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ABOUT BOHEMIA REALTY GROUP

Bohemia Realty Group is the premier sales, commercial, and residential leasing brokerage in Upper Manhattan and the Bronx.

The boutique firm currently has a team of more than 120 licensed agents and brokers, almost all of whom reside above 110th Street. Founded in 2012, Bohemia Realty Group has offices located at 2101 Frederick Douglass Blvd. in Harlem and 3880 Broadway in Washington Heights.

WHERE THE RESIDENTIAL MARKET IS SOARING

By Erin Whitney, salesperson at Bohemia Realty Group



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Although it has been largely reported that the residential sales market saw its worst year in more than a decade in 2019, that was not the case for my team or most of the agents I work with at Bohemia Realty Group. Our sales – and rentals, for that matter – were at all-time highs.

While activity dropped dramatically in the luxury sector, those of us specializing in affordable to mid-level co-op and condominium units experienced record sales. Prospects encompassed first-time buyers, recent retirees, empty nesters, pied-a-terre owners and foreign buyers.

In addition to pricing and low interest rates, a major factor in the boosted sales activity was the location of most of our listings, which are in the few remaining emerging markets in Manhattan. Our sales and rentals are concentrated in some Upper Manhattan submarkets, including Hudson Heights, Hamilton Heights, Washington Heights and Inwood. Upper Manhattan narrows at the tip and is at a higher elevation than the rest of the borough. The height of the area also supports more light and air, as well as views. Most of the housing stock is prewar, and these older apartments tend to be spacious.

Starting in the mid-2000s, young people mostly priced out of Brooklyn started to relocate to the Heights. Lin-Manuel Miranda's hit musical added even more cache. Upper Manhattan neighborhoods became Meccas for actors and artists looking for generous space at affordable prices. Hip restaurants and nightlife inevitably follow. Sales and rental activity was also buoyed by accessible transportation, including proximity to the 1 and A subway lines, one of the city's busiest bus depots and the Henry Hudson Parkway.

More often than not, emerging neighborhoods' advantages also become a disadvantage when sales prices and rent rates skyrocket. Yet this has not happened in the neighborhoods of the Heights thanks to an abundance of housing stock, including rent-regulated residences.

All of this ensures these areas will continue to offer economic and cultural diversity for years to come.

This past year, my partner Raymond Werdane and I marketed The Ammann, a newly built condominium in Hudson Heights. Typical of new development in the area, it is a boutique project with 24 one-bedroom, two-bedroom and penthouse residences with private balconies or, in the case of the penthouses, terraces.

Not a luxury product price-wise, it still features amenities that feel posh, including a roof deck with gorgeous views of the river and George Washington Bridge; high-end kitchens; in-unit washer/dryers; oversized, triple-pane windows with glass curtain wall systems and individually-monitored air and heating systems. Buyers were also attracted to the fully equipped fitness room, lobby-level serenity garden, bicycle room, package room and virtual doorman with smart-phone access.

I moved to New York straight out of grad school in 2013 to pursue an acting career. My first stop was Park Slope with friends. But I was quickly priced out. I headed to Washington Heights and immediately fell in love with Upper Manhattan. Between acting gigs, I started working part-time at Bohemia Realty Group and discovered how great it was to help find people homes in neighborhoods I championed. I also realized that I was more nester than-vagabond and committed to becoming a full-time agent.

It has been an amazing road from growing up in Nebraska to grad school in Florida to my own co-op in New York City, which I purchased last year in - where else - Inwood! I closed on my apartment around the same time my business partner closed on his - exactly across the hall! Neither of us knew it at the time, but the building was great, location unparalleled and the price right.

These are experiences that in our field resonate with buyers and build business. We walk the walk - and we are continuing to work with some of the folks who first looked at The Ammann and want to stay in beautiful Upper Manhattan.

FEBRUARY 25, 2020 - **BOHEMIA REALTY GROUP** IN THE NEWS - OPINION - By Gus Wezerek

Do You Rent in New York? You May Soon Catch a Break

Experiments around the world suggest banning brokers' fees won't increase rents.



A ruling in New York shifted responsibility for brokers' fees from renters to landlords.

Marilynn K. Yee/The New York Times

Reduced demand for agents' services would put many New Yorkers out of work, argues **Sarah Saltzberg**, a co-founder of **Bohemia Realty Group**. She guessed that more than half her agents would be pushed out of the industry if New York's ruling stands.

"A lot of them are living paycheck to paycheck," Ms. **Saltzberg** said.

(EXCERPT)



Fighting for residential rental agents and the value they provide

With all the recent attention on rental broker commissions, the perspectives of hard-working residential real estate agents have been an important part of the conversation.

Contrary to a public perception that real estate agents are all “millionaires,” the residential agent earns an average of \$53,000 per year.

For many who rent apartments for a living, it is an opportunity to begin a new occupation, or a part time job to help make ends meet while pursuing another career.

In the wake of the Department of State’s (DOS) Guidance on broker commissions, residential agents have risen to the occasion and responded forcefully.

Our members flooded the DOS with phone calls and emails, they signed petitions in opposition and raised their voices in TV news reports, newspaper op-eds, and on social media. Amid the imminent threat to their livelihoods, brokers continue to advocate for their tenants and their communities.



Sarah Saltzberg of Bohemia Realty Group described the upheaval and confusion she confronted upon hearing the news earlier this month after putting her young son to bed. Overnight, she was forced to rethink her entire business

model. “I have built up a small business over many years. We are the small business owners that make up the fabric of this city.”

Ivonne Velasquez of Halstead Real Estate describes the impact rental brokers have on their communities.

“I have been a broker for over 10 years, many of which have involved maintaining a vibrant, inclusive and energetic Harlem community. This is not just a professional exercise for me: Harlem is also my home. It is where I spend nearly all of my time. The same is true for so many of my colleagues, many of whom work passionately to create a welcoming environment in the neighborhoods they themselves live in and love. Rental real estate agents like me work hard every single day to help our clients find their next home all the while trying to feed our families.”

Fatima Kargbo, an expecting first-time mom and agent at **Bohemia Realty Group** said, “I love what I do, I love helping people find their new homes. We are advocates for the tenant. I remember dealing with clients that have had borderline and very low credit. I had to go with them to meet with a landlord in the Bronx and vouch for them. Because of my advocacy, they were approved for their apartment.”

Rental agents have been making the point that there is really no such thing as a “no fee” apartment.

The public is gaining a new understanding of the work that goes into helping New Yorkers find a home and the costs associated with renting an apartment.

“Somebody has to go to the apartment, market the apartment, take pictures, understand the relationship with the landlord, and figure out what the landlord is looking for,” said **Saltzberg**.

Douglas Jones, a property owner and an agent with Brown Harris Stevens shares his experience serving his community.

“Responsible brokers work with property owners and prospective tenants alike to create interrelation in neighborhoods that assist in economic growth and evolution. In a city as expensive as NY, it’s plain, simple economics that homeowners rely on rental income to provide additional assistance in maintaining their property.

“I am fortunate enough to own a three-family brownstone. As an agent, I depend on the expertise of my fellow agents to identify tenants capable of helping me to meet the monthly obligations of maintaining my property. And that does not always mean charging the most rent for the apartment.

“The agents on whom I depend to find me tenants understand that. If an agent’s flexibility in working with landlords and tenants is replaced by a mandate focused solely on an economic objective, progression in emerging neighborhoods will stall.”

Each story is a bit different, but what has stood out is the universal dedication, care, and hard-work that New York City rental agents devote to help clients find their next home.

We will continue to fight for these individuals and firms that represent the fabric of New York City.

FEBRUARY 11, 2020 - **BOHEMIA REALTY GROUP** IN THE NEWS - HOUSING

Broker Fees Are Back in NY After Upstate Judge Issues Restraining Order

An upstate granted a temporary restraining order Monday against a rule that would have barred the oftentimes-costly expense from being passed onto prospective tenants



A sign advertises an apartment for rent along a row of brownstone...

Postpone the celebration — broker fees aren't going anywhere for the time being.

That's because an upstate judge granted a temporary restraining order Monday afternoon against a New York Department of State guideline that would have barred the oftentimes-costly expense from being passed onto prospective tenants.

Under the the department's new rules, which were circulated last week, landlords would have been paying the fees if they had hired an agent to show the listing. In many areas of New York City, broker fees can sometimes either equate to one month's rent or 15 percent of the yearly rent total.

While the fees would have been paid by the landlord had they hired the broker, any apartment hunter who hired a broker directly still would have had to fees fall to them.

The temporary postponement comes after many in the real estate business, including realtors, brokers and brokerage firms, argued that the new rules would cause an uproar in the industry — and eventually lead to a big loss of jobs.

Many well-known NYC brokerage firms were named in the petition, filed by the Real Estate Board of New York, including **Bohemia Realty Group**, Bond New York Real Estate Corp., the Corcoran Group, Douglas Elliman Realty Estate, Halstead Real Estate, Sotheby's International Realty, Inc and City Connections Realty, Inc.

...

New York's Department of State released further guidance on the acts in paperwork dated January 31, 2020. It did not appear that the other regulations were under the same restraining order as the broker fee postponement.

