

# NEW YORK

## Earning the Business

An Interview with Dottie Herman, President and Chief Executive Officer, Prudential Douglas Elliman Real Estate



**EDITORS' NOTE** Dottie Herman began her 20-year real estate career as a salesperson on Long Island, subsequently buying Prudential Long Island Realty in 1989. She and her partner, Howard Lorber, bought Douglas Elliman in 2003.



Dottie Herman

**COMPANY BRIEF** With 14,000 transactions annually, Prudential Douglas Elliman Real Estate ([www.prudentialelliman.com](http://www.prudentialelliman.com)) is the largest residential real estate services company in New York and the fourth largest by volume in the United States. It has more than 3,300 real estate professionals in some 60 offices throughout Manhattan, Brooklyn, Queens, the Hamptons, Long Island, and the North Fork. Divisions include Preferred Empire Mortgage Company and PDE Title. Douglas Elliman Property Management – one of the area's largest property management firms – handles 50,000 units in some of the city's most prestigious buildings.

### Have recent challenges in the real estate market affected New York?

I don't think anywhere, even New York, is immune given the economic situation today. We should kiss the ground and be thankful that we live here and have investments here because it certainly has a lot of staying power, but even in New York, you're affected. When people feel rich, they spend, but when there are uncertainties, they stay on the fence longer and do not spend the same way. It's not that people don't want real estate or they're afraid to buy here. Everybody has a good feeling about New York, and people still want to be here, but everyone is more cautious now. There is just not a sense of urgency.

### How broad is your target market, and are you focused on all types of purchases?

We pride ourselves on serving our customers from their initial rental to their last purchase and everything in between, including the second home market. With 3,300 agents covering more than 150 miles of geography, there isn't any seller, buyer, or renter in any price range or area that we don't handle.

### Unexpected parts of the city have grown. How does that affect you, and will it push out a lot of first-time buyers?

The city is a treasure trove of wonderful, newly revitalized neighborhoods. Instead of

pushing out first-time buyers, it gives them even greater options for places to find their first homes. Lower East Side, Clinton, Harlem, Morningside, Hamilton, and Washington Heights are all destination areas now for not just newcomers to homeownership, but anyone who wants more space for the money. New development created opportunities for new and improved retail services to grow in these markets. It says a lot about the city leaders and the importance of planning, having vision, being competitive, and creating a buzz all over not just Manhattan, but the other boroughs too. It is a very exciting time to be in New York.

### Is differentiating yourself challenging in this market?

Douglas Elliman as a brand has been known for nearly 100 years now as the premier real estate company in the area. It's about our relationships, service, and track record. We built that by dedicating ourselves to our customers. You can't ask for that business – you have to earn it. So we continue to earn it, and I never take anything for granted. The better your competition is, the better it makes you, and so we welcome it. It helps me stay focused on my personal vision that directs our company vision.

### Are you surprised at how quickly technology has impacted this industry?

It looks like it caught on overnight, but we've been focused on it for the past 12 or 13 years at least. When I expanded my business into the Hamptons 12 years ago, I was the first to post our listings on the Internet. Back then, consumers were already searching for property on the Web, and I knew it was a technology to embrace. It's now mainstream, and it has changed the way we do business. It makes us sharper and demands more responsiveness. We've geared up for it and are excited by all the new ways we can reach the consumer.

### How much has the role of the broker shifted over time?

It's a whole different deal today. It's like being in business for yourself. They're giving degrees in real estate now, so it's certainly not a part-time job. There's a lot of skill involved, and it has a lot more components than ever. Young people come into the business because it's one of the few places where you're in business for yourself that does not cost millions of dollars to get into.

### Do you plan to focus on other markets in the future?

Our primary focus will continue to be on our established market here in the New York and Long Island areas, but we will also always respond to the demands of our customers and consider expanding as appropriate to meet their needs. One wonderful thing about being a part of the Prudential network is that we have colleagues everywhere to attend to our customers, and with the technology available today, we really can easily and efficiently do business anywhere.

### How critical is it to conduct research and provide the results to clients?

They are the key differentiators for us. We want consumers to turn to us for all the information they need to make a well-educated decision on their real estate transactions today. My Web site is filled with valuable content for sellers, renters, and buyers alike, and I'm keen on making my brokers the most skilled and learned in the industry, because if they're not, they can't help the consumer. I have a dedicated researcher on my team and allocate both resources and finances to having the most current information on the marketplace to ensure that people know what's going on. Our quarterly market studies and 10-year reports are just two examples of how we keep consumers, government officials, and financial institutions aware of what's happening with real estate from Manhattan to Montauk. People from all over the U.S. and abroad contact us for our market studies.

### How would people who have worked with you describe you?

They would tell you that I'm very inclusive. I involve everybody. I'm tough when I have to be tough and when I want something the way I want it. I push people to grow, think, and strategize because too many people live on what they did yesterday.

### In the beginning, did you ever imagine the business would grow into what it is today?

It's so unreal that when I tell the story myself, it's hard to believe it's really true. My lesson is that anything is possible if you really want it and work hard to get it. I hope my story helps people see that achieving success is possible even when many obstacles are in your way. I mentor and help as many people as I can because it's about having someone believe in you. ●

Dottie Herman, pictured with Howard Lorber, was honored at the American Heart Association gala this past July.