

The Secret to Selling Real Estate to the Rich and Famous

*Editor's note — Whether they're looking to sell their mansion-in-the-sky or buy a multimillion dollar mega-home, over and over again, the super rich turn to one woman to get the job done. She's been called "The Queen of Real Estate" and even "Jaws," but the wealthiest people on Earth just call her Dolly. She's earned their trust and with it she's moved more than \$8 billion in high-end **real estate**. Here are some of her tips:*

1. Focus On the Relationship, Not the Transaction

Brokers are instinctively transactional in their thinking. This stems from the fact that if there is no deal they don't get paid. Not surprisingly this leads them to focus on how they can bring about a meeting of the minds between buyer and seller. This approach may be good in closing a particular deal, but it is not always conducive to serving your client. I have always strived to achieve long term relationships, where appropriate, with my clients by representing them to a very high standard. I make it my business to represent their interests even if this means advising them to back out of a potential deal if the terms are unfavorable to them.

No one deal is worth losing the confidence and respect of a client. I live that.

2. Don't Avoid Confrontation. It's Part of the Job

Dennis Kozlowski, the former CEO of **Tyco** nicknamed me "Jaws." When I was asked by **Bill Griffeth**, the CNBC anchor, whether I liked that name and I responded, "I don't know if I like it, but sometimes it's necessary."

It is amazing to me how many people in all walks of life, but especially in my business, are so uncomfortable with confrontation that they avoid it like the plague. Look, who doesn't want to be liked? I know I do, but you can't let that interfere with your responsibility to represent your client to the fullest extent possible. Real estate transactions are confrontational by nature because you generally have a buyer and seller with diametrically opposed interests. Because of that, negotiations sometimes get heated, and you better be prepared to hold your own. Your client is watching and evaluating your performance and couldn't care less about your comfort zone. Get the job done, no excuses, and you will have a client for life. If you want to make it in the high-end pressure cooker that is New York real estate, that's what it takes.

3. 'The Customer Is Always Right' Myth

The clients I deal with are extremely intelligent and savvy, and they negotiate mega-deals for a living. Many of them are household names, and they know what they want and how they want it. But one of the main reasons they seek me out is I have something they don't have, and that's specific information. And it is my job to listen to their preconceived ideas and give them the good, the bad and the ugly of what they are telling me. I don't tell them what I think they want to hear, I tell them what they need to hear. Then they make their own decisions and I help them bring it about. Only a fully informed customer is always right, and if I believe a client is making a mistake I will tell him so. It is all part of gaining trust and respect, which are fundamental tenets of a fruitful business relationship.

4. 'The Property Sells Itself' Myth

If the property sells itself, then what do they need to pay you 6 percent of the purchase price for? To open a door? They can get a robot to do that and for a lot less than 6 percent. The homes of the mega-wealthy are unique, one-of-a-kind properties that have unique features that are highly valued. These sellers don't just want you to sell their property; they want you to achieve the highest possible sales price in the market you're selling into. They want your guidance as to what that number is, and believe me they will hold you to that number. Achieving that number is the added value that a savvy broker can

provide, and that is why they are paying you a commission. Otherwise they can give the listing to cousin Ricky, who got a real estate license last week.

5. The Rich and Powerful Work in Real Time — You Better, Too

Many of the wealthy clients I deal with are no nonsense, "give it to me straight and give it to me now" kind of people. They didn't get to where they are by having lots of patience, and they expect you to respond to them in real time. That's how they work, and they expect you to act accordingly. Lucky for me that is exactly how I work and always have. In an active market, I will typically get hundreds of client emails per day, and I will respond to each and every one within a matter of minutes. New clients are initially surprised by such fast responses, but I don't know any other way of working. I guess it is partly due to the fact that over 50 percent of my clients are based in Asia and it is my way of dealing with the time difference. Yes, I sleep with my BlackBerry. Does this impact my private life? It sure does, but that's what my clients expect, and that's one of the reasons they keep coming back and referring their friends.

6. How I Learned to Love Co-Op Boards

I don't know why co-op boards get such a bad rap by the public. Having been elected as treasurer to my first Park Avenue Co-Op Board when I was 20, and remembering my experiences with great fondness, I admit that I am a bit biased. Still, the general level of vitriol is not commensurate with reality as I see it. Maybe it has to do with the notion that a co-op is a form of housing, and the power that co-op boards have to reject potential buyers is inconsistent with a nation that prides itself on the idea of equal housing for all. But this view highlights a misconception in the public's mind that views high-end co-ops as just another form of housing. Luxury co-ops are not housing; they are a club. By entering into a contract to purchase a unit in a co-op and filling out what is admittedly an extensive and some would say intrusive application, you are requesting admission to an exclusive club of residents whose board is in fact an admittance committee whose function is to be particularly discerning. By this standard, whether you are financially capable of purchasing the apartment is not the main focus, since most applicants are financially sound. The real question is whether the applicant will "fit in" harmoniously with the rest of the resident club members, an admittedly less objective evaluation.

When viewed from this perspective, co-op boards should hardly be criticized for conducting the thankless duties they were created to perform.

Tune in:

Big money. Big deals. CNBC's exclusive access to the "[Secret Lives of the Super Rich: Mega-Homes](#)" premieres Monday, August 6 8p ET.