(EXCERPT)

Broker explains fee backlash



Photo by Buck Ennis

*To hear more from **Sarah Saltzberg** and other leaders in the real estate industry as they talk about the broker fee ban, check out Crain's Business Breakfast Forum: What Lies Ahead for the Real Estate Community on Wednesday, March 25, from 8 to 9:30 a.m.*

Sarah Saltzberg is helping lead the

charge for real estate brokers against a state policy she says will upend the rental industry. The brokerage she co-founded in 2012, **Bohemia Realty Group**, was among several firms that joined the Real Estate Board of New York in suing to block the state policy, which requires that landlords, not tenants, **pay the fee for brokers** hired by landlords. Much to the annoyance of renters, tradition in New York has long held that broker fees are charged to the tenants, regardless of who originally hired the broker. That system will remain in place for now. A judge has put a hold on the state's policy change until a March hearing on the lawsuit.

What was your reaction to the state's broker fee policy? How did you find out?

I got an email around 9:15 at night from the Real Estate Board of New York saying, "Hey, we found this guidance buried on the Department of State's site." This says basically overnight that the way you've run your business for decades needs to change right now. There was no real thought to the way that business is actually practiced in this city. It caused a lot of chaos for landlords, renters and brokers.

You describe this policy change as the state misunderstanding the industry. What does the state not understand?

There are already many no-fee apartments in New York and other cities. That doesn't mean no one is paying a fee. The tenant is still paying. They are just paying it over the first 12 months of the lease because the owner will bake it into the rent.

If the real estate industry loses its lawsuit and the ban on tenant broker fees returns, what happens to the market?

I don't know the answer to that. One thing already changed on the day this was announced. All of our free-market apartment owners called us and said, "Increase the rent by 15%." For rent-stabilized apartments, that's not possible, and that will be the heart of this issue.

How do you respond when people say they shouldn't need a broker for apartments they found online?

My question is, how did they find it? If it was StreetEasy, RentHop, Craigslist, it was most likely put there by an agent. That agent was trained, learned the inventory, visited and photographed the apartment, created and paid for the advertising. That didn't magically appear.

New York City is unusual for having landlord-hired brokers collect fees from the tenants. Why does this make sense for the New York market?

It gives renters options. We have units where you can pay \$2,000 in rent and pay a broker fee, or pay \$2,200 to pay the fee over time. When you eradicate that choice for people, you force them to only pay more over time.

Who is the typical real estate broker in New York?

The statistic I hear is that the median income for brokers is about \$50,000, and that makes sense to me based on my firm. But I would say in the past year or two years, it has become harder, certainly, if you are only focused on rentals. The market has become increasingly no-fee, which means the owner pays, and that affects cash flow. You typically collect a fee from a tenant up front when you sign a lease. From a landlord, they may want the tenant to take possession and usually pay that next month of rent too.

What has been your experience with apartment hunting?

When I first moved to the city, I knocked on doors. I asked my friends to ask their super or their landlord if they had vacancies. I wanted to find an apartment, and I didn't want to pay a broker a fee. But after two and a half weeks or so, I found nothing I was satisfied with. I hired a broker and paid the fee. And I understood why I was paying a fee: because I couldn't do it myself. There are certainly people who get apartments without broker fees, but this is a service you are paying for.

FEBRUARY 10, 2020 - **BOHEMIA REALTY GROUP** IN THE NEWS - By Michael Gold and Luis Ferré-Sadurní

Brokers' Fees Ban: Renters Are Jubilant, but Agents Are Reeling

An industry that employs 25,000 workers fears job losses after a sudden ban on brokers' fees for New York renters.



“The agents are out there, pounding the pavement,” said **Sarah Saltzberg**, a broker in Harlem.

Credit: Roshni Khatri for The New York Times

Sarah Saltzberg, a broker who runs **Bohemia Realty**, a brokerage firm based in Harlem, said the public has a misconception about brokers.

Her rental agents, she said, typically make \$45,000 to \$60,000 a year.

“These are hard-working New Yorkers that are quite frankly able to stay in this city because they have this job,” she said. “The agents are out there, pounding the pavement, going up and down stairs, looking at apartments that may not have been treated for bed bugs, doing some really hard work.”

She added, “It’s the equivalent of having the rug pulled out from underneath us.”

(EXCERPT)

Judge puts rental fee ban on ice



Article by Ryan Deffenbaugh

A state supreme court judge has granted a temporary restraining order against the state's prohibition on broker fees paid by renters.

The order means that rental agents can operate as usual and collect fees from tenants while the court reviews a legal challenge to the policy, filed Monday by the Real Estate Board of New York and the New York State Association of Realtors.

The two groups said in a statement Monday that the state's more than 25,000 real estate agents "can do

business in the same way they did prior to last week's DOS memo without fear of discipline by the DOS."

The Department of State set the new policy in a guidance memo Feb. 4, intended to clarify the rent reform laws passed in June. The regulators declared that landlords must pay the fees charged by brokers they hire to lease an apartment, breaking with the long-held practice of landlords passing those fees to tenants.

REBNY and the state Association of Realtors will argue in the lawsuit that the state overstepped its authority with the decision and dealt an "immediate and devastating" blow to the city's 25,000 real estate brokers.

Joining REBNY and the state realtor group in the lawsuit is a long list of apartment brokerages: **Bohemia Realty Group**; Bond New York; The Corcoran Group; Douglas Elliman; Halstead; Brown Harris Stevens; Sotheby's; R New York; Kian Realty; Regina Wierbowski Real Estate; Level Group and City Connections Realty.

The groups say that broker fees were never mentioned in the Statewide Housing Security and Tenant Protection Act of 2019, the June rent reform law that the Department of State guidance is meant to address.

"Instead, it is clear that here, the DOS usurped the role of the Legislature and that its actions constitute an illegal exercise of legislative power," the lawsuit argues.

The legal challenge names the Department of State and New York Secretary of State Rossana Rosado. A request for comment from the department was not immediately returned.

The case, which is overseen by state Supreme Court Justice Michael Mackey, will return to court March 13.

FEBRUARY 10, 2020 - **BOHEMIA REALTY GROUP** IN THE NEWS

Industry Leaders Cry Foul over New Broker Guidelines: Cite Unintended Consequences of Regulations



Sarah Saltzberg

Joining a chorus of concerned real estate business owners, **Bohemia Realty Group's Sarah Saltzberg**, Co-founding Principal of the full-service real estate brokerage specializing in the sale and leasing of residential and commercial properties in New York City, is pointing out the many unintended consequences of the new Department of State guidance indicating agents are prohibited from taking commissions from clients if they are representing landlords. In addition to jeopardizing the livelihoods of an estimated 55,000 agents and brokers in New York State, she argues the regulations will result in higher rents for market-rate apartments and more rent stabilized units not available for clients. Ms. **Saltzberg** also maintains that tenants will be negatively affected without the help of real estate professionals to advocate for them.

"Landlords of rent stabilized housing do not have the budget to pay for brokers, specifically due to the new rent regulations passed in June. Nor do they have the infrastructure to show and rent the apartments themselves," says Ms. **Saltzberg**. "If the DOS guidance becomes a mandate and agents cannot collect a fee from the tenant if they have a written exclusive with a landlord, many firms may stop working to build relationships with landlords. Those relationships are exactly what help agents who are pushing a client's application through when it's borderline financially or when they need to negotiate lease terms. This is ultimately going to hurt the people who truly need the most help getting a home.

"On the other hand, landlords who own free market apartments that have written exclusive broker representation will pay the fees to their brokers and then build that fee into the rent, amortizing the cost over the length of the lease. If tenants stay for more than a year, they end up paying that fee back many times over."

She continues, "For example, a market rate apartment that rents for \$3,000 per month may become a \$3,300 'no fee' apartment. After a year, the broker's fee is paid off, but in year two the tenant has paid another \$3,600 – and probably more than that, since they rent will also have increased in year two. This will continue for every year the tenant stays in the lease, costing the tenant significantly more over time than a fixed, one-time fee."

The real estate industry, which is still reeling from the June 2019 laws pertaining to rent regulated units, is now facing even more punitive laws and regulations. Many property owners with rent stabilized units have been forced to take their vacancies off market because of the high costs of renovations, which they will never be able to recoup because of the new rent guidelines. This has in turn created a further shortage of affordable units.

"The sad irony is that the consumer will inevitably pay the cost, as they always do, and smaller real estate firms will especially suffer," says Ms. **Saltzberg**. "The reality of these so-called good intentions belies any perceived benefits and, for the second time since June, it appears very little thought was put into the long-term ramifications of this legislation."

Bohemia Realty Group

Bohemia Realty Group is a full-service real estate brokerage specializing in the sale and leasing of residential and commercial properties in New York City. The boutique firm currently has a team of more than 150 licensed agents and brokers, most of which live in the markets they service. Founded in 2012, Bohemia Realty Group has offices located at 2101 8th Frederick Douglass Blvd. and 3880 Broadway.

FEBRUARY 10, 2020 - **BOHEMIA REALTY GROUP** IN THE NEWS

Harlem Real Estate Industry Leaders Cry Foul Over New Rent-Stabilized Housing Guidelines



Sarah Saltzberg

Joining a chorus of concerned real estate business owners, **Bohemia Realty Group's Sarah Saltzberg**, Co-founding Principal, is pointing out the many unintended consequences of the new Department of State guidance.

She is indicating agents are prohibited from taking commissions from clients if they are representing landlords. In addition to jeopardizing the livelihoods of an estimated 55,000 agents and brokers in New York State, she argues the regulations will result in higher rents for market-rate apartments and more rent-stabilized units not available for clients. Ms. **Saltzberg** also maintains that tenants will be negatively affected without the help of real estate professionals to advocate for them.

