

LUNCH BREAK

A professional headshot of Lev Mavashev, a man with dark, wavy hair, wearing a dark pinstriped suit jacket, a light blue dress shirt, and a pink tie with a small yellow pattern. He is looking slightly to the right of the camera with a neutral expression.

Lev Mavashev

Alpha Realty

Industry: Investment
Sales Commercial
Brokerage

Headquarters:
Brooklyn, NY

Employees: 12

Established: 2014

Age: 37

BY NESANEL GANTZ



you know what they say: “Home is where the heart is.” In the world of real estate, if you are not into it, heart and soul, it’s quite difficult to make a living. Enter Lev Mavashev, founder of Alpha Realty, a commercial real estate brokerage firm based out of Brooklyn that focuses on brokering the buying and selling of multifamily units in the tri-state area.

Lev transitioned to real estate from a career in accounting, because—in his words—“I didn’t want to count other people’s money. I wanted to make my own.” He started out in the real estate industry with zero connections and a fortuitous

first cold call.

Today, Lev and his team are ranked among the top 50 brokerage firms in the US, having sold more than 1,000 buildings since the founding of the company. Lev recently made headlines for a \$25 million-dollar sale of a 115-unit property in Queens, despite the volatile market. A sought-after voice in the field, Lev has authored several articles for *Real Estate Weekly*, sharing his insights on the ever-changing industry. He had plenty of insights to share here, as well.

Enjoy!

—Nesanel



I was born in Bukhara, Uzbekistan. We came here when I was seven years old and settled in Boro Park, which at the time had a very substantial Bukharian community. Later on, we moved to Staten Island, where I attended high school.

“My father is an electrical engineer and continued doing the same work here as he did in Uzbekistan. My mother was a preschool teacher who always dreamed of working in fashion; she was eventually able

to actualize her dream after moving to New York. I went to Shearith Yisrael until ninth grade and then I went to public school for high school. I come from a very traditional family, we kept all the *Yomim Tovim* and were very proud of our *Yiddishkeit*.

“I didn’t come from money. I was always looking for ways to make a few dollars. When I was eight or nine years old, I would buy a big bag of lollipops from Costco and sell them to the kids in my building for 25 cents a piece. My first real job was working as a cashier at a bagel shop after school





Strategizing a deal negotiation

when I was 15 years old. At the age of 16, I came across a wholesaler who wanted to unload several boxes of sunglasses. I bought them all and listed them on eBay for double or triple the cost. This was my first real taste of entrepreneurship and I loved it.

"In high school, I started learning coding and programming to help develop apps for my father, who was still working as an electrical engineer. I helped design a basic app for internal scheduling for a company my father was working at. We actually sold the program to my father's boss and they developed it further.

"I went to Baruch College, where I became *frum*. There was an Aish on campus, and I slowly got more involved in *Yiddishkeit* and Torah learning. A lot of people go one way in college, but, *baruch Hashem*, I went the other way, which led to me learn at Aish in Eretz Yisrael for a few months.

"At Baruch, I majored in accounting and economics. I always knew I wanted to go into business, but at my parents' request to become either an accountant or a lawyer, I chose accounting, because it was the closest one to business. Although it wasn't my passion, I dedicated myself to it and graduated

with honors as one of the top five out of a class of 600 students. Upon graduating college, I was recruited by Deloitte, one of the largest international accounting firms. I did a stint there for two years, but I hated it. At Deloitte, we handled most of the financial accounting for real estate deals. Working on those deals, I felt that I wanted to be the one putting the deals together, not analyzing them.

"I was part of a team working with Morgan Stanley real estate funds as well as Abu Dhabi investment funds. I did the due diligence for many of their deals. I saw the big commission checks the brokers were receiving for brokering those deals, and I wanted to be on the other side of the aisle. I didn't want to be the accountant counting other people's money. I wanted to make my own. It was *min ha-shamayim* that I ended up working on accounts dealing with real estate, because that showed me which business I'd rather pursue.

"I started telling people that I wanted to do commercial real estate, and I landed a job at Besen Partners, a well-known commercial real estate firm. Michael Besen and Amit Doshi, the partners at the firm, were both actively working there at the time,

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Four Queens multi-family buildings that Lev sold as a package deal for \$25,000,000

and it was a great place to learn the industry. For the first while there I was more of a spectator, and I listened to their conversations to learn the lingo and understand how the big players think and operate. I started by researching property owners.

