

THE REAL DEAL

REAL ESTATE NEWS

Luxury agents are sealing deals with yacht tours, helicopter rides

With an influx of new buyers to attract, closing gifts morph into lavish experiences

By **Cordilia James**
1.33 million unique monthly visitors



Douglas Elliman agents Josh and Matthew Altman purchased a \$300,000 customized Mercedes Sprinter weeks after pandemic lockdowns began to make work easier and move clients around in style. (The Altman Brothers)

Brown Harris Stevens agent Rob Johnson used to take clients for a ride in his Range Rover, hopping from one mansion to the next in Greenwich, where contracts are **up 57 percent** from 2019.

It was hard to squeeze families in his car, Johnson said, and with such an influx of potential buyers in the area, now was the time to set himself apart from the other agents vying for their

attention. What better way to do that than buying what he calls the “weirdest midlife crisis car ever,” a \$145,000 customized Mercedes Sprinter van?

“A lot of agents, even the top-producing ones, don’t invest back into their business as much as I do, and I felt like this was a splashy way to do that,” Johnson said.

“Real estate is a very crowded space, and agents are constantly trying to find ways to innovate and set themselves apart from the rest,” said Ashley Murphy, who heads communications for Brown Harris Stevens.

In a hot housing market, where buyers are itching to get their hands on a good home, some agents are spending big bucks to up their glitz and glamour game — even as there are **fewer homes to show them** these days.

“The only downside is not using the van enough with buyers,” Johnson added. He gets the most out of it by using it as a mobile office, and taking his clients around for entertainment purposes to sell the luxury lifestyle in a way that goes beyond a good closing gift.

After all, high-end closing gifts have been the norm for decades, Murphy added, with agents commemorating deals with bubbly, gourmet fruit baskets, maybe even dinner at a nice restaurant to celebrate.

But it’s the experiential services giving high-end clients a taste of luxury before the deal is done that have grown in popularity in recent years, and now more agents are digging in. Think helicopter rides, swanky vans and private boat tours.

“I want all of my clients, whether they’re luxury buyers or anybody, to know that I don’t take them wanting to work with us lightly,” said Ryan Serhant, who left Nest Seekers to form his eponymous brokerage last year. “Someone is spending a lot of money, and they [could have done it] by themselves or with one of the other 2 million real estate agents in the United States, but they chose to do it with you.”

Selling homes in style

Johnson’s sleek set of wheels has Wi-Fi, a bathroom, a fridge and two TVs that can be used for viewing listings or entertaining kids with Netflix. It makes the usual listing tour (or two-hour ride to a Hamptons golf course) more comfortable and fun for his clients, not to mention it’s good for tailgating at his kids’ lacrosse games.

“If you’re only showing that you’re a fancy guy, then what use is that?” Johnson said. “But if it’s something that adds value to the customer and you’re doing it in an imaginative way, then yeah, I think it’s definitely beneficial.”

Out West, top agents like the Altman Brothers in California also saw value in the mobile office idea, especially coming out of the pandemic, when fewer sellers were willing to let prospective buyers duck inside to use the bathroom. Theirs was roughly \$300,000, with a dazzling ceiling and seven seats, including three that can turn into a bed for those long nights on the road.

“We’re not going to say they have to buy something, but we’re going to take a chance,” Douglas Elliman’s Matthew Altman said. “It’s a bit of a gamble, but for the clients you feel like are going to do something, why not take a chance and invest?”

The stars of “Million Dollar Listing Los Angeles” are no strangers to giving buyers a glimpse of the good life before they even buy. They’ve been flying some of them around for years in helicopters or private jets to view homes.

The market is so hot, **there aren’t enough homes for sale** these days and it’s putting a damper on deals. Still, that doesn’t stop their team from traveling great distances to reach the next home, even if it means showing a client a mansion in San Diego and getting them back to Los Angeles just in time for a morning meeting.

“We’re not taking an everyday client to a listing in a helicopter. When we know someone’s time is incredibly valuable, we know who the buyer is, and if that makes sense, it’s a small investment for a huge asset,” Altman said. A \$5,000 bill for a helicopter ride is chump change compared to the commission received on selling a \$20 million home.

Reeling them in

Influencer Christina Galbato was scrolling through StreetEasy to buy her first home, but even after viewing 40 dwellings, nothing stood out — until she saw the glossy video of Serhant **driving a yacht** in One 15 Brooklyn Marina as a promotional video for Quay Tower on his Instagram.

Prospective clients like her had the option of taking a boat for a ride with Serhant, but she didn’t need to, she said. She booked an appointment to visit the condo immediately and made an offer for the \$2 million condo within an hour.

“I think it was kind of that creative, going above and beyond, very buzzworthy kind of marketing video that kind of got my attention versus a lot of the other ones where there wasn’t really too much happening,” the 28-year-old said. She lives there with her Bernadoodle, Koa, and can’t wait to try the chauffeur service.

