

ANALYSIS

Developers
Embracing
Design

PETER SLATIN

It wasn't long ago — last year, perhaps — that the idea of apartment or condominium architecture in New York City was an oxymoron, as it had been for decades.

High-rise residential design meant a pile of bricks or a sheet of glass and concrete. All the design has historically, and with some justification, focused on the inside, with two goals: realizing the maximum number of units for sale, and using design finishes to elicit the highest price for the intended market.

Suddenly, this longstanding paradigm is being challenged. I believe that challenge will begin to resonate across the country.

In early March, New York contractor-turned-developer Frank Sciamme unveiled a condominium building designed by famed Spanish architect Santiago Calatrava.

Calatrava had just made a huge splash in the city with the unveiling of his plans for the new mass-transit hub at the site of the World Trade Center. The condo design, of twisting, cantilevered individual residential cubes, pro-

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STEPHEN KOTLER AND HIS BROTHER, MICHAEL, WORK TOGETHER AS PART OF THE KOTLER GROUP AT DOUGLAS ELLIMAN

Teaming up for
bigger profits

A look at the city's top broker partnerships

In an industry dominated by solo entrepreneurs, the joint efforts of Bonnie Chajet and Ronnie Lane are clearly the exception.

At nearly 28 years and counting, the two have formed the longest running and arguably most successful partnership among Manhattan residential real estate agents.

"It works because we get along so well," said Chajet. "The only thing we argue about is politics."

Together, the pair, which met

while studying for their licensing exam, does around 95 percent of their deals together, and split all their commissions 50-50.

Though the number of permanent partnerships among brokers in the city is small, with no more than a few at most firms, many say it is a growing trend.

In this issue, *The Real Deal* looks at some of the top teams in the city, in a series of profiles that begins on page 14. The magazine approached 25 firms of all sizes and asked for the top-selling or most accomplished

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Condos
Convert
Downtown
to 24/7

STUART W. ELLIOTT

While it might take a few years, Lower Manhattan seems solidly on its way to becoming a 24/7 neighborhood.

By 2005, 12,000 units are expected to be added to the current total of 30,000. There will be more luxury, and the new developments will feature more built-in amenities — such as swimming pools and basketball courts — than in other parts in the city.

Many new condos in the Financial District are catering to families, who are drawn by prices 15 to 20 percent less than Tribeca and tax abatements on new buildings.

And it's not just the big name projects — condos at the Ritz-Carlton Hotel in Battery Park City, Santiago Calatrava's cube-design tower at South Street, or 15 Broad and 90 West Street. Smaller three or four-story "boutique" buildings are being converted in increasing numbers as well.

"There are a number of projects in the early stages," said Shaun Osher, executive

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AT A GLANCE

UPTICK IN

HIGH-END MARKET

While inventory remains low throughout Manhattan, the residential real estate market continues to experience significant price jumps, and the luxury segment has been particularly active in recent weeks.

Jonathan Miller, president of the appraisal firm Miller Samuel Inc. and author of the Douglas Elliman Manhattan Market Overview, said there has been a little surge in properties north of 55 or \$6 million going to contract since early February.

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CORCORAN GETS
BIGGER IN HAMPTONS

Only six months after making its first foray into the Hamptons, the Corcoran Group is now nearly tied with Douglas Elliman for largest firm on the East End. Last month, Corcoran bought Dayton-Halstead, a century-old brokerage with nearly 50 agents. Excess say it's all but over for remaining independent firms in the Hamptons.

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Latest from the Sunshine mind

Linking fine art and real estate in new projects

STUART W. ELLIOTT

When you are already responsible for marketing the Time Warner Center, with all the best amenities, hotel concierge service and the city's priciest apartment at \$45 million, maybe luxury becomes passé.

Louise Sunshine has apparently moved beyond luxury living and onto a new concept — linking real estate and fine art. "Luxury is such an overused term," said Sunshine. "We're so far beyond luxury."

In the latest project for the city's most prominent residential marketing company, The Sunshine Group is casting architect Richard Meier's new glass tower at 165 Charles Street as a "work of art."

But marketing rivals question how original the new concept is, and how far such high-concept selling can be taken. Some also said developers are doing more marketing in-house now rather than using outside marketing groups.

Last month, Sunshine launched the campaign for Meier's new condo, just south of his two celebrity-filled Perry Street buildings. The 31 apartments are being marketed as "limited edition" residences, with signed Lucite

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Louise Sunshine positions the city's top condos

PARTNERS IN PROFIT

Pairs rare, but successful for some

Continued from cover

sales partnership, with partnerships defined as including two or more brokers who work together and split commissions.

Working solo is the norm in real estate, but members of partnerships point out that they earn more collectively than alone and find an advantage in being able to bounce ideas off one another. Many also point out their arrangements provide more flexibility and fun than working by themselves.

Clients also get two brokers for the price of one, and are less likely to be passed off to inexperienced assistants.

Also, in a business where deals change from hour to hour, sped along by the Internet, with many people now amenable to living anywhere in Manhattan, some see it as a necessity.

Jo Siegel and Diane Kramer, whose long-running partnership was formed 15 years ago at MLBKaye International Realty, said they joined forces because they were so busy.

"It seems to be an up-and-coming thing now," Siegel said. "In New York, it happened because you can't even take an hour off."

Overall, the numbers are still

small. Roberta Benzilio, executive vice president at William B. May, estimates less than one percent of brokers at her company are partnering with another agent. Chajet said there are six or so partnerships at Warburg, which has 90 brokers. Overall, there appears to be a greater percentage nationally than in Manhattan.

Many teams are part of the same family. Dianne Van Laer and Carolyn Levitan are cousins who work together at Bellmare, Sheila and Elliott Lokitz are a husband and wife

team at Corcoran, and Stephen Kotler works with his brother Michael at Douglas Elliman as part of a larger team, the Kotler Group.

The family ties point to a need for trust in partnership arrangements.

"Having a sibling as a partner is a trust level there," Stephen Kotler. "We trust each other implicitly."

Even with trust, it can be hard to form a lasting partnership. Many dissolve quickly, for a variety of reasons.

"A lot of times it's ego," said Kotler.

Making sure the right financial agreements are in place is key.

"Many partnerships that don't last, it's because people start having score sheets," said Siegel.

"You have to be really clear and lay out up front what is the agreement coming in and agreement going out," said Herve Senequier, who partners with Leonard Steinberg at Douglas Elliman. "In some cases, it gets very ugly when people part."

Basic mismatches are perhaps the number one reason why teams don't survive, other brokers said.

"Both of the partners have to be equally motivated," said Chajet. "And you have to be open about it if you don't think it's going well."

The Real Deal

◀ Nikki Field and Gillian Jolis

COMPANY: Sotheby's

DEALS: \$100 million in sales in 2003

Nikki Field and Gillian Jolis started at Ashforth Warburg Associates in the mid-90s, and quickly became known as the "medical team" there, finding a niche in sales involving doctors moving from Park and Fifth Avenues whose offices were mostly converted to residences. Field was named Ashforth's rookie of the year and was also nominated for the REBNY Rookie of the Year Award. Sotheby's recruited the duo in 1998. "Since then, our business has grown close to 100 percent a year," said Field. As townhouse specialists, Field said the duo set an industry record in 2002 with the sale of five prestigious townhouses at record-shattering prices. They also achieved the highest dollar amount per square foot for a townhouse in Carnegie Hill — selling 13 East 94th Street for \$1,740 a square foot last year (the property went for \$11.25 million). "Nikki is the negotiator par excellence," said Jolis. "Gillian has a good sensibility for the aesthetics of the market," Field said.

