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New realty brokerage bows as market sags

By [Theresa Agovino](#)

Published: January 13, 2009 - 10:07 am

Tenants are in ever-shorter supply and rents are falling but in New York's dismal commercial real estate market the number of brokerage firms has just risen by one.

Real estate veteran Bob Savitt is launching the eponymous firm he began establishing late last year. Until last September, Mr. Savitt was the president of the brokerage arm of the Kaufman Organization. He has already amassed a team of 15 professionals culled from some of the industry's better known companies including SL Green Realty Corp. and Murray Hill Properties and is actively promoting Savitt Partners.

The only problem is that it's hard to imagine a worse time to open a brokerage firm. Leasing activity in Manhattan hit a seven-year low in 2008, and rents in the fourth quarter fell faster than they have in over two decades as the recession pummeled the city's real estate market, according to a Cushman & Wakefield Inc. study released last week.

The average Manhattan rent hit \$79.81 in the fourth quarter, down nearly \$5 a square foot or 6% drop in that figure from its third quarter peak. Rents contracted because demand plummeted. Last year, leasing activity fell 19% to 19 million square feet from 2007 and was at its lowest level since 2001.

Mr. Savitt said that in challenging times, landlords and tenants are especially hungry for good advice, providing opportunities for new firms like his to make their mark. He adds the market tumult often pushes experienced executives to seek new ventures so picking up talent to create a star team is easier.

The head of Savitt Partners' brokerage services division is Michael Dubin, who was formerly an executive managing director at Murray Hill Properties. The asset management department will be lead by James Raso, who was a senior vice president at SL Green.

Mr. Savitt believes his firm's personalized service will set it apart from its larger, more well-established competitors.

"Everyone has the same access to information," says Mr. Savitt. "It is about providing individualized attention to clients."

At least Mr. Savitt isn't starting from scratch. When he left Kaufman, Mr. Savitt took the leasing and management assignments for a

portfolio of five buildings he'd been overseeing during his time there. He owns a portion of four of the five buildings.

"I think he will do okay. He already has some buildings," said Steven Kaufman, president of the Kaufman Organization.

"Bob is very hard working and very ambitious."

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