

Serving Customer Needs

**An Interview with Pamela Liebman,
President and Chief Executive Officer, The Corcoran Group**

EDITORS' NOTE Pamela Liebman was appointed to her current position in 2000. Shortly after joining The Corcoran Group as an agent in 1985, she was named Director of the company's first downtown office, which grew from 12 to more than 70 agents under her guidance. Liebman studied at the University of Massachusetts, Amherst and at the European Business School in London. She is recognized by The New York Post and Crain's New York Business as one of the 50 Most Powerful Women in New York.



Pamela Liebman

COMPANY BRIEF Founded in 1973, Corcoran (www.corcoran.com) is the largest residential real estate firm in New York. After expanding into other luxury markets, acquiring leading firms in New York, the Hamptons, and Florida, the firm now operates 42 offices and employs more than 2,200 agents.

How is the New York market faring today and how strong is Corcoran?

We're fortunate to have our business in New York City because it's one of the capitals of the world. So we don't face the same problems as many of the smaller markets around the country.

We have a worldwide audience. When the New York economy was weak, we benefitted from the strength of foreign currencies and had numerous overseas buyers that took advantage and bought apartments here.

Our other major advantage is that Manhattan has a natural geographical impediment to overdevelopment. Because we're on an island, we can only grow up, not out. If anything, we're now suffering from a severe lack of inventory.

Are you surprised at how certain areas of New York have evolved and is there a danger of people being priced out of the market?

I think it is truer today than ever before that New York City is the great American melting pot. This is a city where people from different parts of the world and with a wide variety of cultural backgrounds live side by side.

But transformation has always been the cornerstone of the city's character. What sets New York City apart is its ability to expand and change within its own boundaries.

That dynamic means that neighborhoods are always changing their street life, their architecture, their zoning, and their very characters. With those

kinds of shifts come population changes and sometimes price changes; it's part of the cycle of city life.

Brooklyn used to be where you lived when you were priced out of Manhattan. But now Brooklyn is the first choice for college graduates, artists, professionals who commute to Manhattan, and families whose ancestors have called Brooklyn home for generations, to name a few.

New York may be expensive but people always find a way to live here.

Is this market being driven by overseas buyers and is buying in the U.S. coming back?

Because New York is a global capital and a financial safe haven due to its political and economic stability, it continues to draw clients from around the globe who are investing heavily in New York real estate as a means of diversifying assets, while enjoying the benefits of owning a home in one of the world's most desirable destinations. I don't see that changing any time soon.

This year, we had a new crop of buyers coming in from the Middle East. Our South American buyers continue to be strong, and we are seeing large numbers of Europeans, particularly from Russia.

Domestically, the market has done incredibly well. While prices have not risen that much, the absorption has been outstanding: we're down from a high of over 12,000 active listings in 2008 to below 9,000 today. Fewer choices means more competition and that means more leverage for sellers to ask higher prices.

Do people still come in to see the real estate agent or is much of that work being done online?

I do think it's still important to have an office. Not only for the public to come in and meet with agents, but for the company itself to have a gathering place where colleagues work together, share information, and forge the company's identity through daily interaction and hard work. A collection of people working separately from remote locations can never form a cohesive company, nor would they possess the loyalty or commitment that leads to business success.

Having said that, a strong online presence has never been more important in real estate than today; over 95 percent of people start their real estate search online.

At Corcoran, we're focusing heavily on social media and on how continued enhancements in technology can help us expand and grow our

business. I'm happy to say that this strategy is working for us. We're the number one real estate firm on Facebook with over 50,000 fans; we're number one on Twitter; and we're number one on YouTube.

So we have dedicated minds making sure we stay ahead of the curve. People want to connect with their agents in a different way and we're doing everything possible to make that happen.

Is Corcoran able to meet demands at any level or is the focus on a niche market?

Our goal is to enable people to live their ideal lifestyle, no matter what stage of life's journey they may be on. For some people, that is going to mean helping a student find a decent rental close to school; for someone else, it may mean purchasing a trophy penthouse for \$50 million. For most, it's something in between, but the fact is that both of those needs are legitimate and both are real. And of course, today's student renter is tomorrow's home buyer, so it just makes good business sense to provide them with outstanding service.

Our reach is expansive in all of our markets. We sell more than any other firm and we also have demonstrated solid leadership at the luxury high end. This year alone, Corcoran broke the record for the most expensive co-op sale in the history of Manhattan. In the condo market, we're well-known – between Corcoran and Corcoran Sunshine – for handling the most luxurious new development condos. We own Citi Habitats as well, which is the major player in New York City's large rental market.

With our presence in Palm Beach, the Hamptons, and Brooklyn, our clients are well-served and I'm pleased to say that we're number one in every one of our markets.

What has helped Corcoran become so successful in the market research area?

Corcoran was the first firm to issue statistical information on residential real estate in the form of market reports, which established the industry standard for measuring the pulse of the market. We have a full-time staff of dedicated researchers who produce not only the quarterly report, but also a constant stream of important statistical data for our agents to mobilize in their day-to-day work. I think that makes a big difference in terms of their ability to be knowledgeable and to provide quick, reliable answers to their clients' questions.

Many financial institutions, media outlets, and regular homeowners rely on Corcoran to provide this information because we tell it like it is, in terms everyone can understand. People respect our take on the market because it's based on reality. ●