

Retail Specialists

An Interview with
Steven E. Baker, President, Winick Realty Group

EDITORS' NOTE *Having discovered his outstanding sales skills while managing medical supply sales, Steven Baker decided to focus on real estate leasing and sales when he joined Winick Realty Group in 2000. Baker is today marketing some of the most prominent retail locations in the city, representing property owners like Related Companies, The Durst Organization, The Brodsky Organization, Brookfield Office Properties, TF Cornerstone, and The Stabl Organization. Baker is a member of the International Council of Shopping Centers and the Real Estate Board of New York. He was named one of New York City's Power Brokers for Retail Leasing by the CoStar Group in 2007, 2009, and 2011, based on total leasing transaction volumes for those years. He holds a Bachelor's degree in marketing from Pace University.*



Steven E. Baker

COMPANY BRIEF *Winick Realty Group (winick.us) is one of New York's prominent real estate firms specializing in retail leasing and advisory services. Over the years, it has served a broad range of domestic and global clients, with a strong emphasis on long-term representation, and expansion and growth strategies. Winick Realty Group is highly recognized as a forerunner in the retail real estate market.*

Would you discuss the heritage of the firm and how it has evolved?

When I got here 15 years ago, there was a completely different dynamic in that the company was focused predominantly on the growth of one particular tenant: Duane Reade. We didn't have as many landlord listings or work – it was a one-dimensional firm, which was justified because Duane Reade was growing at an extremely rapid rate. We also had Chase Bank, and we did work with Blockbuster and Gateway Computers.

Our work now is approximately 50 percent landlord work and 50 percent tenant work. We have over 150 listings in our system, and we still have Duane Reade, which is now Walgreens. We also do work for AT&T Corporate, Chipotle, and other national brands, but we're more evenly hedged.

Our firm's owner, Jeff Winick, believes strongly in hedging because when it's a tenant market, it's great, but you need to have both to survive and to be a successful real estate broker.

How strong is the market today and is it sustainable?

The primary markets like SoHo, Times Square, 34th Street, and Madison Avenue are strong; the secondary and tertiary markets are not as strong.

All of the big deals that are occurring – the ones you hear about – are in the primary markets. What you don't hear about is the supply in the secondary and tertiary markets of New York City.

The market is frothy, and I don't know if it can be sustained; as long as the dollar is what it is, who knows.

It will be tough to sustain this economic growth in the real estate market, especially in New York City, but the primary markets are extremely strong.

Some say that almost every market in the New York City area is a primary market. Is that the case?

Every market will eventually be. It's hard because they're not growing any more land here.

Hudson Yards will have explosive growth – 13 million square feet of office/residential/retail with Related's project, not to mention Brookfield's project of Manhattan West.

But everything will expand in each direction, and we will run out of land so that every market will turn into a primary market.

Is Manhattan the principal focus for Winick?

Our core market is Manhattan proper, but we're also doing a lot of business in Brooklyn. We just picked up a 50,000-square-foot project by TF Cornerstone being built on Bond Street, a.k.a. Livingston Street. We're working on 388 Bridge Street for the Stahl Real Estate organization. We're doing a lot of work in Long Island City too. We're focused on the up-and-coming markets. You have to stay ahead of the curve in brokerage. A lot of my competitors are focused solely on Manhattan proper, but we have chosen to separate ourselves and go where there is a lot of room for growth.

How do you differentiate from your competition?

It's challenging to find talent that helps you differentiate yourself, but we differentiate on a few platforms.

Our technology is first-rate. We just purchased an Esri demographic program, which helps us separate ourselves.

Regarding the talent pool, we have been doing a lot of recruiting from the bigger colleges

recently, and the talent pool coming here will soon be second-to-none.

We have an agent training program that further helps separate us from others. We take six people out of college and train them to be retail brokers. In the past, it was about giving a desk and a phone to a broker and sending him to work; now it's more about training – they need structure. We give them assignments to do over the course of a three-to six-month period and, after six months, while we don't think they're going to know everything, they will feel more comfortable in making phone calls and being a real estate broker.

Our market knowledge of the boroughs and New Jersey is also a differentiator. We opened an office in New Jersey a few years ago and we're proud of where it's going.

How critical is it to have that mixed-use component today?

For diversification purposes, for someone owning an asset, it's great. If one asset class is not doing as well as the other, you can essentially support your asset with the other. I always equate office with stock, and retail is a steady bond that increases over time. So chances are that retail can help support a building's cash flow for a period of time.

Do you work with all different size spaces and types of tenants?

We work with everything from small mom-and-pop tenants to huge corporations, and the same goes for the landlord end of things. We have anywhere from 300-square-foot spaces to 100,000-square-foot spaces. We have high-profile locations on Fifth Avenue and Broadway that we're currently marketing, and we have the secondary and tertiary spaces as well. So we run a broad spectrum.

What do you look for in a potential broker?

We look for hunger – you have to be hungry in this business and self-motivated. You cannot rely on others to motivate you.

Also, it requires hard work. You have to want to be the first one in the office and the last one out.

Real estate instincts for the business are quite important, and we can tell within the first six months whether people are going to be hard workers.

We're also looking for people with positive attitudes and good personalities. People generally do business with people they like. ●