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Bohemia Realty Group's Sarah Saltzberg, of the full-service real estate brokerage specializing in the sale and leasing of residential and commercial properties in New York City. Bohemia Realty Group is a full-service real estate brokerage specializing in the sale and leasing of residential and commercial properties in New York City. The boutique firm currently has a team of more than 150 licensed agents and brokers, most of which live in the markets they service. Founded in 2012, Bohemia Realty Group has offices located at 2101 8th Frederick Douglass Blvd. and 3880 Broadway.

FEBRUARY 8, 2020 - **BOHEMIA REALTY GROUP** IN THE NEWS - By Will Parker

Ban on Broker Fees Sends New York City Apartment Rental Firms Reeling

Rule could be a big blow to firms that built a business out of charging tenants up to 15% of a year's rent



Brokerage fees are uncommon in most U.S. cities, but the high demand for housing and the low vacancy rate make finding an apartment an often difficult task in New York.

Photo: Marc Mcandrews/Bloomberg News

A new state rule preventing real-estate firms from charging broker fees on apartment rentals is causing chaos and sudden panic in the industry.

The Real Estate Board of New York and the New York State Association of Realtors, two large industry groups for brokers in the state, said Friday that they would sue the New York Department of State for “usurp[ing] its role by engaging in improper rulemaking...resulting in losses for brokers and landlords alike,” the groups said in a joint statement.

The organizations said they plan to file their suit on Monday.

There are more than 25,000 registered real-estate agents in New York City and many of them specialize in handling rental leases, collecting a rental “broker fee” from tenants for their work. They typically charge 10% to 15% of one year’s rent. These fees amounted to \$600 million in total revenue last year, according to rental platform Doorkee.

Some rental agents work directly for tenants who hire their services, while others strike deals with landlords to bring in renters through online ads. If a potential tenant signs a lease, the landlord’s agent then charges the fee directly to the tenant.

It is only the latter type of transaction that New York’s Department of State unexpectedly said this week is now illegal. Renters can still walk into a brokerage and hire an agent directly.

But some brokers say it still isn’t so clear what counts as working for the landlord and what counts as working for a tenant, leaving them unsure of how to operate their businesses.

“I found it very confusing,” said Diane Ramirez, chief executive of the Halstead Property brokerage company.

Ms. Ramirez said her company put a freeze on collecting rental apartment broker fees until they get more information from the government about how the rules should be applied. Rebny is advising other companies to do the same.

The state’s recent decision on broker fees was meant to clarify a number of rent-related reforms written into law in June. Those changes included limits on application fees and security deposits, but until this week, almost no one thought broker fees were involved.

“There was no comment period, there was no thought to how this works in the real world,” said **Sarah Saltzberg**, who runs an Upper Manhattan brokerage of 160 agents that specializes in rentals.

Many New York brokerages do some rentals in addition to home sales, but those known for doing a large number of rentals in New York include firms like Citi Habitats, which is owned by publicly traded Realogy. Companies with less clout, however, and fewer relationships with landlords, would be most exposed to the new law, brokers said.

“There’s lots of little firms, and I don’t know how they’re going to do the business,” said Donna Olshan, founder of Olshan Properties. “A lot of these brokers don’t make much more than teachers.”

The rental business for brokers, even in New York, is much less lucrative than the work of selling multimillion-dollar condominiums and townhouses, which is often portrayed as glamorous in reality television shows and whose top performers are depicted as celebrities in trade publications.

One way the rental brokers may survive under the new law is if they are able to collect their fees from landlords, instead of from tenants. Landlords rely on brokers to post advertising, bring in tenants, show apartments, negotiate terms and complete contracts. They will still need this service, which means some landlords will simply charge higher rents to offset the new cost.

But smaller owners of rent-regulated housing don’t have the leeway to increase rents to pay for the brokers. Because of stricter rent laws that were passed in June, they cannot raise rents as they please, so they are the most likely owners to try to cut brokerage firms and rely more on technology to fill their units, said David Sigman, a principal at the LCOR development company.

That would also mean less work for rental brokers in the city. “I think a lot of those guys get hurt now, because of how the rents are now controlled going forward,” Mr. Sigman said.

Brokerage fees are uncommon in most U.S. cities, but the high demand for housing and the low vacancy rate make finding an apartment an often difficult task in New York, putting pressure on tenants to pay them. Renters are often faced with the choice of paying a broker fee into the thousands of dollars or not moving at all.

This situation has agitated tenants for years, but brokers insist that even when they are working for a landlord, they provide tenants with a valuable service, facilitating negotiations on rent and lease terms. “That is my value, when I have the ear of the landlord,” Ms. **Saltzberg** said.

News of the rule change on broker fees has also come as a shock to tenants.

Nicole Holt, 29 years old, recently relocated from London and paid a large broker fee for her one-bedroom apartment, right before the New York Department of State published the new broker fee rule. When she heard about the change two days later, she wondered if she might be able to get a refund.

A spokesperson for the Department of State said Thursday that the rule, which provides that landlord agents can now be disciplined for attempting to collect fees, couldn’t be applied retroactively, though some tenant attorneys disagree with that interpretation.

“I suppose it was always going to happen to someone, but at least we won’t pay next time we move,” she said.

Ignore or adhere: Brokerages divided in response to rental fee ban

Some big firms advise "business as usual," others take extra precautions



Top row, from left: Warburg Realty's Frederick Peters, Compass' Rory Golod and R New York's Stefani Berkin;
bottom row, from left:

Bohemia Realty Group's Sarah Saltzberg,

Corcoran Group's Gary Malin, Triplemint's Philip Lang and Bold New York's Jordan Sachs

Sarah Saltzberg got an email alerting her to state regulators' new interpretation of the rent laws at just after 9 p.m. on Tuesday.

"This blindsided us," she said. "The sky is blue. Now all of a sudden the sky is red. Change your entire business model."

Saltzberg — one of 25,000 licensed brokers in New York City — leads **Bohemia Realty Group**, a 100-plus-agent firm that focuses on rentals in Upper Manhattan.

After state regulators unexpectedly issued guidance that ended tenant-pay rental commissions, chaos ensued across the industry as agents and brokers struggled to understand what the rule meant — and what it didn't.

"I don't know what to process. I called the DOS today just to try to get some unfiltered information," said one brokerage chief who spoke on the condition of anonymity. "It's a mess. People are lining up looking for refunds. Everyone thinks there's no such thing as a tenant-paid broker commission." (The DOS clarified Thursday that the guidance was not retroactive.)

On Tuesday, the Department of State issued guidance ending a long-held standard in New York City, whereby tenants paid commission on rental apartments in cases where agents were hired to represent the owner. The guidance, based on the DOS' interpretation of the rent law passed last June, was meant to eliminate barriers for tenants seeking housing. But industry leaders called it a "body blow" to both landlords and rental agents.

The Real Estate Board of New York demanded Thursday that state regulators rescind the guidance. A day earlier, the trade organization had announced it was exploring legal action.

"It's not that I think it's morally objectionable as much as I think it's impractical," Frederick Peters, CEO of Warburg Realty, said of the new guidance. "I'm tired of agents being seen as overcompensated enemies of the general population."

Proceed "with caution"

Amid the confusion, some of the city's biggest firms were split on their advice to agents.

Ignore or adhere: Brokerages divided in response to rental fee ban

Douglas Elliman, the city's largest residential firm with some 2,600 agents, challenged the idea that the guidance is law.

"This Guidance is not the law, but rather a position taken by the DOS as it relates to licensed real estate agents and brokers," Kenneth Haber, the firm's general counsel, wrote to agents in an email obtained by The Real Deal. "We do not believe that this Guidance is consistent with the law."

A representative for Elliman did not immediately respond to a request for comment.

A similar sentiment was shared at the Corcoran Group. In an email to staff, COO Gary Malin advised brokers to "remember that this interpretation merely represents the opinion of the DOS."

"Until further notice, we recommend continuing to conduct your business in accordance with the law and all applicable regulations, not advisory opinions promulgated in haste," he wrote, according to an email cited first by the New York Times.

Triplemint appeared to follow suit. "We have been advised to operate with business as usual," co-founder Philip Lang wrote in an email to agents Thursday.

When reached later for comment, Lang said Triplemint is adhering to the guidance and said that the email was meant to reference a memo he sent earlier that day, which said "we can't collect a fee directly from a tenant. For now, please speak with your landlord about raising the rent."

Corcoran, too, later told its agents to adhere to the guidance. A source at the firm said executives held a conference call Friday morning for 1,600 agents and instructed them to follow the state rule. But amid all of the week's confusion, one Corcoran agent who spoke on the condition of anonymity said they followed the company line and collected a broker fee after the guidance was issued.

Compass also encouraged agents to "have conversations with your landlords immediately and try to revise your agreements" to protect their commissions. The SoftBank-backed firm advised compliance with the guidance, as did Warburg Realty.

Saltzberg said **Bohemia** is continuing to do rentals "with caution," ensuring tenants sign a state disclosure form acknowledging agent representation. The firm is also drafting its own custom form as "double insurance."

REBNY advised its members to adhere to the guidance "until further clarity is provided."

Shell shock

Coming without warning this week, the DOS guidance caught many agents and firms by surprise.

"The phones have been ringing non-stop," said Stefani Berkin, president of R New York. "Agents don't really know what to do."

She said the firm's lawyers have been standing by for

questions about individual deals. Mike Walker, R New York's residential sales manager, quickly put together a seminar on Thursday afternoon to answer agents' questions.

"There's a lot of anger, stress and frustration," Walker said. A key challenge, he noted, is that the media coverage glossed over important nuances of the guidance, specifically that agents representing tenants can still charge commission. Owners who hire agents to represent the property, however, are now on the hook for the commission payment, not the tenant.

