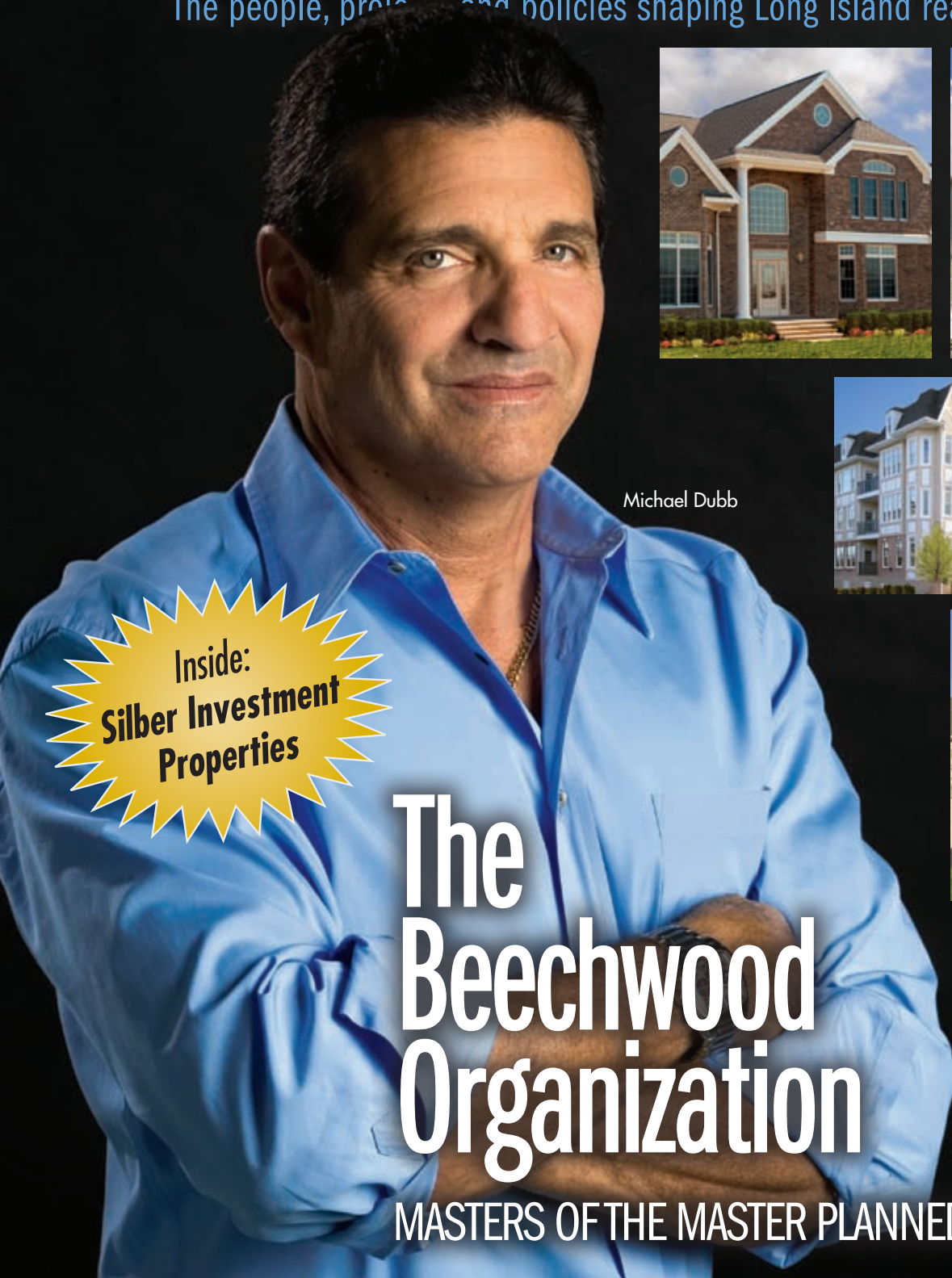


BUILDING

L O N G I S L A N D

The people, projects and policies shaping Long Island real estate



Michael Dubb

Inside:
Silber Investment
Properties

The Beechwood Organization

MASTERS OF THE MASTER PLANNED COMMUNITY



The Silber Touch



Adam Silber with his casual-looking but intense crew. From left are Adam Shapiro, Clem Cole, Jerry Mancini, Silber, Marty Sass, Anthony Ciafardoni, and Frank Caporrino.

