

High-end 'closers' step up their game

By Kevin Davis
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Margie Brooks, a top agent for Baird & Warner in Highland Park, sold a home on the way to her son's wedding. "I also sold one right after my daughter said 'I do,' " she says. "I waited until after the ceremony, of course."

Ms. Brooks, a former competitive swimmer, golfer and tennis player, tallied \$63 million in sales in 2006. Among them: the Highland Park estate of jailed insurance executive Michael Segal, which closed for \$17.6 million.

Last year was a little slower, with \$55 million in sales. That's still lucrative at her cut of 2.5% to 3% per sale, or about \$1.3 million to \$1.5 million for the year. But, she says, "buyers are nervous." Her portfolio includes two \$8-million-plus homes in Highland Park that have been on the market for a year.

"Our market has not been there," says Ms. Brooks, 60. "This year, we're hopeful that everyone who's been on the sidelines will make a move."

Even top buyers are more cautious these days, what with shrinking stock portfolios and fewer bonuses, and news of a possible recession, mortgage crisis and falling home values.

"Courting and dealing with the ultra-luxury buyer and seller is a real art," says James Kinney, president of Rubloff Residential Real Estate in Chicago. "They can be eccentric. And they don't just throw money around just because they've got it."

The ultra-luxury market in the Chicago area includes homes priced at \$4 million and up. In February, there were 166 such homes listed, a figure that has remained static during the past few years.

But sales times have slowed notably. Area homes above \$2 million were selling in four months in 2004; in 2007, it was up to six months. Homes above \$4 million have taken nearer seven months to sell in recent years, but that's a less reliable figure; there are so few sales, one can skew the numbers. Such homes took 273 days to

sell in 2006, up from 242 in 2004.

In 2007, the average was down to 208 days. But Mr. Kinney says one sale, an \$11-million home that sold in one week, brought the average down, with just 25 sales that year at that price point.

Going into 2008, "when we sit down with sellers, we say it could be a one-, two- or three-year process," Mr. Kinney says.



Homes in the upper tier tend to be unique, especially new construction that is often so customized that buyers have to gut the inside to suit their needs.

Ms. Brooks is trying to sell one home, for example, built for someone really tall: former Chicago Bulls player Tyson Chandler, who's 7-foot-1. The \$4.3-million Northfield mansion (she talked him down from asking \$4.5 million) was never occupied, as Mr. Chandler was traded before he could move in.

The five-bedroom, 11,000-square-foot home is outfitted with extra-high doorways and sinks. It has an onyx shower room, lower-level gymnasium, locker room, media room, tiered-seating movie theater and wine cellar. Yet it may not appeal to everyone.

"It has to do with what your taste is," Ms. Brooks says. "Some people like that old charm. When you're spending \$4 million or \$5 million, you want what you want."

Ms. Brooks, the mother of three grown children, lives with her husband, Lanny, in the same Highland Park home they purchased 27 years ago for \$157,000. They continually upgrade and estimate it's now worth about \$1.5 million.

Ms. Brooks worked as an agent for a year in Palm Beach, Fla., then quit for a while after marrying. She took her present job 16 years ago, when her husband's work as a trader began to take a downturn. Now retired from trading, he's a real estate broker, too, and handles most of her showings.

"Margie is very high-energy and extremely aggressive," her husband says. "Not in an obnoxious way, but in a positive way. She's incredibly driven. She makes five phone calls when she needs to make one. She follows up her follow-ups."

Ms. Brooks is a rapid-fire speaker who's constantly moving and checking her BlackBerry. "I can't sit still," she

says. "It's not my style. We can't play golf with anybody because we always answer our cell phones."

But that's okay with her. "I used to play golf every day," she says. "I find this much more exciting."



Joanne Nemerovski has sold \$500 million worth of real estate in 18 years, much of it in Lincoln Park.

"I sold that one. I sold that one, too," she says, pointing out the window of her Lexus sedan at million-dollar-plus homes and condos. "See that one? I sold that. I sold all of those, too."

Ms. Nemerovski, 50, a broker with Koenig & Strey GMAC Real Estate in Chicago, specializes in luxury properties and sells about 50 homes a year. Last year was her best ever: \$54 million in sales, up from \$53 million the previous year.

Even in tough times, she says, "there are people looking to buy. Are there things sitting? Yes. But it's because the sellers have not come into line yet to where they should be."

When CEOs or
athletes begin
planning a move to
Chicago, they're
likely to hear from
Joanne
Nemerovski.