Firms that work extensively with owners played defense. "We're rolling with the punches," said Louis Adler, co-founder of Real New York, a firm that works with around 100 owners. "It would have been great if there had been notice."

Adler and his partner were on the phone late Wednesday night trying to assuage clients. "The conversation we're having quite often today is, the rents are going to have to go up."

Karla Saladino of Mirador Real Estate said her firm's landlord clients confirmed they would pay broker fees and asked them to increase asking rents on current listings from between \$500 to \$1,300.

Compass agent Jed Wilder said his team, which exclusively manages a rental portfolio of over 1,000 apartments, said listings were being redesignated as no-fee units with 8 to 10 percent higher asking rents.

Jordan Sachs, co-founder of Bold New York, said most of his firm's commission from rentals were already paid by owners, but he acknowledged that wasn't the case for many.

"Do you know how many people are going to be out of a job?" he said.

The New York Residential Agent Continuum, a group that represents New York City brokers, said it's anticipating income loss.

"We anticipate that tenants or landlords or both will decide not to use the services of an agent," said Cathy Taub, a Sotheby's International Realty broker and co-founder of NYRAC.

Multiple landlords have said they plan to either raise rents for market-rate units or may start to handle listing and showing apartments themselves without the help of real estate agents, particularly if their portfolios consist of many rent-regulated units.

REBNY has urged its members to voice their opposition, too, by signing a petition, writing and calling the state and posting on social media.

"I think it's a misunderstanding of the agent's role in the transaction," said Sean McKenzie, an agent at Compass. "It's more than opening doors."

FEBRUARY 6, 2020 - **BOHEMIA REALTY GROUP** IN THE NEWS - REAL ESTATE - By Kemberly Richardson

New rules protect New York City renters from paying broker fees

NEW YORK (WABC) -- There was unexpected upheaval in New York City's housing market with the surprise ban of broker fees for renters.

State housing regulators slipped the ban into a reform package on Wednesday that went into effect in September of 2019, however, after receiving many questions, the Department of State provided updated guidance that went into effect on Jan. 31.



While many are celebrating the new rules, some say this is a bombshell for landlords and brokers.

Sarah Saltzberg is a principal broker and CEO at **Bohemia Realty** in Harlem. She said the way the DOS suddenly announced the changes is "irresponsible."

"When a landlord selects a broker to find a tenant and to negotiate a lease, for a fee, that obligation to pay the broker cannot be shifted to the tenant because it would be a 'payment, fee or charge before or at the beginning of the tenancy' other than a background or credit check as provided in that section," the law states.

Most brokers, landlords and even lawmakers were apparently unaware of the plan.

The DOS said it recognizes the Statewide Security and Tenant Protection Acts of 2019 has already had a significant impact on housing markets throughout the state.

"The updated guidance continues to interpret the laws according to their plain meaning and consistent with the way they were intended to be applied -- which is to provide the strongest possible set of protections to tenants," the DOS said.

There is already talk of lawsuits to stop the change.

Until now, brokers have been charging renters as much as 15% of an annual lease.

Michael McKee from the Tenants Political Action Committee say the important consumer protections are long overdue.

"It's up to a landlord whether to rent to somebody, not to

the broker, most of these arrangements are very cozy, the landlords and the brokers are in it together, and it's basically profiteering," McKee said.

"We would have to change our entire business model," **Saltzberg** said. "We'll fight for better lease terms, we'll fight for some concessions, in some cases we'll fight for the tenant to even be considered by the landlord who might not otherwise be looking at them, so again, there is value there."

The Real Estate Board of New York released the following statement:

"We are aggressively pushing back on the Department of State's misguided interpretation that will have a devastating impact on hard-working real estate agents, owners, and renters throughout New York State. If enforced, this guidance would result in higher prices for New Yorkers as building owners include commissions into rents and dramatically cut the incomes of tens of thousands of agents who provide a valued service in helping people find their new homes."

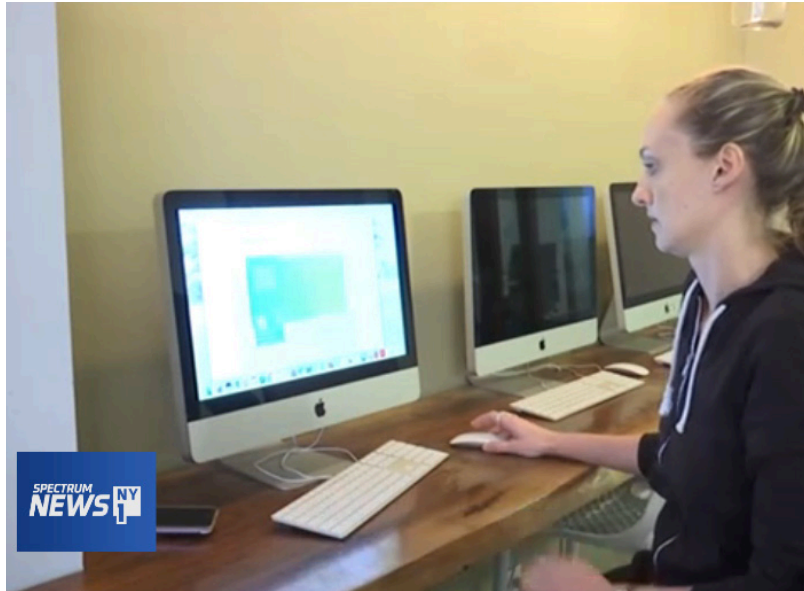
The DOS clarified that the removal of the broker fee is not retroactive.

"This is not intended to apply retroactively, and future transactions should be entered into with this guidance in mind," said Erin McCarthy, a spokeswoman for the department.

These rules do not apply to renters who directly hire a broker or agent. Those fees will still be applicable.

FEBRUARY 6, 2020 - **BOHEMIA REALTY GROUP** IN THE NEWS - By Michael Herzenberg

There is Elation and Despair Over Strict New Regulations on Broker Fees



NEW YORK - Real Estate Agent **Lyndsey Wurch** made less than \$50,000 last year and says she now doesn't know where her next paycheck will come from, after the New York Department of State said apartment seekers can't pay her fee if she's hired by a landlord to list an apartment.

The Department of State issued guidance Wednesday on the Tenant Protection Act passed by the state legislature and signed by the governor in June.

"A landlord's agent that collects a fee for bringing about the meeting of the minds between the landlord and tenant (i.e., the broker fee) from the tenant can be subject to discipline," the guidance reads.

"Right now, we're just trying to figure out what is going on, how landlords are going to react, and how we are going to adjust," said **Wurch**.

Chris Athineos owns about 150 apartments in several Brooklyn buildings. He says people will have to find his empty apartments on their own. He says he doesn't plan to hire and pay a broker to list them because he couldn't even increase rents to cover the cost — half of his apartments are rent regulated.

"There is no way that I can afford to pay a broker to find my tenant," Athineos said.

Brokers say market rate apartments will get more expensive because those apartment owners will bake their broker's fees into the rent.

"For free market apartments, that money will be trickled down and the person that winds up paying for it is the person that signs the lease," says broker **Sarah Saltzberg**, who owns Bohemia Realty Group in Harlem.

"I feel
furious,"
Saltzberg
said.



She says about 70 percent of her business comes from exclusive contracts with landlords, where agents list the apartments and tenants pay the fees. She says her agents like **Lyndsey Wurch** also represents tenants so she doesn't know what to do.

"The agent showing the apartment is the tenant's rep. I think they may be able to collect a fee because they are not representing the landlord. I, as the firm, am representing the landlord. That's part of the confusion right now," said **Saltzberg**.

While there are some grey areas, the guidance says that if you find an apartment on something like Street Easy, call the number listed and if it's a broker hired by the landlord, you cannot be charged a broker fee. But you can still go into a real estate agency and hire someone to find you an apartment.

The Real Estate Board of New York says it's fighting this "misguided and harmful interpretation" and may even go to court.

“Being a working mother of two has absolutely made me a better leader” With Jason Hartman & Sarah Saltzberg

I am an excellent multitasker, I delegate more, and I've learned to focus on the things that are most important in my business (rather than just the things that seem to be the most pressing.) I had the pleasure to interview Sarah Saltzberg founder of Bohemia Realty Group. Sarah accidentally got into real estate ten [...]



I am an excellent multitasker, I delegate more, and I've learned to focus on the things that are most important in my business (rather than just the things that seem to be the most pressing.)

I had the pleasure to interview Sarah Saltzberg founder of Bohemia Realty Group. Sarah accidentally got into real estate ten years ago, when she was having trouble raising money for a musical she was producing. After several months of learning the business, she realized how much more interesting — and lucrative — real estate was than waitressing, and a second career was born. Over the next decade, Sarah continued to pursue both interests full time, growing what was originally a team of three agents in 2012 to over 150 today, while simultaneously appearing on Broadway, television, and film. Bohemia Realty Group is a testament to Sarah's belief that artists are naturally good salespeople and don't have to starve in order to go after

their dreams...and that it's possible to use a theater education for more than speaking with a killer Irish accent.

Creatively, Sarah's most notable credits include: a creator and star of the Tony-award winning Broadway musical “The 25th Annual Putnam County Spelling Bee;” a writer/actor/producer of the Broadway-themed improvisational charity show “Don't Quit Your Night Job” (www.dontquitynyc.com); and co-writer of the comedy “Miss Abigail's Guide to Dating, Mating, and Marriage” recently running off-Broadway and touring regionally (www.missabigailsguide.com). As an actor, Sarah most recently appeared in the film “City Island” with Andy Garcia and on HBO's “The Big C.”