PHOTO BY TONY LOPEZ

Adam Silber Brokers Strip Malls For Fun and Profit

By Natalie Canavor

ONE day in 1988, Adam Silber was driving his beat-up Honda Accord—with 200,000 miles on it—and found himself stopped at a red light next to a white Ferrari. He recognized the driver as an acquaintance who worked for a competitor and had started out in business at the same time. “I cranked down the window, leaned out, and said ‘Hey, how ya doing?’” Silber recounts. “The guy said, ‘I’m in my Ferrari, how do you think I’m doing?’”

The incident resonated with the young broker. Working on commission and not making much money at the time, he wondered if shunning corporate jobs after earning a Master of Business Administration from Hofstra University

had been a good idea after all. He’d chosen real estate because he loved selling and disliked following rules, and he thought he’d found his niche in investment sales.

But it was slow going at that point. On his own initiative, Silber was driving his Accord all over Long Island for 10 hours a day, canvassing strip malls. At each one he’d walk into a deli or shop and ask, “Who’s the landlord and can I have his number?” “Half the time they’d tell me to get out,” says Silber. “I got very thick-skinned and very creative.”

In this way he painstakingly assembled a database, pages and pages of hard copy on every geographic location on

Long Island. He hoped he was building a foundation for success. Then came the Ferrari incident. After digesting the experience Silber told his girlfriend, who is now his wife, “I don’t want anybody to look at me like that again. I want to be that guy—but I want to be gracious about it.”

So Silber cranked up his resolve and returned to his canvassing, newly determined.

For three years Silber worked with Sy Rosenthal at a company called Richland Park, before they both left the firm in 1990 and continued working together. Silber went out on his own in 1994 and established Silber Investment Properties. The company’s first small space was in Westbury, inside a law office, and in 2000 the company moved to a larger space in Great Neck. At the end of 2006 Silber moved to his present location in Syosset, next to the train station.

Silber Investment Properties specializes in selling shopping centers and strip malls on Long Island. Much of the business is in 1031 tax-free exchanges that allow a property owner to reinvest gains from a sale in another property without paying taxes. High volume makes Silber one of the region’s largest real estate companies, despite its boutique size.

Silber’s office is one long room with desks along two sides housing four sales associates, two vice presidents, and two secretaries. All, including Silber, are informally dressed and the atmosphere is aggressively casual. The staff shares the space with a large tropical fish tank; a bubble hockey game; baseball, golf, and tennis trophies; a large-screen, wall-mounted TV; and family photographs (in Silber’s case his wife Debi and children Dani, 12; Dylan, 11; Camryn, eight; and Cole, six; and four dogs). There’s a basketball hoop, and each staff member has a gun that shoots foam darts.

Behind Silber’s desk, at the far end, is a framed panorama of the Giants-Patriots Super Bowl and a Derek Jeter Yankees jersey under glass. Above the windows, small photographs of the hundreds of strip malls the firm has brokered line the walls, and there is a bulletin board crowded with copies of recent commission checks: more than 40 are posted, in amounts starting at \$100,000 and climbing considerably higher.

And downstairs in the parking lot, among all the practical commuter cars, gleams Silber’s orange Lamborghini Gallardo.

It’s all in line with Silber’s philosophy of play hard, work hard, and integrate it all.

Make It Fun and They Will Buy

“I love making deals and I love entertaining people, making them laugh,” says Silber, who acknowledges he was the class clown. “It’s important to me that people like working with us and have a good time. But we’re very good at what we do, because of that zest. Some might think we’re a little flamboyant, but we probably make more money per person than any other office. I’ve always been good at convincing people to see things my way, because I present my arguments well and also I’m fair, honest, and sincere.”



