

On the Road with Steve Felix

Steve shares his thoughts on the world of commercial real estate and life in general

Wednesday, January 3, 2018

A friend who has made a difference in the commercial real estate industry: Ted Leary



Ted is the founder and president of Crosswater Realty Advisors, an international real estate workout advisory firm. Ted and his fellow “Senior Advisors” are currently engaged, on behalf of major institutional investors, in workouts and organizational restructurings in the U.S., Europe, Brazil and China.

Prior to founding Crosswater, he served as the Chairman of Lowe Enterprises Investment Management, the institutional advisory arm of Lowe Enterprises. He had been with Lowe for 22 years.

Ted began his real estate career in 1975 on highly complex workout assignments for major financial institutions. In that role, he resolved a wide variety of property problems in the U.S., Canada, France and Puerto Rico.

Ted is an acknowledged industry leader having served on the Boards of Directors of the Pension Real Estate Association, the National Association of Real Estate Investment Managers, the Association of Foreign Investors in Real Estate and the Real Estate Capital Recovery Association. He was honored, in October 2005, with the prestigious “Sponsors’ Award” by The UCLA Real Estate Finance and Investment Conference for his significant contributions to the real estate investment industry.

Before entering the real estate business, Ted worked in the United States Senate as the Chief of Staff to U.S. Senator Abraham Ribicoff.

Ted is a graduate of Harvard College (BA, Cum Laude) and George Washington University Law School (JD, Cum Laude).

Ted and I met during the years I worked for Institutional Real Estate, Inc. We’d both be at many of the Editorial Advisory Board Meetings and, as we both had some similar backgrounds - workouts - we had a lot of stories to share. Ted has been extremely supportive and helpful since I started my consulting business. He is generous with his time and I know he has helped many people, both folks looking to get a start and those at inflection points in their careers. One of the strongest compliments I pay anyone: Ted is a good guy! I remember at an industry event many years ago during the cocktail reception. There was a table of four of us. Industry legend Susan Hudson-Wilson, founder of Property & Portfolio Research; John Streiker, founder of Sentinel Real Estate, Ted and myself. I vividly remember two things about that occasion: I have hardly ever laughed as much and I couldn’t get a word in edgewise - not that I needed to. Ted and I have talked about that serendipitous get-together over the years - and smiled!

Q. How did you get your start in the commercial real estate industry?

A. I got started in the business in 1975 when I joined the Victor Palmieri Company for the workout of Levitt and Sons, at the time the world's largest -- but failing -- homebuilder. I was a lawyer coming from a job on Capitol Hill where I was the Chief of Staff to a US Senator - with absolutely NO business experience. Levitt had a lot of "remnant" commercial assets (retail land including a regional mall site outside San Juan, PR, multi-family projects with yield guarantees, water companies, panel plants, etc.). As the "newbie" on the team I was given the task of working them out or selling them. I learned a lot fast - primarily thru trial and error.

Q. What advice would you give someone who has been in the industry a short time or a student looking to get his or her start?

A. I probably "interview" a young person ("millennial") once a week or so. I explain Ted's Rule: Go to work for the absolutely very best firm that will hire you and don't worry about titles or money. If you are good, it will all work out. Sadly these Millennials don't often "get it".

Q. As you look back on your career is there anything you wish you had done differently? If so, what?

A. Not really. Coming out of the workout business, I tend to have a 'Dr. Doom' view of the business. I am sure this caused me to miss some great investments, but it also meant I managed to avoid making any horrific mistakes.

Q. Who were the biggest influences on your career? Why?

A. My first boss in the business, Ned Eichler, of Northern California Eichler Homes fame, was the most influential on my real estate career. Ned was the head of the Palmieri workout team at Levitt.

As I mentioned above I knew NOTHING about any part of the real estate business, but Ned just threw me out into the real world, gave me a few instructions and said get back to me when its completed. His only word of caution was that "you will never get fired for making a mistake, but you will get fired for making a mistake you easily could have avoided by simply calling for help. That's where judgment comes in." Best advice I ever got and one I gave to all my staff over the years.