Thank you so much for joining us Sarah! Can you share with our readers the most interesting or amusing story that occurred to you in your career so

far, and the lesson or take away from it?

When I first got my sales license, I was living in a rental building in Upper Manhattan where there were a lot of vacancies. I called the landlord to see if I could help remedy the situation. The other line promptly went silent. I immediately called again and said, “I think we got disconnected,” and got another click. By my fourth try, I declared, “please don't hang up!” My tenacity had finally convinced him to stay on the line to hear my proposal and give me a chance. Instead, he gave me the near impossible, i.e., the weekend to lease five apartments, which I did. He was my first and is still one of my most valued clients with an amazing portfolio.

Are you working on any exciting new projects? How do you think it will help people?

This is the first year we have partnered with Media Right Productions, with whom we are developing a five-song EP featuring music and lyrics written by our agents, (Bohemia is recognized for its support of dual careers spanning the arts and real estate.) We have planned a big marketing campaign and all the proceeds from the sale of the EPs are slated to go to a local charity working to end child homelessness in NYC. In addition, we just completed an exclusive contract for a spectacular new condominium project in Upper Manhattan. It is a game-changer for the neighborhood.

What makes your company stand out? Can you share a story?

Since inception, Bohemia Realty Group's mission has been to improve quality of life for the communities in that we live in and serve. That commitment, of course, also extends to our agents and clients. We are a unique firm

“Being a working mother of two has absolutely made me a better leader” With Jason Hartman & Sarah Saltzberg

in which nearly 90 percent of our agents are or have been professional performers, artists and writers, so we are staunch advocates for work/life balance and supporting dual careers. On any given day, there will be children, dogs and hardworking agents at our offices because they are an integral and welcome part of the Bohemia community.

None of us can achieve success without some help along the way. Is there a particular person to whom you are grateful for helping you get to where you are?

I will be forever grateful to my initially reticent former landlord who gave me my first shot in the industry. He provided me with the insight to know that in this business, you cannot take “no” to figure out how to get to “yes!”

The real estate industry is a woman-dominated profession, yet women hold less than 20 percent of the senior positions are held by women. What do you think is the cause for this imbalance?

In New York City, leadership in the residential real estate space may be more equitably based than in other parts of the country. The chairs, principals and senior executives of most of the residential firms here are mainly women. Unfortunately, that is not the case in commercial real estate here or elsewhere. In Bohemia Realty Group's case, we support time off for family leave, provide gender neutral bathrooms, and offer pay for staff members based on skill set, rather than gender.

What three things can be done by individuals, companies or society to support greater gender balance moving forward?

This question is not particularly germane to the residential real estate space in New York City. As for society, in general, women leadership must continue to set a high bar

and make room for other women to join us at executive levels.

In your opinion, what are the biggest challenges faced by women executives that are not typically faced by their male counterparts?

Having children — and the misperception that it makes us less capable leaders. Although family leave that includes both mothers and fathers is becoming an accepted norm, the fact is that after a woman gives birth there is a natural period of physical recovery. That reality should be an accepted norm, too, and businesses need to address it as a natural transition, rather than a handicap. That being said, being a working mother of two has absolutely made me a better leader; I am an excellent multitasker, I delegate more, and I've learned to focus on the things that are most important in my business (rather than just the things that seem to be the most pressing.)

Can you share three things that most excite you about the Industry? If you had the ability to implement three ways to reform or improve the Industry, what would you suggest?

I love working in the real estate because of its everyday challenges, creativity, diversity, camaraderie, flexibility — I have co-written two Broadway and two off-Broadway shows during my real estate career — and, of course, the financial rewards. But in New York State, the residential sector has been hit hard with new restrictive laws. Although the intent was geared to protect residents, primarily rent-regulated tenants, the unintended consequences are already resulting in layoffs of building staff, contractors reducing staff size or going out of business, and rental agents losing income. The new laws are also having a negative effect on smaller real estate agencies, a couple of which have had to close offices or make other drastic business model adjustments. In order to ameliorate these issues and address the prospect of

other punitive legislation, individuals in our industry must become more engaged and aware of current and upcoming legislation. We need to speak to our representatives and educate them on the valuable services we bring to the residential space. Although the real estate industry has a respected organization representing us, it is still incumbent upon owners — especially those of us who head privately-owned real estate firms — to become more active and make sure our voices are heard.

What advice would you give to other leaders to help their teams thrive?

At Bohemia, we are big believers in consulting with our staff and asking for feedback. We listen to our agents to find out what tools will make their work easier and contribute to their success. Communication is the key and whenever an idea makes our overall mission better and more efficient, we follow up.

If you had to advise someone on five non-intuitive things conducive to succeeding in the Real Estate Industry, what would they be?

1. Improvisation
2. Flexibility
3. Creative problem-solving
4. Generosity
5. Grit

Because of your position, you are a person of enormous influence. If you could inspire a movement that would bring the most amount of good to the greatest amount of people, what would that be?

I encourage in everyone I know, work with and/or love to do something good every day, no matter how small or big. It's the little things that often resonate the longest, so when we are simply kind, we reap the greatest rewards. The golden rule is infinite.

Roommates Forever



Francis Kelly, Topher Mykolyk and Dani Marcus have shared a three-bedroom rental in Hamilton Heights for more than 12 years. Credit... George Etheredge for The New York Times

For many New Yorkers, a roommate is a necessary evil, something to be tolerated until they can manage the rent on their own. Not everyone sees it that way.

Lauryn Hamel met James Monahan when both were students in the theater department at Hofstra University.

She didn't much like him.

"James was very annoying at school," recalled Ms. Hamel, 30, an actor and personal assistant. "He was always so personable and so happy. He seemed smug. There was a part of me that was just: 'Get that smile off your face.'"

Since graduation, Ms. Hamel has had considerable exposure to that smile and ample time to rethink her feelings about it. She and Mr. Monahan, 30, a support and content strategist at Google, have been devoted roommates for nearly a decade.

"My opinion has totally changed," said Ms. Hamel, who initially teamed up with Mr. Monahan after she and the friend she'd planned to live with turned out to have very different ideas about neighborhoods and price points. The timing was perfect: Mr. Monahan's sublet with Ms. Hamel's then-boyfriend was just wrapping up.

"James has become my best friend

and brother," Ms. Hamel said. "I'm there for him. He's there for me. We travel together," she continued. "We do almost everything together. We're like a package deal. And my parents have pretty much adopted him."

Long-running roomies. It's a concept that seems more the stuff of plays ("Oh, Hello") and sitcoms ("Will and Grace," "Golden Girls," "Three's Company," "Laverne and Shirley") than of real life. Nonetheless, it is real life for some New Yorkers. (No laugh track included. No laugh track required.) And it's about a lot more than splitting expenses and refrigerator space. "In that 'young professional' time of life, you and your roommate mature. You watch each other grow up," said **Amy Le Blanc**, 32, a sales agent at **Bohemia Realty Group** who lived with Caitlin Johnson, a college friend, for 10 years.

Having a roommate makes economic and emotional sense when you're fresh out of school and new to the city. A high rent becomes manageable when divided by two (or three), and there's a live-in bulwark against loneliness, a bad day at work, a romance gone sour.

But after getting acclimated and getting a raise, many people are ready — eager, even — to live alone, to live with a significant other or perhaps to ditch the college buddy roommate, who, frankly, is getting to be a bore, and to sign a one or two-year lease on a nicer place alone or with someone more compatible.

"I think three or four years is generally the range with roommates," said Gary Malin, the chief operating officer of the real estate firm Corcoran. "People coming out of college are accustomed to having roommates, but sooner or later they want to branch out."



Lauryn Hamel didn't think much of James Monahan during their college days. After rooming with him for nearly 10 years, she has revised her opinion. Credit... George Etheredge for The New York Times

But those who have yet to find a durable romantic relationship or financial security, or those who are just flat out crazy about their roommate, see a different way forward.

Branch out? Francis Kelly thinks not.

Mr. Kelly, an actor, has lived in a three-bedroom Hamilton Heights rental with the same two people — Dani Marcus, an actress, and Topher Mykolyk, a teacher — for more than a dozen years. "When people hear about how long it's been, they're surprised," he said. "They think of a roommate as someone they hide from or just someone who shares the rent. I tell them that my roommates are people I travel with through life."

Mr. Kelly met Ms. Marcus in an acting class. He was looking for a roommate; she was looking for a room. "I couldn't get over how kind and unjaded she was," Mr. Kelly said. "The day she moved in, we talked into the night and we've been confidantes and cheerleaders for each other ever since."

Roommates Forever



"We're very protective of each other," said Mr. Kelly, left, standing in the kitchen with Ms. Marcus and Mr. Mykolyk. George Etheredge for The New York Times

Mr. Mykolyk, meanwhile, was a Craigslist find. What was supposed to be his roommate interview became a gabfest. "We were all in the living room chatting away, the conversation going in all directions," Mr. Kelly remembered. "We found so many things we had in common."

Success over the long haul requires a certain meeting of the roommate minds and a willingness to be educated, though perhaps "trained" is a better word.

"When we get back from holidays, I've taught James to go into cleaning mode, to unpack, vacuum and clean the cat box," said Ms. Hamel. "He knows I don't want to do the cat box, so he does it."

Mr. Kelly, who describes himself as "the dad" of the apartment says his roommates share his conviction that the common areas must be kept tidy (as for the bedrooms, well, isn't that why doors were invented).

