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## NYC residential firms with all the perks

TRD's survey of standout NYC brokerages, including young firms trying to lure talent

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By E.B. Solomont



From left: Corcoran's Pam Liebman, Dubai and Robert Reffkin of Urban Compass

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In New York's hyper-competitive real estate world, jumping from brokerage to brokerage is a blood sport for agents. And to attract top brokers, firms are known to offer huge signing bonuses, high commission splits and a bevy of perks. Even for the average agent, benefits can range from insurance coverage to car service to use of the company's American Express black card.

*The Real Deal* surveyed brokers across the city to identify stand-out amenities at firms both big and small. Several large firms declined to participate, but we reached out to individual brokers to get the scoop on what their firms offer.

Given that the majority of brokers are independent contractors, most hammered home the importance of training programs, marketing support, technology and a robust listings database.

The following are some of the most notable amenities offered by New York City's residential brokerages:

### Technology

If selling real estate is about relationships, technology is a modern-day cupid; right now, most brokerages have — or are developing — mobile tools to help agents complete deals on the go, including cloud-based access to the firm's listings.

For startup brokerage Urban Compass, led by CEO Robert Reffkin, tech is the backbone of the company. In addition to a proprietary mobile app for agents, through which agents can access paperwork, update listings or conduct searches, Urban Compass uses targeted advertising online and in print.

In terms of lead generation, the "contact agent" button on Urban Compass' website matches up clients with agents based on transaction history, neighborhood and product expertise. Data is also a big part of Urban Compass' technology focus, and to that end, the firm's engineers have looked at consumer searches to make non-obvious correlations. That's enabled agents to steer clients toward expanded searches, a key strategy given the market's tight inventory.

"A lot of people say, if you're looking at the West Village, you should look in Greenwich Village, they're neighboring," said Alex Stern, Urban Compass' head of product, citing one common way of expanding a search. But he said Urban Compass' technology connects neighborhoods based on other factors, such as similar building makeup and neighborhood amenities, so therefore someone looking on the Upper West Side may also be inclined to buy an apartment on the Upper East Side or in Park Slope — a less obvious alternative than, say, Lincoln Square or Morningside Heights.

Other firms use cloud-based technology to facilitate communication between agents and clients. EXR Group — a 20-agent firm in Brooklyn — offers EXR Hive, a cloud-based software that acts as a personal assistant, coordinates data points and offers real-time data. Keller Williams NYC started using Contactually, an app that helps agents manage communications with clients by reminding them to send follow up messages, among other features.

With its tech offerings, DJK Residential and Spire Group have 24/7 tech support, and DJK also has a full-time web content specialist who helps agents create graphics or online content. In the past year, another firm, DSA, has encouraged clients to use Zufog.com, a site that lets them leave anonymous reviews of their experience with the 50-person firm.

### **Training**

Even brokers at firms with top technology underscored the importance of training.

Bold New York, with 35 agents, has a 10-day new agent training program that's split between the field and classroom. The firm also has a monthly sales seminar.

At Keller Williams NYC, led by CEO Eric Barron, about half of agents participate in frequently-offered courses, including Ignite, a training program, as well as a prospecting class, business planning clinic and class in global property specialization. "I have worked at a couple of other brokerages," said one agent. "The training is unmatched. I am truly an independent business owner."

While David Schlamm's City Connections doesn't offer formal training, the firm does give out \$1,000 scholarships for agents who want to take classes or get coaching. In a similar vein, DJK Residential — which has an in-house training program — pays for its agents to attend Broker Heaven courses.

William Raveis, which recently opened an office in New York City, offers online and live classes at various locations on an ongoing basis. "Whatever the agent needs to be educated they receive," the firm said in its submitted survey. "Education is first and foremost."

### **Listing database**

With no central Multiple Listing Service, New York firms have built their own databases, in addition to having agents rely on Online Residential (OLR), Zillow, StreetEasy, PropertyShark and the Real Estate Board of New York's listing service (RLS).

For example, Town agents have access to "Townhouse," the firm's in-house proprietary database, as well as PropertyShark, OLR and another listings database, Jaguar. In fact, by offering both OLR and Jaguar, generally competitors, Town said it offers agents a "competitive advantage."