Photo: Andreas
Larsson



Ms. Nemerovski started out as an attorney who provided free legal services for women, then entered real estate after becoming pregnant with her first child. Though there was a glut of new agents at the time, she stuck with it.

Her manner with clients is patient but persistent. When she learns from the news that a professional athlete or coach is coming to town, she sends letters of introduction and marketing materials to their agents or team offices. She does the same with published lists of the Chicago area's top CEOs.

"It's just to let them know, if they're looking for something, I'm available," she says.

Among her recent listings was an unfinished \$5.9-million penthouse at RiverView Condominiums, 415 E. North Water St., on the Chicago River. The two-level, 9,200-square-foot property is raw space with no floor plan. It has exposed concrete, piping, utility connections and wood framing. She got the listing after the developer failed to sell it.

"It's for someone who wants to design the interior, who has the vision and time to do the whole thing themselves," says Ms. Nemerovski, who estimates it will cost a few more million to finish. "What I'm selling is the

location. For the right person, all they have to do is walk in, and they'll know."

After showing the property to sports team owners, financial industry executives and CEOs, she closed the deal last month with an out-of-state buyer for \$5.3 million.

Frank and Sandra James chose Ms. Nemerovski to sell their restored four-bedroom Victorian row house on the Gold Coast, listed for nearly \$2.2 million.

"If you have pipe dreams, she gets you in line," Ms. James says. "She is not going to end up your best friend, but as your best business connection."

Ms. Nemerovski juggles three mobile phones. The mother of five has one cell phone strictly for family, one for business and an iPhone for e-mails.

Sometimes she's called in to replace colleagues who haven't been able to move a property. "It's awkward," she says. "Sometimes they spend a lot of time marketing the home, and it's just tough. It can be a very competitive business, and we see each other every day."



Gayle Tepper, a former video store manager who ventured into a small real estate firm in Flossmoor, went on to sell the most expensive home ever in Chicago.

She represented the seller of the historic Astor Mansion in 2006, setting a record price of \$14.5 million. But she won't reveal much about the transaction.

"Discretion is the first rule of the luxury market," says Ms. Tepper, 60, a broker with Rubloff Residential Real Estate. "You don't talk about your deals."

Lately, she has recommended sellers lower prices by about 10% — a reduction of hundreds of thousands of dollars on a multimillion-dollar home.

"They may not like it. But they always expect you to put everything out there on the table," Ms. Tepper says. "Sometimes agents are afraid to anger someone who has retained them."



Gayle Tepper speaks truth to power — about the value of their houses. "They may not like it. But they always expect you to put everything out there on the table." Photo: Erik Unger

A Pilates fan who tries to avoid being tethered to a cell phone or BlackBerry, Ms. Tepper estimates she sells 15 to 20 homes a year.

"The high-end buyers take their time. I'm often working on a property for a year," she says.

With 25 years in the business, Ms. Tepper has seen many ebbs and flows. "The luxury market has always been its own entity. At times, it follows the market. At times, it doesn't," she says. "At this time, it is following the market."

Ms. Tepper keeps her sales figures private but admits last year was down. "I feel strongly that it's due to a lot of media hype. People are fearful of the market," she says. "Now these homes are just sitting, sitting, sitting."

For the past year, she has been trying to sell a \$6.9-million home at 2474 N. Lakeview Ave., overlooking Lincoln Park. The three-story contemporary steel and glass structure was custom-built with expansive walls and windows to showcase the owner's art collection.

"This property, No. 1, is for a very sophisticated buyer," Ms. Tepper says. "Your market is more narrow than

usual."

She has reached out to art dealers and collectors from Chicago and New York, and invited architects, attorneys and sports agents to attend events at the home to plant the seeds for a future sale. "They talk about it with others," she says. "Oftentimes they'll have a client who wishes to see it."

Ms. Tepper and her husband bought a row house in the South Loop about 15 years ago at a preconstruction price of \$254,000. "I got word the mayor was going to live there," she says, referring to Richard M. Daley, who moved to the South Loop's Central Station development in 1993.

The couple upgraded the interior and hung in there until Ms. Tepper saw a change coming in 2006. "I felt the market was tapped out," she says. "We sold at the right time," for \$650,000. They are renting an apartment in the Streeterville neighborhood "until we decide what to do."

She says the delay in buying has nothing to do with trying to time the market.

"It took my husband and me 12 years to decide on a couch," she says. "We really don't know what we want yet."

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