“My first ever phone call was a pretty crazy experience. All you hear about when you begin in the real estate industry is how to handle rejection, and of course I had to learn to handle my share of rejection over the years. But when I made my first cold call to a building in the Bronx and asked the landlord if he was interested in selling his building, he said, ‘Yes, I am.’ I had no clue what to do next. I think I told him that my phone line wasn’t working and I would have to call him back (*laughs*). I hung up the phone and shouted, ‘This guy wants to sell! What do I do now?’ My leader told me to get a rent roll and set up

a meeting. It took a year of going back and forth, but I eventually got the listing and sold the building. It ended up being the second deal I ever closed. My first deal was also a building in the Bronx. The office where I was working focused heavily on the Bronx.

“I had absolutely no connections in this industry, so I made cold calls for the first several years. That’s how I grew my business. It took a long time until I built up a reputation and people started calling me. To this day, I still try to make some time for cold calling, because it’s a great way to drum up new leads.

“I got married at 23, around the time when I got into real estate. When I started out, I was in the office from 7 a.m. until late at night. I still have the habit of getting in early. These days, my workday usually begins at 8 a.m. after *Shacharit* and goes until around 8 p.m.

“I saw the big commission checks the brokers were receiving, and I wanted to be on the other side of the aisle. I didn’t want to be the accountant counting other people’s money. I wanted to make my own.”

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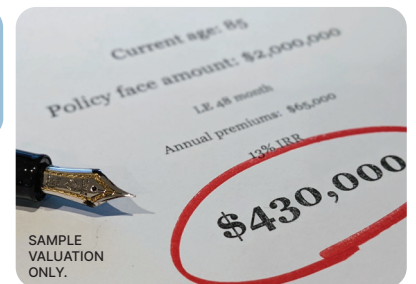
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EXCELSIOR CAPITAL



Late night office dinner with the team

“Around four years into my career in real estate I started getting creative with putting together deals. One day, Michael Besen approached me and suggested that I hire my first junior (agent) and develop my own team.

“Although I lived in Brooklyn, I would travel to the office in Manhattan every day. At first, our team focused solely on the Bronx, but in 2013, when the Brooklyn market began heating up, I turned my attention there. The firm had no presence in Brooklyn, but my team and I successfully penetrated the market and began transacting all over the borough with neighborhoods ranging from Williamsburg and Bushwick to East New York.

“My main job was, and still is, getting the buyers and sellers on board to transact, which obviously includes negotiations and closing out deals. I still originate most of the deals I close, but not so much through cold calling anymore. I would call it warm calling. The junior members in the business make most of the cold calls and find interested sellers, and, of course, I help them with originating the deal once an interested seller is identified.

“You have to know your strengths and weaknesses. Originating deals is a very involved process that includes identifying the lead and then winning the business. I know where to best apply my skill set and where to best leverage my team. Success in real estate brokerage is really about originating or sourcing the deal, it’s not just about finding someone who is interested in selling. You still have to convince them to use you to sell their property, and that’s where I come in. I am great at winning that assignment.

“As a broker, once I win over the assignment, the next step is to find the right buyer and close out the deal. I try to focus on winning the assignment and closing out the deal. Everything in between is handled by other members of my team. I’m good at creating bidding wars between two or three buyers. It’s both a science and an art.

“I left Besen in 2014 to start my own company, Alpha

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Realty, because I wanted more growth than I felt I could achieve at Besen. We have grown in leaps and bounds and have become known as one of the premier companies dealing with mid-market multifamily properties. *Baruch Hashem*, we have sold more than 1,000 buildings. This past year alone, we sold around \$500,000,000 worth of properties.”

What made you decide to open your own company as opposed to growing your team at Besen?

At Besen, we were doing deals in Brooklyn, but I wanted the ability to work on deals all over, including in Manhattan. However, Besen would not allow me to expand to those areas, because they had an internal territory system and corporate politics to deal with. When I left, it was just me and two other agents. Today, my team and I have a presence in every borough.

One of the reasons that many successful agents choose not to open their own company is that they don't want to be business owners. How have you handled everything that comes with owning your own company?

It was definitely a transition. I went from focusing only on deals to being more of a manager, which of course involves overseeing lots of little things that I didn't have to worry about while working for another company. That included running out of paper towels or coffee. I definitely had some moments when I needed to scramble. I started assigning different tasks to different people in the office. As the head of a company, ultimately everything is your responsibility, but in order to grow, you need to learn how to delegate.

