

THE REAL DEAL

MAGAZINE

Top residential firms 2012

Boutique breakthroughs

Ranks shift as newcomer firms continue hiring spree

Top Manhattan boutique firms

Rank		Firm	Total \$ value, active Manhattan residential listings		No. of active Manhattan residential listings		No. of Manhattan agents	
2012	2011		2012	2011	2012	2011	2012	2011
1	2	Core	\$244.7 million	\$173.6 million	99	64	52	51
2	1	Leslie J. Garfield & Co.	\$182.4 million	\$215.3 million	23	19	8	10
3	3	Gumley Haft Kleier	\$113.2 million	\$84.2 million	33	26	36	39
4	4	Fox Residential Group	\$84.5 million	\$44.8 million	21	22	39	44
5	N/A	Blu Realty Group	\$57.5 million	N/A	34	N/A	59	N/A
6	6	The Modlin Group	\$48.0 million	\$31.9 million	6	8	6	4
7	7	Key-Ventures, Inc.	\$45.7 million	\$24.1 million	11	8	13	16
8	N/A	MNS	\$27.1 million	N/A	24	N/A	60	N/A
9	N/A	Platinum Properties	\$20.3 million	N/A	3	N/A	58	N/A
10	5	Mercedes/Berk	\$17.7 million	\$36.9 million	5	8	8	9
11	9	Think Properties NYC	\$17.5 million	\$18.1 million	4	4	8	7
12	11 ^{NE}	Olshan Realty Inc.	\$15.3 million	\$16.1 million	8	11	10	9

Source note: All data was gathered from the OLR listing portal in early May, except for the number of Manhattan agents, which was gathered from brokerage websites. Rankings include only Manhattan-based brokerages and agents, and active Manhattan residential listings updated within 120 days leading up to the time of the survey. "Boutique" is defined as firms with five to 60 agents.

By LEIGH KAMPING-CARDER

In the world of Manhattan boutique firms, a new company is king.

For the first time since *The Real Deal* started ranking boutique firms in 2009, the seven-year-old brokerage Core knocked the venerable Upper East Side brokerage Leslie J. Garfield & Co. from its continuous perch atop the firms with the highest dollar volume of listings.

Both Core and Garfield have more listings than they did last year at this time, according to TRD's research. But Core's 99 Manhattan residential listings are worth a total of \$244.7 million, an increase of almost 41 percent from \$173.6 million last year at this time. Meanwhile, Garfield's 23 listings are worth \$182.4 million, down 15.3 percent from \$215.3 million last year.

Collectively, the 358 agents working at the top dozen boutique firms had 271 Manhattan residential properties listed for sale, totaling nearly \$874 million, when TRD collected the data from listing provider Online Residential in early May. That's up from last year, when the top dozen firms had 276 agents who shared 231 listings worth a total \$690.4 million.

"The size of the company doesn't matter," Core CEO Shaun Osher said of his firm. "It's actually the power that we have in our listings."

Jed Garfield, owner of Leslie J. Garfield, expressed disappointment that the firm his father founded in 1972 was no longer No. 1, but he also said the company generated more revenue than ever last year, with several megasales. (In the last year, the firm's deals have included the \$23 million sale of Irish financier Derek Quinlan's townhouse at 20 East 64th Street and the

\$15.5 million sale of 21 East 70th Street.)

Two agents left the firm during that time — one for a wind power software company and another for Prudential Douglas Elliman — trimming the ranks down to eight agents, including Leslie Garfield, who is no longer working full-time as a broker.

"Hopefully you do one thing better than 99 percent of

the other people out there, and I think we still do that," Garfield said.

That one thing involves brokering the sales of high-priced Upper East Side and Upper West Side townhouses, including multifamily townhouses. The firm's priciest listing is the \$30 million, seven-story residence at 12 East 96th Street, marketed as a single-family home, that currently houses an Italian private school.

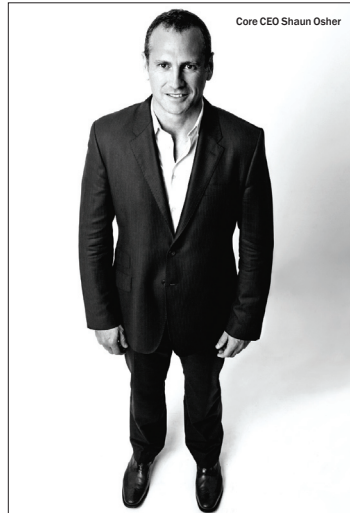
In contrast, Core's sales business runs the gamut from Harlem to the Financial District and from co-ops to new-construction condos. Indeed, it appears to be Core's handling of sales at several new developments that propelled the company from its long-occupied No. 2 spot, according to TRD's analysis of the firm's listings.

In November, Core took over sales at 1280 Fifth Avenue, developed by Brickman, from Brown Harris Stevens and Nancy Packes Inc. It later rechristened the 116-unit tower One Museum Mile and launched an advertising campaign with the tagline, "Art appreciates."

Core brokers Tom Postilio, Natalie Rakowski and Parul Brahmabhatt have 18 of the units on the market at the moment, asking a combined \$38.7 million, including an eight-bedroom combination unit priced at about \$7.2 million.

The brokerage also has multiple listings at two Chelsea developments — the Cammeyer and 350W16th — as well as a townhouse at 38 Bethune Street in the West Village listed at almost \$15 million. The firm is also "imminently" planning to list \$500 million worth of condos at the 53-unit Walker Tower in Chelsea, Os-

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Core CEO Shaun Osher

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her said.

