

# THE COMMERCIAL OBSERVER

October 2, 2012

**Power Broker**

## David Ash Nearly Said Goodbye to Real Estate. Then Something Happened.

“I said, ‘It’s either going to happen or it’s not, and no matter what deals are pending, I am out in six months,’” the Prince Realty Advisors CEO recalled.

By Daniel Edward Rosen 7:15am

 Twitter 2  Facebook 3  LinkedIn  Email  Print

By the end of 2011, it had appeared to David Ash that Prince Realty Advisors, his fledgling startup, was on the cusp of going bust.

The 31-year-old entrepreneur had seen five of his deals—a mix of office buildings and development sites that, if closed, would have been valued in the millions—go from near-closure to sudden death.

Slow business had already forced him to live off of a family loan that would allow him to stay in his Upper East Side apartment and eat for another six months. But that loan was running out quickly.

The outlook was bleak enough for him to try to drum up new business while simultaneously interviewing at Cushman & Wakefield, Jones Lang LaSalle, and Eastdil Secured for possible jobs as a broker. As each deal collapsed, so too did his hopes for his company’s future.

“I’m a positive guy in general, but when you go through what I went through, it’s not so easy to be positive,” said Mr. Ash.



David Ash.

At his lowest moment, he reached out to Richard Baxter, a vice chairman at Jones Lang LaSalle and a mentor of his, to tell the industry veteran that he was thinking of quitting the firm he had worked so tirelessly to create.

Richard Baxter told Mr. Ash to reconsider. He went on to say that the young man had the mettle to turn Prince Realty Advisors into a thriving new business. His parents told him likewise.

"They understood what I was doing; they also understood that the market was a tough place to be in," Mr. Ash recalled.

On Jan. 20, he gave himself an ultimatum: he had six months to close a deal. Not bring a deal to contract or continue negotiations. A deal had to be closed, and he had to be paid. If not, he would fold the business and never look back.

"I said, 'It's either going to happen or it's not, and no matter what deals are pending, I am out in six months,'" Mr. Ash recalled.

He was sitting inside a conference room at the offices of the Kaufman Organization, the firm where he launched his real estate career and from which he now subleases office space. Dressed in a sharp gray suit and designer glasses, the boyishly handsome Brooklyn native seemed downright boisterous as he recalled the most despairing moments of his career.

Unexpectedly, right after his self-imposed deadline was set, his business quickly picked up. He had been introduced through a contact of his to Rockie Gajwani, the chief executive of Trevi Retail, a new firm that had the money and the eagerness to start acquiring retail properties. The owner of 106-110 Seventh Avenue, whom Mr. Ash knew, had intimated in the past that the building could eventually be sold. Mr. Ash put the two parties together before the property went onto the open market.

"We fell into a deal together ... they were quick, aggressive, and the right [company] to buy the deal," said Mr. Ash of Trevi Retail.

The deal was sealed: Trevi Retail purchased 106-110 Seventh Avenue for \$30 million.

"I was like, 'Holy shit!'" recalled Mr. Ash.

While Trevi and the seller celebrated the closing over dinner at Crown Restaurant on the Upper East Side, Mr. Ash sat back and marveled at the two parties enjoying a friendly meal.

"My first deal for Prince Realty, it was exactly what I was hoping for," he said. "They had substantiated to me that what I was doing was worthwhile," he remembered.

Then came Wednesday, June 20. In that one day, Mr. Ash did \$342 million in deals: Equity Residential's purchase of The Beatrice in Chelsea at 105 West 29th Street for \$280 million and HFZ Capital's \$62 million deal for 11 Beach Street, a commercial property the new owner will redevelop.

What was stranger—and sweeter—about the deal was not just the dollar amount, but the timing of it.

"It was at the six-month mark! And really everything came together the right way," said Mr. Ash.

Things have always had a habit of coming together in the right way for Mr. Ash. The Brooklyn native went to Yeshiva Flatbush, where he excelled as a point guard in basketball. He went to NYU to take business classes while paying most of his way through school by throwing club parties and working odd jobs for jewelry and paper companies.

Considering a career in real estate after finishing college, he reached out to Alicia Popper, then a broker at Murray Hill Properties, and asked for an interview. While it didn't lead to a paying job at the firm, he eventually found one at the Kaufman Organization. Within the first five months, he found success working alongside Grant Greenspan and others. For the three years he was at Kaufman, Mr. Ash said he was the top producer among the firm's 25 brokers.

He eventually narrowed his focus from office leasing to retail leasing, bagging True Religion Jeans as a client and bringing it to 132 Prince Street (Mr. Ash named his firm after the Soho street).

Mr. Ash was intrigued by the prospect of working on the sales side. He had come to know owners through his experience working as a retail broker, and while his career at Kaufman was going strong, he saw a bigger long-term opportunity in sales. He decamped Kaufman for a job at Eastern Consolidated at the very end of 2007.

"I left at the worst possible time you can ever leave anywhere," he said with a laugh. He was at the firm at 2008 for nine months, but the disastrous sales market forced him to strike out on his own and start his firm.

"Part of what I was doing while I was at Eastern was building relationships," he said. Working as a matchmaker, pairing seller and buyer in a seamless manner, was more intriguing to him than representing a building exclusively.

"For me personally, I just like working in that kind of framework," he said. "I'm not pitching you on 'Hey, let me put it out there and try to get you the best price,'" he said. "I created this business model that worked well within what I do well and plays to my strengths, and it also allows me to bring value to both the buyer and seller."

When launching Prince Realty Advisors, he knew he was going to compete against two tiers of firms, from the Massey Knakals and the Eastern Consolidateds to the CBREs and Eastdil Secureds.

"I'm more of a matchmaker, where I put people together, and it's a tough road," he said.

Being a yenta for investors and sellers did not come easily at first. But now with his monster June behind him, Mr. Ash is looking for another round of good deals and good fortune.

He has three more "substantial" deals in the pipeline that are in the contract stage. He has an eye on expanding the size of his company from just himself, his phone and a computer to an associate or two.

While his mind is on finishing deals and future growth, the lesson from the fallow years of his firm has not been lost on him.

"In this business, you're only good as your last deal," said Mr. Ash. "I'm trying to do the best I can to use these deals as leverage to substantiate a business model that I truly believe in."

*drosen@observer.com*