One move that completely changed my life was hiring an assistant. There is a fundamental difference between hiring someone to help at the office and hiring someone to be your assistant; it frees up your time and helps you become more focused on trade. When I first hired my assistant, her role was to set up appointments and work on follow-ups. But then I piled hundreds of other things on her plate and somehow it all worked out. Today she is my operations manager and oversees my support staff. A good assistant can change your life.

How do you keep good salesmen from leaving and starting their own firms?

That happens in this business all the time. Your top guys will leave you and become your competitors. It happened to me in the first few years of founding my company, but thankfully not in the last few years. I believe my team knows the value that I bring to their personal business careers. They know my reputation in this industry, and I help get them to a more successful point than they were at on their own. Unlike many other companies or teams, where the boss or owner is mainly focused on his or her own deals, we truly operate as a team. I get my team involved in the transaction cycle.

It seems that you truly work in tandem with your team. That stands out. I find that in many teams, even successful ones, the senior partners don't work closely with their teams.

I agree with you. I have been around many such people and teams as well. Over the past 13 years that I have been in business, I built a system and I work together with and leverage my team members' skill sets. Every junior broker on my team works with a senior broker who helps and guides him in originating deals.

What was your worst business mistake?

Back when I started the company, I took on a partner for a short while. I wanted to be able to focus solely on deals, and I wanted my partner to focus on running the business. In the beginning, it worked out. He actually told me that he was happy focusing on operations. However, shortly after he began working, he wanted to work on deals, and he let things slide on the operations side. He didn't want to take the time to hire and train the right staff. Things were spiraling out of control. We couldn't even balance our books. Eventually, I had to buy him out. I was fortunate that this happened in the beginning of our company's formation.

Do you personally invest in real estate?

Yes, I do own real estate. I think every successful broker should own the assets he is selling. You

“Originating deals is a very involved process that includes identifying the lead and then winning the business. I know where to best apply my skill set and where to best leverage my team.”



Lev with Yehuda Leser, senior director at Alpha

would expect the same from your financial adviser who is selling you investments.

How do you decide which properties to sell outright to someone else and which properties to invest in yourself?

Good question. I know what I am good at, and that's selling real estate. I am not an active operator of real estate, nor do I want to be. I purchase real estate as an LP (limited partner) investor with experienced operators of real estate. In business, I am a broker, and my primary objective when getting a property to sell is one thing: to sell it. I'm not thinking of investing money into it. I am focused on the sale and finding the right buyer for the deal.

Once the sale price is determined and if the property seems interesting, I will disclose to both the buyer and seller that I might consider investing in the property myself. I am open and transparent with my clients on both sides.

You mentioned that you used to work from 7 a.m. until late at night and that you still work from 8 a.m. until 8 p.m. Shouldn't being more successful allow you the benefit of not working such long hours?

I am very driven and passionate about this business. This industry is very competitive, and I make an effort to stay a step ahead. Look, you can work eight to five and make \$100k, or you can work eight to eight and make a whole lot more. But I definitely still make time for my family. I see my kids every

morning and evening. I leave work early on Fridays as well, plus of course there is Shabbat, which is so special. On Sundays, I get to spend most of the day with my family, away from work.

How do you handle stress?

I haven't yet figured out the perfect format for handling stress. I like to go for runs in the evening and I play some basketball. But in general, real estate is a high-pressure, high-stress environment, and you need to have a thick skin and a strong mental attitude to succeed. Finding a daily routine for unwinding can be very beneficial.

That's good as preventative medicine, but what about managing stress during a crisis?

As a businessman, you really have to let things go. I have been involved in deals worth more than \$50 million, and when they slipped away, I was quick to move on. Sometimes people are shocked at how I can move on so quickly, but it comes with experience and the ability to see that there is a cycle to these things. I work on multiple deals at the same time, so I cannot let myself get too down about any one deal, or it will affect my performance on the other deals. You have to do your best, of course, but your life will be much better if you focus on the next deal as opposed to trying to salvage the previous one.

Being one of the top real estate companies in New York City and among the top 50 in the US is an impressive

"I went from focusing only on deals to being more of a manager, which of course involves overseeing lots of little things that I didn't have to worry about while working for another company. That included running out of paper towels or coffee."

Lev Mavashev at an industry event with a client



accomplishment. What do you do that separates you?