In the age of TikTok, Instagram and YouTube, some agents are relying more on video to get creative and sell the idea of luxury to clients. Seeing others use these platforms has agents like Warburg Realty’s Christopher Totaro rethinking his business model, which relies on word of mouth and mailings.

“I haven’t made this big media push, but it’s something that’s constantly on my mind coming out of Covid,” Totaro said.

He considers himself to be more of a hands-on dealmaker, offering in-person Buyer 101 sessions where he can talk clients through the process. Deals sometimes come out of those relationships, but things have changed.

Compass’ Mary Ellen Cashman, who has worked in New York City real estate for more than 25 years, has found herself creating more elaborate videos since the pandemic began.

She poured at least \$7,500 into a video inspired by the film “The Princess Bride” to market a \$27 million home on Long Island’s Gold Coast, complete with a script, casting and a classical cellist. Another agent team marketed a property in a similar way, and recently closed on an \$8.25 million condo — Williamsburg’s **priciest sale**.

“It’s not appropriate for every property, but even if it’s a million-dollar listing, I think you have to think outside the box and do a little bit more than we did previously,” Cashman said. For a

smaller property, photos would have sufficed, maybe even a drone video. This, on the other hand, needed some spice.

Worth the price?

Serhant took a page from Stribling Private Brokerage's \$5 million-and-up playbook and launched his firm's Signature division specifically for those shopping for homes with a price point of \$10 million or more. The division captured the attention of top agents like **Loy Carlos** and **Sara Gore**, who have joined the brokerage in recent months.

It gives clients access to white-glove services, coordinating cars, jets, dinners and itineraries for them anywhere in the world. Serhant likened the difference between a \$2 million buyer and a \$22 million buyer to the difference between Chase Bank and JP Morgan Private Advisors.

"It's like flying first class," he said.

"Those buyers respect and command a certain level of service. They want concierge style, and they want concierge service luxury advice across the board, not just in real estate." Serhant added. "You want to be the person they think of when they think 'luxury.'"

But to some, rolling out the red carpet can backfire.

"It's a gesture some people will appreciate, but it would actually make some people uncomfortable," Totaro said. "In this day and age, when you're at a certain price point, you have your own driver."

A tour for him usually costs \$300-500. Opting for a driver is a step up from an Uber, allowing him to cut back on waiting time without breaking the bank on a six-figure van.

The same goes for those buyers who might not have their own driver available.

"If you take somebody to town in a Tesla, they're not going to be so thrilled, because they don't want to know that their real estate agent is doing better than they are," said Warburg Realty's Ellen Sykes.

She likes to keep light snacks and warm beverages handy and instead focus on wow-ing clients with careful attention to the units she plans on showing them. After a tour, she might take them to a nice restaurant or go for a drink to unwind.

"If you're in the sales game and you want to throw out all the bells and whistles you can at someone, do it, but I don't think you need to necessarily from an etiquette standpoint," said Lizzie Post, co-president of the Emily Post Institute, which specializes in etiquette.

Though she admits to not being immersed in the real estate world, Post said she's wary of telling clients that they should expect fancy experiences when working with high-end real estate agents. On the flip side, agents should also be aware that a client could think they're trying to buy their loyalty if they go too far buttering them up before a deal.

As for closing gifts, Post remembers receiving a notebook from an agent who helped her land a home over a decade ago. It had the words "Home Sweet Home" on the cover and a thank you note inside; for her, such a small gesture was more than enough.

“I would not as a client have left the interaction feeling, ‘Well, they were ungrateful,’ or ‘They didn’t show how much they appreciated this,’” Post said.

It’s a stark contrast to Serhant, who has gone as far as building outdoor movie theaters and dollhouses for clients, taking them on trips and even buying two Mokes worth \$50,000 — one for each of the houses a client had bought for \$60 million total.

For those who stay on the safe side, he says: Don’t hate the player, hate the game.

“We don’t go crazy for every single client,” Serhant said, adding that he probably wouldn’t buy a fancy car for someone he wasn’t sure would work with him. “I think the best way to win client loyalty and to woo high-end luxury buyers is to know more than the internet.”

Details about the neighborhood and surrounding businesses, and knowing when it’s the right time to sell, are all key when building that trust. Sharing such knowledge and education is the Altman Brothers’ “special sauce,” Altman said. The ritz and glitz are just a bonus.

The rewards of his approach go beyond commissions and sales, Serhant said. It’s also about reputational points.

“Personal brand in a high-net-worth community is incredibly important,” Serhant said. “They will remember you and recommend you to their friends. The payoff is long-term and immeasurable.”

https://therealdeal.com/issues_articles/to-the-buyer-go-the-spoils/