They have vetted each other's significant others, nursed each other through breakups, become friends with each other's friends. When Mr. Kelly's father died, Ms. Marcus and Mr. Mykolyk were at the wake and the funeral. When Mr. Mykolyk's mother visits from out of town and stays at the apartment, she takes everybody out to dinner.

The studio apartment that Sydney Masters rented on 23rd Street in the mid-1980s had a loft space, so when her friend L. Gabrielle Penabaz, a writer and performer, lost her apartment on 14th Street, Ms. Masters, now in her early 50s and the co-owner of a public relations firm, put out the welcome mat.

At some point, the building went cop. Disinclined to buy, Ms. Masters suggested to Ms. Penabaz that they join forces in a rental. They landed first in a decidedly funky one-bedroom walk-up in the West Village, then in a two-bedroom rental in the East Village.

Over the decade that the women lived together — a partnership that ended in the mid-1990s when Ms. Penabaz moved in with her boyfriend, there was heart break, job loss, money worries, intractable landlords. "Gabrielle was solid and calm. I was definitely more high-strung," Ms. Masters said. "She would calm me down. We would give each other advice. It was like 'us against the world.' It just worked."

It made things easier that they were both neat, both were cat owners, both vegetarians (credit the influence of Ms. Penabaz), had complementary schedules (one was often coming home as the other was heading out), and similar interests. Ms. Penabaz was an aspiring rock singer and Ms. Masters was handling publicity for the Limelight, a now defunct nightclub in Chelsea. "Gabrielle helped me get a job with a music manager early in my career," Ms. Masters said. "And when she did a record, I got someone to help produce it."

And when Ms. Masters took it in her head to adopt a West Highland terrier, Ms. Penabaz promptly went out and bought the dog a squeaky

pink pig. Recently, the former roommates met for a catch-up lunch and Ms. Penabaz brought a Christmas present for Ms. Masters: a pair of socks decorated with the image of a Westie.

"There are great psychological benefits to sharing a life narrative with someone," said Gail Saltz, a clinical associate professor of psychiatry at NewYork-Presbyterian Hospital. "Usually, I'm talking about it in a partner sense but really, it's true of any long-term relationship. There's



"We've watched each other grow up," said Jeremy Alexander, left, with Tarrice Love, his roommate for more than 10 years. George Etheredge for The New York Times

someone to turn to when life gets difficult and someone to be happy for you when things are good. You share a lot, and it's enjoyable to reflect back on that."

And, Dr. Saltz added, "you develop a sense of trust and comfort and stability that is going to be more intense at the 10-year mark than after one year. Length of time builds all that."

Jeremy Alexander, 30, a model turned bartender, has lived in a four-bedroom Bedford-Stuyvesant rental with Tarrice Love for more than 10 years, and speaks affectionately of their shared history.

Roommates Forever



Amy Le Blanc's roommate of 10 years recently moved out to live with her boyfriend. "But I still refer to her as my roommate," said Ms. Le Blanc. George Etheredge for The New York Times

"I've worked with him," Mr. Alexander said of Mr. Love, 43, a fashion photographer. "We've had parties together and we sometimes look back and say: 'Do you remember when this happened or that happened? Do you remember how the apartment used to look? Do you remember that world's worst roommate we had?'" continued Mr. Alexander, who met Mr. Love through friends in Memphis, their shared hometown.

"We don't harvest any bad energy. We can be authentic with each other. We had similar upbringings which helps. It's like living with my cousin," he added.

Ms. Le Blanc, of Bohemia Realty Group, identifies fully with that level of comfort. Thanks to her tolerant roommate Ms. Johnson, a dresser on Broadway, she could be as much a Harry Potter nerd as she pleased. "Caitlin never thought I was weird," she said. Further, Ms. Le Blanc, a self-described picky eater, could put together a curious mix from the refrigerator for lunch, and "Caitlin was like 'cool.'"

Last year when Ms. Johnson decided to live with her boyfriend and Ms. Le Blanc invited her fiancé to move in, "emotionally, it was awful, like a divorce," Ms. Le Blanc said. "This was a person I had seen every day for 10 years and we had become super close."

Such closeness can sometimes make things a bit awkward, Ms. Le Blanc said. "You sometimes forget that roommate issues like the fact that dishes are piling up in the sink, are separate from friendship issues, and feelings get hurt. We had to learn how to navigate."

Then again, such closeness can sometimes make things really, really, really awkward. After two years of cohabiting as friends, Mr. Monahan and Ms. Hamel became romantically involved for a year, then broke up. But they didn't split up. "It was really challenging to figure out what to do and we went through some times that weren't the best, but we worked it out," Ms. Hamel recalled. "Our friendship was strong enough that we were able to continue living together."

"We're closer friends because of the romantic relationship," Mr. Monahan said.

That these roommate groupings have managed to stay together for so long is a source of endless amusement (never mind bafflement) to friends. "People would be like 'you're still living with that roommate?'" Ms. Le Blanc said. And we would respond 'we're common law roommates.'"

"How can you NOT make a joke about our relationship, the evolution and devolution of our relationship. Friends? Boyfriend and girlfriend?" asked Mr. Monahan who, frankly,

seems to find the whole thing kind of funny himself.

Mr. Kelly and others in a similar living situation insist that they do not stay together out of passivity, inertia or, necessarily, economic imperative, though in some instances codependency cannot be ruled out. "James and I are VERY codependent," Ms. Hamel said.

"We all lead our own lives and sometimes we come together," Mr. Kelly said by way of describing life with his roommates. "When I was out of town recently with a show, I had a whole apartment to myself and there were aspects I found appealing. But for me and my personality, I like the companionship of the arrangement I have at home."

For some, there is just a certain aspect of "can't quit you, roomie."

Although Mr. Mykolyk got married recently and set up housekeeping elsewhere with his wife, he still pays his share of the rent at the old place and has been known to bunk there when his wife is out of town.

A while back, Mr. Monahan, deciding it was high time to start building some equity, bought an apartment. He'll be moving out in a few months, and Ms. Hamel's boyfriend will be moving in.

For the record, Mr. Monahan will be a mere five subway stops away. "We're already planning that I'll be over for dinner a lot," he said. "I'm a terrible cook."

DECEMBER 17, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS

Bohemia Realty Group holds two-day “Bohemia Summit” event

Manhattan, NY **Bohemia Realty Group** held their, “**Bohemia Summit**,” an intensive, two-day business development symposium, featuring workshops, motivational speakers and real-time lead generation work groups. Nearly 150 agents learned team building techniques, as well as the implementation of the firm’s new Cloze CRM technology.

Held at the Wells Fargo Conference Center in Midtown, the event was another example of the firm’s hands-on approach to training, especially regarding warm lead generation and building relationship-based agent businesses.



Sarah Saltzberg and Jon Goodell,
Bohemia Realty Group’s
co-founding principals.

DECEMBER 16, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS - GALLERY / EVENTS

Gallery: Recent events in the residential community



Sarah Saltzberg and Jon Goodell, co-founding principals of Bohemia Realty Group, take a quick breather at The Bohemia Summit, an intensive, two-day business development symposium, featuring workshops, motivational speakers and real-time lead generation work groups. Nearly 150 Bohemia agents learned team building techniques, as well as the implementation of the firm's new Cloze CRM technology. The event was held at the Wells Fargo Conference Center in Midtown.

Who's News: Hires and promotions in residential

Bohemia welcomes the following new agents who will all act as Licensed Real Estate Salespersons:



PIERS PORTFOLIO

Originally from Northern New Jersey, **Piers Portfolio** has called Upper Manhattan home for nearly ten years.

As an active performer, he knows how to survive in a competitive field. Portfolio has a Master of Music in Vocal Performance from the Manhattan School of Music and a Bachelor of Fine Arts in Vocal Performance from Carnegie Mellon University.



KYLE GRAAE

Kyle Graae has been a Hamilton Heights resident since he moved from Calgary, Alberta, Canada in 2015. He's a professional actor and singer and has a Bachelor of Music in Musical Theater from Oklahoma City University.



JENNA PAULUS

Originally from the Jersey Shore, **Jenna Paulus** now calls Hamilton Heights home. She is the owner of a music business and has a Masters of Music in Musical Theater from The Boston Conservatory and a Bachelor of Music in Voice Performance from Rowan University.



LARRY KING

Before moving to New York City, **Larry King** worked in commercial real estate with such businesses as Whole Foods, Applebee's and Metro Mattress.

He volunteers with the Boys & Girls Club to help at-risk youth get through difficult times and sits on the organization's Jr. Board of Executives in Rochester, New York. A portion of his yearly earnings go to helping the youth that he mentors. Larry holds a Bachelor of Business Administration from SUNY Buffalo State.



SUSAN BENNETT-GOULET

Susan Bennett-Goulet has joined Bohemia after 25 years of working on Broadway as a Production and House Electrician, lighting up the stars and billboards of the Great White Way.

Her love of real estate began when she built a house on a piece of vacant land in the Catskills. After that, she moved close to Woodstock, New York, and renovated a 1910 arts and crafts house before moving to Washingtonville, New York, where she purchased a 160-year-old farmhouse and spent eight years restoring it.

(EXCERPT)

NOVEMBER 19, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS - By E.B. Solomont and Sylvia Varnham O'Regan

NYC brokers slam bias, promise action after Newsday exposé *But Douglas Elliman brandishes damning report "unreliable, unethical, and unscientific"*



Jed Garfield of Leslie J. Garfield; Richard Grossman, president of Halstead Real Estate; Sarah Saltzberg, principal broker and CEO of Bohemia Realty Group; Douglas Elliman's Howard Lorber

New York City's top residential brokerage firms sharply condemned widespread race discrimination in Long Island's housing market found by an undercover investigation.