A major contributor to our success is that we have a niche: multifamily properties in New York City. We are passionate about our work.

I need to interrupt you for a second. Are multifamily units really considered a niche market?

Yes, because we don't sell anything else. I don't sell shopping centers or hotels; if someone calls me wanting to sell or looking to buy such a product, I send them elsewhere. Our niche is multifamily properties from mid-range pricing to higher-end pricing.

Another thing that has contributed to our success is that I am very willing to offer advice, consulting or even coaching to property owners who are looking to sell, even if we don't become their broker on the transaction. This applies to any industry and any field: As you become more knowledgeable in your expertise, don't be afraid to give out small suggestions when speaking to someone. Obviously, don't push your advice, but when asked, or in the middle of casual conversation, illustrating that you are willing to help will leave a lasting impression on a person. If they like and implement your suggestions, it will lead to sales, as well. I train my team to play the advisory role. We position ourselves as the experts and advisers for our clients, and that in turn positions us to win the business when the time comes to sell.

What advice would you give to someone looking to get into real estate from an investment perspective?

I would strongly recommend starting with what I call small buildings—fewer than ten units. It's a good start, and you can learn the business that way. People make the mistake of trying to buy the mega 40-unit building on their first shot. If you can amass several smaller buildings in your portfolio, although it will be management intensive, you can do very well.

Additionally, from a tax point of view, smaller buildings are safer, because there is a protective tax

cap. With larger buildings, after you fix them up, the city can increase your tax rate significantly, something they can't do as much with smaller buildings.

What do you think helps you land exclusive listings?

At the end of the day, the client knows that his deal will have my attention. We are a boutique firm; we aren't a Cushman & Wakefield with hundreds of listings. I am very selective about the listings I take. If I feel that a client wants an unrealistic price, I won't take the listing. I have a strategy of how to sell and target specific buyers for specific listings, and people appreciate the attention their deal gets with us. When you are selective, you show that every listing you take has value to you.

Do people often approach you looking to buy properties? What advice can you give other brokers about dealing with potential clients?

Yes, that happens all the time. But the challenge here is to properly qualify and screen them. I can get more than 100 calls a week from people looking to buy a property. Out of those 100, only a handful are what I call "real buyers," buyers who are capable of transacting in this market. This is where junior brokers make mistakes. They get excited when a buyer calls them saying they want to buy a building. They can invest a lot of time and energy—sometimes over the course of months—with a buyer who doesn't pull the trigger on the deal. Experienced brokers know how to quickly decide whether it is worthwhile to work with a particular buyer.

The same goes for people looking to sell. People ask me, "Can you sell my building for \$10 million dollars?" No, I can't, because it's worth maybe six or seven million. I can quickly choose not to work on the deal, while junior brokers might spend months working a deal like that. Properly qualifying a buyer and a seller is a must-have skill that a broker needs to develop ASAP, especially with the volatile market in New York right now in the midst of all the regulatory changes.

What do you see as the future of the

"When I first hired my assistant, her role was to set up appointments and work on follow-ups. But then I piled hundreds of other things on her plate and somehow it all worked out. Today she is my operations manager and oversees my support staff. A good assistant can change your life."



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New York market?

I think the New York market is resilient and solid. I definitely think there are challenges right now, especially with the uncertainty that New York City might pass good cause eviction, which is basically a set of laws that will make it impossible for landlords to evict tenants or raise rent more than five percent a year. Although it's just a proposal in City Hall right now, buyers and sellers are already worried. More people are concerned they won't be able to increase their rents. The problem is exacerbated because of last year's huge COVID discounts.

The fact is that, as of now, people are still buying and selling New York multi-family properties, especially rent-stabilized buildings, which have seen prices decrease by 30 percent since 2019. Many buyers view this as an opportunity, especially as the market continues to see very low interest rates.

What advice would you give junior brokers and people managing junior brokers?

My advice would be to become an expert in a specific territory. In my company, I help my junior brokers learn about how to win the business (get the listing) and how to find the right buyers. A junior broker should become an expert in a specific area. Learn everything you can about it, all the deals and possible deals.

When I look into a specific property that one of my junior brokers is an expert in, I will consult with him and take him along to meet the client. As the expression goes, it's better to be a big fish in a small pond than a small fish in a big pond. ●

If anyone has any questions for Lev Mavashev, they can be submitted through Ami.

Thanks to Ushi Teitelbaum, Ami's P.R. director, for his assistance. -Nesanel