Nest Seekers International agents have access to OLR, PropertyShark, Nestio — another residential listings database — and the firm's proprietary database, which shows "almost real-time vacancies."

The city's two largest brokerages, Douglas Elliman and Corcoran, both of which declined to fill out the survey, also have their own databases.

Corcoran, led by Pam Liebman, has a database called Taxi, which has been praised for being "easy to use, very user-friendly" and with more listings than OLR. Elliman's database, called Limo, offers agents a leg up by virtue of the size of the firm (and by extension, the database). One Elliman agent said she has access to 5,500 other Elliman agents' listings via the company database, before those listings make their way to StreetEasy and other brokerages.

Earlier this year, Citi Habitats rolled out the first phase of a new listings database in conjunction with Corcoran. (Both are subsidiaries of publicly-traded Realogy.) "Our agents can access a myriad of resources, including lease templates, customizable marketing materials and sales and rental market data," said President Gary Malin.

Relationships with landlords and management firms also help.

For example, agents at DSA benefit from the firm owning, and being the exclusive broker for, some 160 buildings in the city.

EXR's database marries old-fashioned vacancy info with technology: Its listings tool contains basic information on apartments, and also pulls data from PropertyShark and Yelp to automatically give agents information on things like subway stations and popular restaurants near an apartment.

"The best way to move an apartment is to not simply say, 'Oh, here it is, hope you like it,' but to be [knowledgeable] on the neighborhood and area," said managing partner John Le Vine. "So if you walk into an

apartment, you can say, ‘There are these big beautiful windows and there’s a great Vietnamese restaurant a block away.’ You’re selling them a home, not an apartment.”

### **Commission splits**

It’s common practice for agents to jump from one firm to the next for a higher split.

For example, Town starts agents at a 50 percent split, and they are bumped up to 55 percent when they have gross commission income of \$160,000 to \$190,000. The split increases in 5 percent increments until \$650,000, when the agent gets a 75 percent split. At Douglas Elliman and Corcoran, meanwhile, agents get a 55 percent split if they have commissions of \$135,000 (at Elliman) or \$160,000 (at Corcoran). Elliman agents are bumped up to 60 percent at \$155,000, 65 percent at \$210,000 and 70 percent at \$340,000. Corcoran increases the split to 60 percent at \$195,000, 65 percent at \$250,000 and 70 percent at \$395,000.

Meanwhile, Miron Properties offers a lower threshold for agents seeking a higher split: Agents with commissions of \$350,000 or more get a 70 percent split.

A number of firms hit the scene over the past few years offering high splits, aimed at attracting agents. At City Connections, for example, agents start at a 70 percent split.

At Spire, agents pay \$495 monthly and get 100 percent of the commission they earn. Keller Williams, for its part, starts agents at 70 percent, and bumps them up to 100 percent when the agent’s company contribution reaches \$50,000. Rutenberg Realty is known for allowing agents to keep 100 percent of their commissions. A new firm, Suitey, pays agents a monthly salary and offers deal-based bonuses.

### **Marketing/advertising support**

To help agents grow their businesses, brokerages provide advertising and marketing support to varying degrees.

William Raveis takes a personal approach — its marketing department includes a design team that creates brands, logos and messaging for agents. Similarly, Nest Seekers International offers individualized coaching and marketing plans.

At Bold, agents meet with someone from the creative department and management once a quarter to discuss business growth and plans to scale. “We’re into career building,” said Nina LaBarre, an agent at Bold.

At Douglas Elliman, brokers see the massive brand as a powerful tool in itself, of course. “Douglas Elliman is a powerhouse, and [the firm] allows agents to leverage that,” said one Elliman broker. “We team up with [appraisal firm] Miller Samuel, so we have our own market report. So we have first dibs on that.”

Melding technology and marketing, Blu Realty Group creates video profiles for its agents to market them to a global audience.

Platinum Properties also makes video profiles, and also provides agents with a personalized, monthly newsletter.

### **Extra incentives**

Since most agents are independent contractors, many firms entice agents with perks — be it offering use of the company credit card or dangling an all-expenses paid vacation.