Many used terms such as "appalling," "alarming" and "tragic" to describe the findings of the three-year investigation by Newsday. Some said they were a call to action, and urged the industry to do better. And one firm took exception to the probe.

The Real Deal asked 26 brokerages for their reactions to the article, and how they ensure agents comply with fair housing laws. Four declined to comment and 11 did not respond, but among the 11 who did, most expressed outrage at the race-based steering of homebuyers — including 49% of black shoppers — that Newsday discovered.

(EXCERPT)

Sarah Saltzberg, principal broker and CEO of **Bohemia Realty Group**, said her firm trained agents on how to respond to questions that brushed up against fair housing rules. If asked who lives in a neighborhood, they are advised to answer, "People."

"We tell them, if you have specific questions about crime you should contact the local police precinct because we cannot answer those questions for you," she said.

She said agents are paired with a mentor for their first year at the company to ensure they act appropriately. "We're constantly watching that one-on-one because we're very hands-on with our agents," she said.



OCTOBER 1, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS

Haber of Abrams, Garfinkel, Margolis, Bergson, LLP speaks at rent law seminar held at Bohemia Realty Group

Manhattan, NY Principal **Sarah Saltzberg** and her team at **Bohemia Realty Group** hosted an illuminating seminar on the new rent laws. Presented by **Larry Haber**, a partner at Abrams, Garfinkel, Margolis, Bergson, LLP, the event drew an audience of more than 50 agents.

Haber, who is known industry-wide as the attorney responsible for writing REBNY's new market rate leases, distinctly framed both good and bad news scenarios about recent changes in the laws. By the time he finished his comprehensive report and the audience's questions were answered, every agent had a reference booklet prepared by his office, along with a handle on how to help clients move through the ambiguities of the new legislation.



Larry Haber of Abrams, Garfinkel, Margolis, Bergson, LLP and Sarah Saltzberg of Bohemia Realty Group



SEPTEMBER 17, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS

Bohemia Realty expands management team, welcomes Eichler as chief of staff



Jessica Eichler,
Bohemia Realty Group

Manhattan, NY Having grown its agent population by 50% in the first half of the year, **Bohemia Realty Group**, is continuing to expand with the addition of **Jessica Eichler** as the firm's chief of staff.

Prior to joining Bohemia, Eichler served as business operations manager at Newmark Knight Frank. Among her start-up initiatives will be revamping the firm's technology platforms to provide customized solutions for the agents and establishing new performance incentives.

The firm also recently welcomed director of marketing **Michael Arnone**, formerly of Nest Seekers.

The new management team will work directly with Bohemia's co-founding principals **Sarah Saltzberg** and **Jon Goodell**.

"Jessica and Michael bring abundant entrepreneurial and corporate acumen to our team," said Saltzberg. "Bohemia has been known for its creative culture, since day one, and now our agents will have even better and more customized tools for success to accelerate activity in additional residential and commercial markets throughout the area, recruit more talent to the firm—encompassing both experienced and junior agents—and provide focused marketing assets to BRGDM, the firm's development marketing division. Eichler said, "Looking at the competition, it's clear Bohemia has long had superior training and mentorship programs. With so much talent, it behooves us to further invest in our agents' success with better access to technology and marketing programs."

The management team, including its newest members, has set a goal to double the number of agents at Bohemia from beginning to the end of the year. In addition, they are working with BRGDM on several ground-up and conversion projects slated for 2020.

AUGUST 29, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS - Brad Dickson for The New York Times

On the Market in New York City



Manhattan Valley Condo

\$1,750,000

MANHATTAN

952 Columbus Avenue, No. 6B

A two-bedroom, two-bath apartment with two terraces and modern finishes near the top of a 2017 condo building. **Sarah Saltzberg**, Bohemia Realty Group, 212 -663-6215; bohemiarealtygroup.com

JULY 23, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS - By Adam Pogoff and Erin Hudson

Brokers in cabs: An interview with Bohemia Realty Group's Sarah Saltzberg

Broker and founder of Bohemia Realty Group on Harlem, Broadway and finding inspiration



In the latest episode of The Real Deal's "**Brokers In Cabs**" series, **Bohemia Realty Group's Sarah Saltzberg** talks about juggling her work in theater and real estate, the future of Harlem and the mischaracterization of brokers as "money-hungry and doing the bare minimum."

When Saltzberg and Jon Goodell co-founded Bohemia in 2012, the two conceived of the brokerage as a place where artists could earn a steady paycheck between creative pursuits or build up the cash to launch their own businesses. Most of its more than 100 agents also work in show business — so much so that Saltzberg calls her firm the "Green Room of Real Estate," a reference to the room where performers wait until it's time to grace the stage.

Watch the [full video](#) above to see Saltzberg's thoughts on improvisation, making fantasy reality and more.

Michael Arnone Joins Bohemia Realty Group as Director of Marketing



Bohemia Realty Group, a full-service real estate brokerage specializing in the sale and leasing of residential and commercial properties in Upper Manhattan and the Bronx, as well as the greater New York area, has welcomed **Michael Arnone** as director of marketing. In his new position, Arnone will oversee all marketing and communications initiatives for Bohemia's Harlem office at 2101 Frederick Douglass Blvd. and Washington Heights office 3880 Broadway. In addition to providing collateral and marketing strategies for the firm's 133 agents and brokers, he will work directly on campaigns with Bohemia's new development division, BRGDM.

"Michael has an instinctive grasp of positioning and strategy, reinforced by his extensive experience as a business owner, marketing professional, and real estate sales agent," said **Sarah Saltzberg**, **Bohemia Realty Group's** co-founding principal. "We are a firm of highly creative entrepreneurs and his background is

totally in-synch with our unique business brand."

Prior to joining Bohemia Realty Group, Arnone worked on the marketing team and as an agent at Nest Seekers. Before that, he was the co-founder and CEO of Bounce Media Group, a company specializing in event production, brand activation, and talent management. Bounce Media Group was especially known for its signature, "Bounce Boat" series, one of the city's premier single-night dance cruises.

"Bohemia Realty Group is the market-leader in Upper Manhattan and has been instrumental in expanding so many amazing communities," Arnone said. "I am glad to be an instrumental part of its dynamic narrative and work with such forward-thinking and motivated real estate professionals."

Arnone graduated from the College of New Jersey with a B.S. in Business Management.



APRIL 3, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS - By Georgia Kral

The 10 best NYC neighborhoods for college grads: 2019 edition



Raise your hand if this is you: You're about to graduate from college and you're set to move to New York City for a job (or to look for one while making coffee or cocktails). But there's one thing that has to happen first: You need to find a place to live. We're here to help.

To zero on a place to live in one of the most complicated (and diverse!) real estate markets in the world, you need to find a reasonably priced neighborhood (for NYC anyway) that you may actually enjoy living in. To come up with Brick Underground's 2019 list of the best neighborhoods for recent grads, we asked Localize.city—an AI-powered website that

helps renters and buyers predict what life will be like at any address in NYC—to calculate affordability based on median rents for two-bedroom apartments (since most grads will be moving in with at least one other person.)

...

9. Central Harlem

Highlights: Commute:★★★★ Nightlife:★★★★★

Median two-bedroom rent: \$2,400

Culture, history, food, you name it and Harlem's got it. Central Harlem, which starts around 125th Street is home to soul food restaurants (Sylvia's, Red Rooster, Charles' Country Pan Fried Chicken), the legendary Apollo Theater, and committed and dedicated residents. "Harlem has great restaurants, clubs and art, as well as a strong sense of community, anchored by the neighborhood's many community gardens," says Klein of Localize.

The character changes depending on where you are in the neighborhood, says Jake Knopfler, salesperson at Uptown Flats at Compass. The main thoroughfares feature larger prewar elevator buildings with retail and restaurants and the side streets feature similar buildings with smaller walk-ups mixed in. The area is also home to stately historic brownstones that have become very pricey in recent years.

Knopfler says in Harlem large three- and four-bedroom apartments in prewar buildings can be found for decent rents especially along Adam Clayton Powell Jr. Boulevard and Lenox Avenue. There is also much new construction, he added. "Every year we get 10-15 new buildings," he says.

Wesley Miller of **Bohemia Realty Group** says new businesses in the area, such as bars and restaurants, cater to a younger crowd, and buildings have amenities geared toward them as well. "Buildings like The Westbourne on 137th Street are adding amenities like bike storage, free wifi, modern fitness centers and even doggie spas."

There is much mixed-use development slated for the area too, including an 11-building mega-project on West 126th Street that will bring new and renovated buildings with "shop-lined public plazas and pedestrian passageways," according to Localize.

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(EXCERPT)

MARCH 15, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS

Condominium Plan Declared Effective for Hudson Heights' Newest Development

Bohemia Realty Group's BRGDM brings 25% of condominium units to contract at sophisticated mixed-use development at 40 Pinehurst Avenue

BRGDM, the development marketing division of **Bohemia Realty Group**, has received the green light from the New York State Attorney General's office on the condominium sales plan for the Ammann, which has been declared effective. It is anticipated that closings will begin in Spring for the stylish Hudson Heights mixed-use development located at 40 Pinehurst Avenue at the corner of 179th Street. The boutique condominium development features 24 one-bedroom, two-bedroom and penthouse residences, each with private balconies.