Silber with Peter Petrakis in front of a Melville shopping center, one of many that Petrakis bought through Silber.

PHOTO BY TONY LOPEZ

Clients agree with Silber’s assessment and then some. “He has an unorthodox, unconventional way of presenting deals,” said Allen Rosenberg, president and founder of the Alrose Group, a real estate development and acquisitions firm that has done more than 10 deals with Silber. “He’s almost a cowboy of a broker. No matter how complicated a deal is he can put it into a one-page set-up sheet, where other brokers will write a 30-page prospectus. He’s probably the most honest broker on Long Island. He will never lie. There have been deals where he pulled me out because he thought the seller was lying.”

Building relationships is a part of the game plan that Silber, and those he mentors, take very seriously. To him, attending athletic events together and playing golf with clients are natural parts of the mix. He’s proud that many of the people he deals with become long-term clients and personal friends. He has handled almost 50 deals for Peter Petrakis owner of Petrakis Properties, for example.

“He’s a lot of fun to be around, he’s full of life, he knows how to make a deal. He’s the best broker I’ve ever worked with,” Petrakis said. “He makes a fair deal where everyone walks out of a closing happy. He’s very detail oriented and he’ll do anything he has to do to get the deal to close. He’ll pick up the contracts himself. He’ll go meet the appraiser for me or the environmental people or the bank. No other broker does that. He’s involved every step of the way.”

“He’s just plain entertaining,” says Michael Morrissey, a real estate attorney who has worked with Silber for a decade. “You don’t feel like it’s a struggle. You enjoy talking to him. I’ve done 20 or 30 deals with him and he always has something interesting to say.”

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—Peter Petrakis, Petrakis Properties

Keeping the Database Faith

And true to his original premise, Silber actively maintains that database and keeps himself and his staff on the phone constantly, “turning over rocks,” as he puts it. “Everyone who owns a building has a phone number. If you get that and are constantly in front of them, you’re always keeping up with the latest information—and along with the relationships, that’s the key to our success. We’re always asking, do you want to sell? If the guy decides he does and the phone rings ...”

Because buyers want “product”—the firm knows thousands who want to buy shopping centers and strip malls—the deal can involve just a few phone calls, Silber says. Most investors are constantly looking to trade up, and to make more money by buying a mall bigger than their last one.

“Adam is particularly service oriented,” said Matt Classi, managing member of the GCP Capital Group, who has been working with Silber for 10 years. “He first identifies what the customer wants to buy, and he’ll go out and find it for him. He’ll find a property that is specifically suited for that client. He doesn’t conduct auction sales, where a property goes to the highest bidder. He tries to custom-tailor investment objectives to his customers needs.”

For Silber, Long Island’s lack of building space and new retail properties is a positive rather than a negative. “If you’re in a place like Florida, where there’s plenty of land and you have an older shopping center you worry that a newer one will be built across the street. But it can’t happen as easily here,” Silber says happily. “As long as it’s well located you can’t go wrong.” The scarcity keeps values among the highest in the country, and, from the

investment viewpoint, it still makes sense to invest here rather than elsewhere, he observes.

Regarding the current economy, Silber notes that while retailers are certainly affected by the downturn, building sales thus far remain very strong and he sees no reason why that should change soon. Rents may bring in less, but low interest rates still entice investors to buy and increase their profits.

Silber is also not in the least affected by the “bad press” that Long Island strip malls generally get.

“Yes, there are a million of them—thank God,”

he says. “People on Long Island like convenience, and I’m fortunate that the market reflects that.

“Strip malls are real. We all shop there. We have hands-on experience and ideas about what makes one better than another—it’s a conversation everyone can partake in. When I tell people what I do, it’s not like telling them I sell stocks or insurance. When I say ‘I sell shopping centers and strip malls,’ it makes people’s eyes light up.” ♦

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Silber and his signature ride.