More visibility

Since 2010, Core brokers have appeared alongside Warburg Realty and Gumley Haft Kleier brokers on HGTV's hit show "Selling New York," which Osher said has given the firm a platform to showcase its brand and its agents.

"But with respect to our business, our business model is not affected by the TV show," he said.

Still, the show has increased Core's visibility "tremendously," said fellow cast member Michele Kleier, president and chair of Gumley Haft Kleier.

Kleier, too, is reaping the rewards of her star turn, along with daughters and fellow "Selling New York" stars Sabrina Kleier-Morgenstern and Samantha Kleier-Forbes.

Although the brokerage once again had the third-highest dollar volume of listings, Gumley Haft Kleier increased its listings value by 34.4 percent to \$113.2 million. (Kleier said the total was closer to \$129 million.)

But she said the increased visibility that comes from TV is especially beneficial for a firm like Core, which counts so many more developers among its clientele. In contrast, developers typically bring in Gumley Haft Kleier to market one-off trophy properties in their projects, as Two Trees Management did with the penthouse in the Clocktower Building in Dumbo.

"It's extremely helpful for a [brokerage] that focuses on new construction because developers love to be on the show and certainly want the exposure," she said, noting that the private sellers who make up the bulk of her firm's clientele may see the show's publicity as a liability.

Gumley Haft Kleier's agent count dropped by three to 36, which Kleier said is consistent with her plan to keep her firm at 40 agents or less. "We're very selective because we work in an atmosphere where everybody works very closely together," Kleier said.

Osher said he has also committed to limiting the size of his firm, while imposing rigorous standards for agents.

In the last year, this approach has sometimes given the impression that Core had a revolving door, as an influx of new talent — including Prudential Douglas Elliman's Lawrence

Rich and Halstead Property's Ivana Tagliamonte — joined the firm and left within a few months.

Adding to the uproar, Osher abruptly replaced Mark Ripka, his well-liked managing director of sales, with Reba Miller, head of the eponymous brokerage.

"Most of the agents were asked to leave," Osher said, although he was reluctant to revisit the controversy.

But many of the defectors challenged Osher's contention that they were fired, saying they left of their own accord. (Ripka has since joined MNS.)

TRD's tally reveals that Core is almost exactly the same size now as it was a year ago, with 52 agents compared to 51. More recently, broker Jarrod Randolph, named one of Forbes Magazine's "30 under 30" in real estate, joined Core from Brown Harris Stevens.

"If you compare us to any [residential brokerage] in the city, our income and productivity per agent is the highest by a multiple," Osher claimed.

More shake-ups

Core's position at the top of TRD's ranking is not the only shake-up among Manhattan's boutique firms. Three brokerages cracked the list for the first time this year, while others have dropped off since 2011 — partly a function of the way a few listings can affect a boutique firm's rank.

For example, Barak Realty's dollar volume of listings fell to \$7.9 million this year, compared to \$16.1 million a year ago.

"We don't really have a lot of listings that sit on the market for a long time," founder Barak Dunayer said.

Three firms have maintained their positions from last year: Fox Residential Group, at No. 4 with \$84.5 million in listings; the Modlin Group, at No. 6 with \$48 million in listings; and Key-Ventures, Inc., at No. 7 with \$45.7 million in listings.

"Our focus is the same: to build high-quality, personal relationships," said Adam Modlin, who founded the Modlin Group with his brother, Avery Modlin, in 1999. "We don't have a business where we service strangers or walk-ins."

But there was still room for rookies on the list.

Blu Realty, a 100 percent-commission firm founded in

early 2011, debuted at No. 5 with \$57.5 million in listings. Founded by five alumni of Nest Seekers International — Alon Chadad, Moshe Balalo, Andy Kim, David Tobon and Michael Arcos — Blu now has 59 agents and 34 listings, according to TRD's research.

Blu recently tapped Halstead's Vince Rocco to head up the firm's second outpost, an office in Trump Place at 120 Riverside Boulevard launched to capitalize on new developments on the Upper West Side.

The strategy appears to be paying off, as 19 of Blu's 34 current listings are resales in Trump Place and Extell Development Company's the Avery, also on Riverside Boulevard. The firm is also set to bring three newly renovated Upper West Side townhouses to market, each priced between \$12 and \$14 million, Chadad said.

Also new to the list is MNS, the firm created out of a 2009 merger between the Real Estate Group New York and the Developers Group.

While the bulk of its Manhattan listings are concentrated in two Harlem developments — the Lenox at 380 Lenox Avenue and 2280 FDB at 2280 Frederick Douglass Boulevard — MNS has tried to broaden its focus in the last year, working with buyers and individual sellers in addition to developers, according to CEO Andrew Barrocas.

"We market a building, we [sell] it out and agents have gone back a couple years later and gotten resales in the buildings," Barrocas said.

MNS has also gained a wider reputation by overseeing sales at the Edge, Douglaston Development's once-stalled Williamsburg megaproject (although Brooklyn listings are not included in this ranking).

With that development nearly sold out, MNS has several buildings in the pipeline, ranging from 20 to 100 units and located in the Lower East Side, Union Square and Murray Hill, Barrocas said.

Another newcomer is the seven-year-old Platinum Properties, which lands on the ranking by virtue of its \$16.5 million penthouse listing at 200 Chambers Street in Tribeca.

The apartment first hit the market at nearly \$17.8 million last July. Platinum has offered a \$100,000 bonus to the broker who brings in a successful buyer. **TRD**