

An Information and Service Business

An Interview with Hall F. Willkie, President, and Bess Freedman, Executive Vice President, Managing Director of Sales & Business Development, Brown Harris Stevens

EDITORS' NOTE Hall Willkie oversees Brown Harris Stevens Residential Sales, LLC, managing more than 400 sales agents in New York City with sales in excess of \$4.2 billion. He works closely with his colleagues who manage Brown Harris Stevens sales offices in The Hamptons, Palm Beach, and Miami.

Formerly a Senior Managing Director of the Corcoran Group's East Side headquarters, Bess Freedman

was appointed in 2013 by Brown Harris Stevens President Hall F. Willkie to foster business development for both the agents and the firm. Prior to her promotion to Senior Managing Director at Corcoran, as an agent Freedman attained great success at their Carnegie Hill office. She achieved repeated membership in their Multi-Million-Dollar Club thanks to her exemplary customer service, knowledge of the market, and results. She earned her undergraduate degree from Ithaca College and her law degree from The University of the District of Columbia, David A. Clarke School of Law, in Washington, D.C. Prior to entering real estate, Freedman practiced law as an Assistant State's Attorney in Montgomery County, Maryland, and also worked at Legal Aid as an attorney. She is a member of the Florida, Washington, D.C., and Maryland Bar, and worked in New York pro hac vice.

COMPANY BRIEF Established in 1873, privately held New York-based Brown Harris Stevens (BHSUSA.com) is a premier provider of real estate services. One of the oldest and largest real estate firms in the country, the company operates offices in New York City, the Hamptons, Palm Beach, and Miami. Its operating divisions include residential sales, residential management, new development marketing and sales, relocation, appraisal and consulting, commercial sales, healthcare real estate, and insurance services. Recently, the firm opened an exceptional new downtown flagship and expanded in Palm Beach and Miami.

The residential real estate market has been strong over the past few years. Will that strength continue?

Willkie: I still see strength in the market but we're in a correction price-wise. This is understandable and necessary in order to stay healthy. As a firm, we have gone through them before,



Bess Freedman and Hall F. Willkie

and although they are not fun we will weather this one as we did the others.

Freedman: The market has slowed from the past few years, but many agents are still selling, especially when they are pricing right.

Willkie: The correction is a personal one. Buyers are resistant to mass overpricing, which is smart.

Brown Harris Stevens has a clear leadership position at the high end of the market. Is that area taking the biggest hit?

Willkie: It is probably the tightest market but when sellers are flexible on pricing, we're selling.

Freedman: They're being reasonable now. Toll Brothers kicked off the reduction of prices and now high-end, mid-level, and everything else is being priced accordingly; people are negotiating.

When there is so much recognition around those marquis sales, is it hard to get the word out that you handle lower-end properties?

Willkie: We are definitely a full-service company.

Freedman: Almost half of our sales are under \$2 million. People don't read about those in the media.

Willkie: We do our fair share of the lower-price markets, but we are proud to dominate the high end.

Freedman: With a recent pitch, Hall helped the agent every step of the way. It was very competitive and super high-end and we got it because of our expertise, especially in how to approach and deal with the board.

Willkie: The top third of our business is where we get our fame, and most firms don't have that.

There are a handful of well-known firms in this space. Is the differentiation among brokers or firms?

Willkie: Many firms' agents and managers don't have the same level of experience. Each firm's philosophy is different. Our managers are very hands-on. The company has grown so much and our industry has changed greatly. I could no longer do this job by myself because I'm a sales manager. Bess and I spend 85 percent of our time helping brokers do their business, but we also have corporate responsibilities, which is very unusual. At most firms, people in our roles are not sales managers.

Freedman: We're privately owned, and manage many class A buildings in New York. We have that synergy. The owners have invested a great deal of money to make us the best and agents reap those benefits. We have new technology and marketing initiatives we're launching. We give the agents the most support in the industry and when they're here, they know how strong we are.

With synergies in other markets where you have the brand recognition, are you interested in expanding?

Willkie: There are other New York-centric markets, but we've never been about being big. As opportunities present themselves, we may grow in other markets, but it's not a goal unless it makes sense. We're spending our time on being successful, not getting bigger.

You've expanded your current office. With the influx of technology, is there less of a need for brick-and-mortar?

Willkie: We're an information and service business. We don't just need offices but better facilities, because clients demand that. We need to have all of the greatest technology today, but also the physical location, as well as an online presence and print advertising. Nothing replaces anything else. It just improves it and grows.

Freedman: There is energy in the office among the agents and when they bring in clients. They need that time together.

Is your focus more collaborative?

Willkie: Teams aren't as important as people think. They have waned a bit because no one wants to do business with an entity. Brokers are competitive with each other and somebody has to represent the seller and the buyer. Buyers and sellers often want to work with multiple people. As colleagues they also collaborate on information. Often it comes with a financial incentive that entitles people to a part of the commission.

Freedman: We feed the information to them. If something is not on the market but we know a prestigious seller, Hall will contact that person. We can collaborate on something like that because we have the contacts. It's why technology will never replace who we know and what we know.

Willkie: Technology has made voice-to-voice and face-to-face interaction within a firm so important. However, technology doesn't have a tone and, in negotiating a deal and marketing a property, tone is so important.

Although e-mail is a huge part of our lives, it's still the face-to-face and voice-to-voice communication that are actually growing in importance. ●