

A Full Service Residential Brokerage Company

An Interview with Gary L. Malin, President, Citi Habitats

EDITORS' NOTE Gary L. Malin, Citi Habitats' President, is the principal figure in the day-to-day operations, strategic planning, and overall vision for one of New York City's largest and most successful real estate brokerages. Malin shapes the company's brand through his hands-on involvement with marketing and public relations initiatives; builds and maintains alliances with key real estate entities and professionals; and directs Citi Habitats' affiliates. In addition, Malin built the company's corporate relocation division, Citi Relocation, from the ground up. He also oversees Citi Habitats' new development marketing division. Malin earned his bachelor's degree from the University of Michigan and obtained his law degree from Tulane University in New Orleans. A licensed attorney, he is also a member of the Real Estate Board of New York.



Gary L. Malin

COMPANY BRIEF By providing a well-rounded package of services, Citi Habitats (www.citihabitats.com) is redefining what it means to be a real estate company in New York City. Since it opened in 1994, Citi Habitats has grown from two real estate agents to more than 700 licensed professionals and staff. In addition to its affiliates, Citi Habitats maintains the city's largest database of more than 8,000 listings, many of which are exclusive. Recognized as the industry's rental leader, the company is also consistently recognized as one of the top 10 sales brokerages in Manhattan.

What is the secret to the success of Citi Habitats?

We believe we are a hospitality business at our core and that service is the most important component of this business – you have to always put client needs ahead of your own. If you execute at that level, good things will come as a result.

Manhattan is a renter-centric city and, give or take, 75 percent of all housing is rental property. However, rental clients weren't necessarily getting the level of service they were entitled to when they came to the marketplace, and our company was the first to treat renters with the same level of professionalism as buyers. We knew that if you treat people well, they will rent with you a few times but more importantly, they will buy and sell with you. We are proud that our agents are not

rental or sales agents but real estate agents, and can advise clients no matter their housing needs.

How has the business evolved?

We're the number-one company when it comes to residential rentals in New York City and we're among the top firms in sales as well. We are in the top 1 percent of all real estate brokerages in the city because our clientele understands that we respect them and their needs. We train our agents that if you build a rapport with clients along the way, you will get a lot of referrals

as a result.

How broad is the clientele in terms of pricing?

We go from entry level to \$100,000/month apartments, and we also place CEOs of major corporations in apartments through our corporate relocation division. So our business touches all segments of the market.

If you are narrowly focused, you often short-change yourself. We have had clients that rented a sub-\$2,000/month apartment but have referred us to their parents, who bought a multimillion-dollar apartment from us. We got the referral because we are responsive and work hard to help our clients achieve their goals.

What makes for a successful agent today?

We don't believe that you can be truly successful as a part-time real estate agent so we traditionally hire people who want to make this a full-time commitment and who understand the business they're entering into is their own. They're placing their license with us and we provide them with the resources necessary to thrive. We want people who understand that this is a difficult but rewarding industry, and who will benefit from our training.

Agents are not immune to the downturns, but if they have a good business, they are going to sustain these peaks and valleys in the real estate market.

Are you surprised that almost every part of the city today is considered hot?

As Manhattan gets stronger, the outlying areas also benefit because development that once wasn't feasible in those areas becomes so.

We're on an island so there is no additional land being created here. People love the urban lifestyle and they want good value, and these developing areas are prime beneficiaries of a strong Manhattan.

Many neighborhoods in Brooklyn and Queens are thriving because developers have taken the risk of going to these areas. They have successfully built properties that appeal to people.

Is there enough new rental building development to fulfill the need?

During the downturn, condo development stalled. Instead, we saw a lot of large-scale rental projects come out of the ground that did really well. Now there is a slowdown in the new development world on the rental side. This year in particular, there are only about 1,500 residential rental units being brought to market so there is an undersupply of new development. However, there are a lot of projects being planned for 2014 through 2016, so the demand to build is there. The issue is that when you build today, for the price point that you need to get to justify the financing, you're building a luxury product. So most new developments only service one segment of a very diverse market.

How much have you invested in technology and will it take away from the relationship aspect of this business?

We're in the process of completely revamping every tool that our agents use in terms of how they operate their businesses. Once that is completed, we will build a brand new Web site. We're also invested in social media. Technology helps agents with their businesses. However, renting or buying a new home is a very personal decision for most people as well as a very expensive one. As a result, customers want to work face-to-face with somebody and develop faith in that person.

So you're truly a full-service business?

In addition to our rental and sales components, we recently reconstituted our new development division to meet the needs of today's developers, as working with them is also an important component of our business.

We are fortunate in the amount of data we have and the number of agents we can tap into for focus groups, and we're advising many developers today that are planning some major rental projects.

Citi has become a diverse organization that spans the complete spectrum of the residential real estate industry. We have thrived over the years by leveraging our resources to provide our agents with the tools they need to grow their businesses. Our agents are truly the backbone to our company's success. ●