"Jaw-dropping Hudson River and George Washington Bridge views definitely contributed to the robust sales," says **Beth Gittleman**, Head of Sales and Development for BRGDM and Bohemia Realty. "In addition, there are very few projects Uptown that can rival the Ammann's timeless river and bridge views, finishes, layouts and amenities."

Designed by ND Kazalas Architecture F.C. for Orient Development, the developer responsible for Edgecombe Parc, residences feature oversized, triple-pane windows with curtain wall systems, individually-monitored air- and heating systems, top-of-the-line appliances and in-unit washers/dryers. Building-wide amenities include an expansive rooftop deck overlooking the Hudson River and George Washington Bridge, lobby level garden, fully equipped fitness room, bicy-



cle storage room, package room and virtual doorman with smart-phone access. Signers over the end of year holidays additionally benefited from complimentary storage units and six months of paid common charges.

The residences are made up of 10 one-bedroom, one bath apartments with approximately 650 square feet; five one-bedroom, one and a half-bath apartments with home offices and approximately 861 square feet; five two-bedroom, one and a half-bath apartments with approximately 862 square feet; and four two-bedroom, two-bath penthouse apartments comprising approximately 1,043 square feet and 1,231 square feet.

Asking prices for the one-bedroom apartments range from \$598,000; with two-bedroom apartments from \$789,000; and penthouse apartments from \$1,298,000. Common charges at the Ammann range from \$279.10 to \$601.53 per month.

About Bohemia Realty Group

Bohemia Realty Group is the premier sales, commercial, and residential leasing brokerage in Upper Manhattan and the Bronx. The boutique firm currently has a team of more than 120 licensed agents and brokers, almost all of whom reside above 110th Street. Founded in 2012, Bohemia Realty Group has offices located at 2101 Frederick Douglass Blvd. in Harlem and 3880 Broadway in Washington Heights.

About BRGDM

Bohemia Realty Group Development Marketing (BRGDM) offers a custom-tailored approach to new development, conversions and repositioned assets in New York City with a specialized focus in Upper Manhattan and the Bronx. A privately held company with no corporate boundaries, the firm carries the largest volume of combined sale and rental exclusive listings north of 96th Street and understands the uptown market block by block. Utilizing their leadership team's decades of combined experience and hands-on approach, BRGDM employs in-house marketing/branding, PR, and analytic services for all phases of each project in both sale and rental properties for a unified and efficient experience. With a proven track record, BRGDM sets the trends for the Upper Manhattan market and takes pride in securing the greatest prices in the shortest time for each client we collaborate with.

FEBRUARY 8, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS

Harlem-Based Bohemia Realty Group Fly's With The Riverside Hawks For AAU Junket



Harlem's Bohemia Realty Group, the leading sales and commercial and residential leasing brokerage in Upper Manhattan and the Bronx, is teaming up with the Riverside Hawks.

The partnership will send a member of the Harlem-based basketball program to the Amateur Athletics Union (AAU) National Conference, along with a family member.

The highly-acclaimed basketball program has long been recognized for creating both athletic and academic opportunities for kids, with a focus on character development. Founded in 1961, the Riverside Hawks currently features 22 teams, with more than 300 girls and boys, ages six- to 18 years, who participate all year round.

"The Riverside Hawks has been a positive influence on generations of kids in our community through teamwork, commitment and achievement," points out Jon Goodell, Co-founding Principal of Bohemia Realty Group. "When we asked how Bohemia could contribute to their program and were told of this newest initiative, it was an instant 'game on!'"

Every member of the various Riverside Hawks' teams is eligible to participate in the trip to the nationals by logging on to www.riversidehawks.org and entering their name and contact information. The winner and his or her family will receive airfare and hotel accommodations for the entire weekend of the Nationals in July 2019.

Adds Danny Colon, Director of Operations for the Riverside Hawks, "When Jon and I started talking about this program, it was a blast of energy for us. This is part of an important journey and just to be able to look in the stands and see your family in the crowd is going to be pretty exciting for our kids. We really thank Bohemia Realty Group for putting this together."

The Riverside Hawks have had three winning teams in the AAU Nationals. They play other teams in the league, as well, sometimes traveling to New England, Illinois, Florida and as far as California. Over the years, the Riverside Hawks have arranged college basketball scholarships for over 600 former players. In addition, more than 100 former team members have reached professional ranks, including Hall of Famer, Olympic Gold Medalist and current St. John's coach Chris Mullin, and current Philadelphia 76ers General Manager and 17-year NBA Veteran Elton Brand.

JANUARY 25, 2019 - **BOHEMIA REALTY GROUP** IN THE NEWS - By Meenal Vamburkar - E.B. Solomont contributed reporting.

“This is a Band-aid’: Brokers fear StreetEasy’s sales fee could mean fewer Premier Agent leads

The high cost of Agent Spotlight could be a silver lining



(Credit: iStock)

With another StreetEasy fee comes another wave of criticism. This time, the listing portal's new program has struck a chord among Premier Agents — who drive the bulk of Zillow Group's revenue.

In unveiling a paid program for sales listings, StreetEasy gave brokers a route to bypass Premier Agents who may otherwise be displayed alongside those listings. If the initiative, dubbed Agent Spotlight, gets enough buy-in from brokers with exclusives, Premier Agents said it threatens to dilute the value of the lead-generation program. Agents said they may be forced to reconsider their spending on the product.

“They’re solving a problem by creating another avenue of income for themselves,” said **Beth Gittleman**, head of sales and development at **Bohemia Realty Group**. “This is a Band-aid.”

When it launches in February, Agent Spotlight will cost agents \$333 per sales listing per month. Brokers can participate only if they manually enter listing data. To facilitate that, StreetEasy also rolled out a new back-end listing platform called “Listing Tools.” After Zillow announced the change on Tuesday, several residential brokerages called it a form of “blackmail.”

It’s also been a cause for concern among some Premier Agents. By creating a way to cut Premier Agents out of the equation, it could reduce the amount of leads they receive. At **Bohemia, Gittleman** said agents can individually opt to use Premier Agent — and this change means they will have to temper their expectations for the advertising program.

“I respect them having a business and finding different ways to make money,” she said. “But it’s unfair to agents who are paying for advertising.”

As was anticipated, the Real Estate Board of New York, which has its own residential listing system, came out against StreetEasy’s latest program.

“It is clear that StreetEasy is not pro-consumer or pro-agent,” said Jamie McShane, vice president of communications. “It is a business that profits from agents by charging them for their information, thus limiting access to such information by consumers.”

He added that the industry trade group is “awaiting instructions from the Department of State as to how agents should interact with third party lead generation programs and be in compliance with the law.”

In 2017, REBNY asserted that the portal’s Premier Agent program caused “a mealstrom of consumer confusion.” StreetEasy responded by adding a representative to screen potential buyer leads by phone before passing along live leads to buy-side agents. That created a new concern: Premier Agents worried they’d receive fewer leads. The latest fee, brokers said, doesn’t address those previous problems.

Doug Perlson, founder of RealDirect, said it makes sense for StreetEasy to give listing agents the chance to appear prominently on their own listing (instead of a Premier Agent.) “I have purchased Premier Agent ads while

holding my nose because I felt it was not transparent,” he said.

“Is this the right product? It’s still hard to say. Certainly, the price point is way out of line in my opinion. It’s way too high,” he said. “The idea that in weaker markets, the ability to be on your own listing will cost more is not the type of partnership that I think Zillow and StreetEasy should be doing.”

For its part, StreetEasy said Agent Spotlight is an optional branding product.

“We’re continuing to evolve the PA program on StreetEasy to best serve this market and NYC buyers,” a spokesperson said. “Agents can continue to market their sales listing on StreetEasy for free and buyers will see the default contact box, which has been redesigned to educate buyers about buyer’s agents and provide Premier Agents with more quality and better-informed leads.”

Premier Agent has raked in most of Zillow Group’s revenue. In 2017, Premier Agent generated \$761.1 million of Zillow Group’s \$1.1 billion revenue. And in the third quarter of last year, more than 67 percent of the company’s earnings were tied to the program, where revenue grew 18 percent to \$232.7 million. But the program had a rocky quarter, with Zillow lowering Premier Agent’s revenue guidance for the fourth quarter.

Agent Spotlight may not help matters, according to some brokers. For Mdrn. Residential’s Kobi Lahav, Premier Agent has been effective in generating leads. But after the latest news, Lahav said he’s holding off on his previous plan to increase spending on the advertising.

“Every time you get to a point where it’s going great, they change something,” he said. “It doesn’t give us a lot of confidence.”

StreetEasy is “trying to have their cake and eat it too, trying to monetize both ends,” said Ethan Leifer, an agent at Compass (which does not support Premier Agent). Leifer said he’s heavily invested in the program but will weigh his options if Agent Spotlight affects his business.

Yet there is one silver lining: the cost of Agent Spotlight may be too prohibitive to become the new normal. It may only make financial sense for those with higher-end listings.

“My sense is that there are not a lot of brokers clamoring to pay a fee to do this,” Leifer said.

LG Fairmont said the change won’t impact their business because they already swore off StreetEasy. “There are dozens of sources for buyer lead opportunities in the market, and most of our resources have been focused on developing proprietary channels,” said COO Phillip Yellen.

While it remains unclear how prevalent Agent Spotlight will become, agents took issue with StreetEasy’s approach to adding new streams of income to the platform and frequently adjusting its initiatives.

“It’s kind of a monopoly. They’re throwing these things at us and we have to adjust,” said Lahav. “I understand that Zillow is trying to fend off pushback, but this wasn’t thought through enough.”