Blu Realty Group knows real estate can also be stressful, and it rewards agents with three paid sessions with a personal trainer after they’ve been with the company for eight months, and completed at least one sale. The firm also holds twice-monthly wine tastings and weekly breakfasts and lunches. Blu agents with listings over \$1.5 million also have use of a private driver.

While other firms offer chauffeur service (Keller Williams New York City offers a driver to agents with listings over \$2 million), Miron Properties has a corporate membership to the Classic Car Club, and agents have won use of classic cars for the day.

Platinum Properties, with 30 agents, offers agents use of the concierge service offered through its American Express Centurion Card, known as the black card. Recently the firm also treated agents to a trip to Dubai. Similarly, Bold agents recently won an all-expense paid trip to Barbados as part of a promotion to increase performance.

Keller Williams NYC agents said that a key perk — profit sharing — is a top benefit. Everyone who refers an agent gets a cut of the company’s profits.

## **Benefits**

Health insurance, 401(k) plans and paid vacation time are the kind of benefits that can draw and keep agents. Coldwell Banker The Bellmarc Group is among the brokerages that provide health insurance, once an agent has been with the firm for 90 days.

Other firms have corporate wellness programs. Keller Williams, for instance, offers individual plans for health coverage.

Town, for its part, reimburses agents for their health insurance and for gym memberships.

DJK Residential, which offers partial gym reimbursements, also has a “Vitality Program,” where agents earn points for being healthy and exercising, redeemable for free merchandise or lower insurance rates.

## **Fees**

Who likes fees? Not agents. While some of the larger brokerages tack on desk or technology fees in exchange for marketing support, smaller firms may have the edge with their “no fee” policies.

“It costs \$0 to work at DJK,” the firm said in its survey.

Still, fees do serve a purpose.

City Connections charges brokers a desk fee, ranging from \$200 to \$250 monthly, if agents want a permanent desk in the firm’s new office. Located at the Masonic Hall building, the brokerage has 33 windowed work cubicles and eight private offices, conference rooms and lounge. And Keller Williams agents pay about \$150 in monthly fees, which covers errors and omissions insurance, access to several listings databases and analytic tools, as well as marketing and tech support.

## **Management**

As a smaller firm, with just 30 agents, Platinum has a manager for every three agents, one of the lowest ratios out there, it claims.

Town, which had 630 agents and staff members as of Sept. 30, has a five-to-one agent-to-staff ratio, giving agents “access for assistance on all topics from transactional to professional development,” the firm said in its survey. At some firms, managers don’t handle sales personally, leaving the business to agents whose pay is tied to commissions.

“No manager or person on salary is permitted to take out clients, take exclusives or do deals for compensation,” said DJK Residential managing director Phyllis Pezenik. It wouldn’t be ethical, she said, “as it essentially puts them in competition with the very people they are managing, and results in a conflict of interest.”

## **Work culture**

A growing number of firms have embraced an office culture that aims to disprove the image of the cutthroat, competitive brokerage world.

Miron Properties, with 102 agents, runs periodic anonymous agent surveys to stay on top of what agents are thinking. “We have a ton of team-building activities,” said founder and director Jeff Schleider, who also cited things like Miron’s bullpen-style office, casual dress code and office foosball table as reflections of the company’s culture. The Brooklyn office also has a backyard and barbecue.

Urban Compass agents (and staffers) say collaboration is a hallmark of the nascent brokerage. “In an industry full of independent contractors, Urban Compass is a place where, yes, there’s that desire to make a transaction happen on the agent level, but everyone has a connection and desire to collaborate and build a brand and experience that’s bigger than the individual deal,” said Stern.

Douglas Elliman organizes a four-day retreat in Atlantic City for brokers, with training, motivational speakers and networking, according to one broker. It’s a great way to boost agents’ “network within a network,” the broker said.

At some smaller brokerages, the firms’ principals take a personal approach, too. “I still take whoever wants to go to see my favorite Grateful Dead cover band,” Dark Star Orchestra, said City Connections’ Schlamm, who says he has also thrown work parties on 115-foot yachts.