who took a colleague’s advice and hired Rand last year to sell their 1,300-square-foot apartment at Eighth Avenue and 115th Street and to negotiate the

purchase of a 1,700-square-foot condo a few blocks closer to the park, noted another difference: patience.

“Ultimately,” Mr. Isbell said, “Marty Krasnoff locked us into a deal where we were able to pay less for the unit we bought than what we got for the smaller unit we sold. The process was difficult — it turned out the building we wanted to move into only accepted loans from portfolio banks — but Marty midwived the whole thing. I was thrilled for him to get his cut, because he truly earned it. He cared about our needs every step of the way.”

Mr. Isbell, a youth minister at Manhattan Church of Christ, and his wife, the director of learning at a private high school, had used big-name brokers in a previous transaction and came away skeptical.

“There is nothing necessarily wrong with them,” he said, “but when you get involved with them you start to feel like you’re part of a machine. Lots of glossy brochures, but if your property doesn’t sell in the first month or so, you get less attention. They start sending the junior brokers.”

When Pierre and Angélique Rochefort decided the time was right to sell their three-family brownstone on Jefferson Street in Bedford-Stuyvesant, bought as an investment in 2002, Mr. Rochefort met with three prospective brokers. “One from Corcoran, one from Elliman, and Ban Leow from Evans & Nye was the last one I interviewed and the person I hired,” Mr. Rochefort said. “He came to the table prepared. It wasn’t just a listing to him; it was about his love of brownstones.”

Mr. Leow and his business partner, William Hobbs, are former Elliman agents who went off on their own in 2012. Mr. Hobbs specializes in the West Village, Mr. Leow in Bedford-Stuyvesant, where he has owned a brownstone since 2003. The firm’s name is a valentine to their maternal grandmothers, and these days Evans & Nye has a full-time roster of four.

“We believe small is the new big,” Mr. Leow said. “We are the barrier-pushers in Bed-Stuy.” The firm, he says, has negotiated some of the highest selling prices in the neighborhood for two- and three-family houses. After asking \$1.7 million for Mr. Rochefort’s house, Mr. Leow said, they had it go into contract for \$1.85 million. “Each person’s home is their trophy,” Mr. Rochefort said, “and Ban stayed the course with ours, to set a standard, and it has.”

The powerhouses of real estate, meanwhile, maintain that bigger is the new big. The global behemoth Coldwell Banker, for instance, upped its total agent count to 83,000 by combining forces with Bellmarc, one of the city’s oldest firms. It now has 600 agents in New York City.

Simone Song Properties, at 241 Cabrini Boulevard in northern Manhattan, a neighborhood resource since 1986, is its latest acquisition. Ms. Song, a former lawyer, will continue to manage the office, which employs nine agents, eight of whom live in the neighborhood. The agents are nervous about the reorganization and renaming — Coldwell Banker Bellmarc Simone Song — but Ms. Song envisions the corporate partnership as insurance for the future.

“I’d been approached in the past by various big firms but wasn’t ready,” she said. “I didn’t go looking for this opportunity; it came to me. This gives the firm a sort of passive succession,” she said, alluding to her eventual retirement, “and a bigger stage. I feel vindicated that people are finally recognizing Hudson Heights and Inwood. We’re in demand, and Bellmarc wanted a foothold here.”

According to Neil Binder, the president of the Coldwell Banker Bellmarc Group, he recruited Ms. Song to anchor his company’s seventh and northernmost Manhattan office. “I didn’t have much of a presence in Upper Manhattan, and her company and reputation add a new dimension,” he said. “Lower Manhattan is another area of particular interest to us. Because of the Internet, it’s a challenging environment out there for brokers. We’re no longer just accumulators of information, we are definers of information and educators, and the larger firms are in a better position to distinguish themselves.”

But there are bound to be holdouts.

“I would never survive in a corporate world,” said Ann Weintraub, whose eponymous three-person firm has been a Greenwich Village fixture since 1984. “Yes, I pay all the bills, but I make all the decisions, and I like making decisions. What I don’t like is going to meetings. Not unless it’s a closing: I’d have to be in the hospital to miss a closing.”

This article has been revised to reflect the following correction:

Correction: December 6, 2013

An earlier version of this article misstated part of the name of the company for which Michael Mancuso is chief experience officer. It is Bratton Technologies, not Technology.

