

## The Top Number Crunchers

The challenges of changing rules and a market still in flux: It's going to be a long winter for Big Real Estate's big accountants

BY LAURA KUSISTO

Ultimately, a commercial real estate deal is in the details. No one understands that better than the industry's top accountants.

They remember the good times, when they finessed the cents in million-dollar deals. Now they also see impending forces that could undermine the market's delicate recovery one decimal point at a time.

Nearly \$1.4 trillion of commercial real estate debt will mature in the next several years, meaning that if companies, including brand-name landlords, can't repay or refinance

their loans, the market could be flooded with new properties.

"Banks are becoming more aggressive in not pretending and extending," says Marc Wieder, head of the real estate group at Anchin, Block & Anchin LLP.

Meanwhile, many American companies will also be required to adopt international accounting standards starting in 2013. This will eliminate off-balance-sheet leasing and could cause a major shake-up if these companies start buying properties instead of leasing them.

"Suddenly, companies may have billions of dollars of real estate and

debt on their books," says Maury Golbert, a tax partner at Berdon LLP.

However, since most private companies already use income-tax-based financial statements, most accountants say the effect will be limited. Chances are, Mr. Golbert added, "the market vomits all over it, and people yawn."

Suffice it to say, these are interesting times to be a number cruncher in commercial real estate.

### BERDON LLP

Behind every good deal there stands a good accountant, and in

this city there's a decent chance that accountant is Maury Golbert.

Mr. Golbert, 44, is a tax partner at Berdon LLP, a 400-person firm with one of the city's largest real estate practices. Mr. Golbert recalls with particular pride his work with one major client, RFR Holdings, on such boldface deals as the Seagram building, Lever House and Stamford Plaza in Connecticut.

But, really, it's hard to name a major player in the real estate industry that Berdon hasn't worked with in its 90-plus-year history. A mere sampling includes SL Green, Cushman & Wakefield, Jones Lang LaSalle, For-



Maury Golbert.

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Fred Berk.



Mike DeVito.



Vic Mizarro.



Rich Zendel.

Meanwhile, Mr. Wieder says he doesn't see things getting exciting for his own clients anytime soon, either.

"Investors are waiting for banks to take action on properties and for them to become available," he says.

**FRIEDMAN LLP**

Call Fred Berk the coroner in chief of the flailing real estate market.

Lately, Friedman LLP has been doing much more forensic accounting work, he says, as "a lot of complicated transactions aren't hitting the benchmark that the lending institutions are projecting."

Mr. Berk, a 51-year-old partner

and member of the firm's real estate group, specializes in calculating damages from failed investments and restructuring debt long before they became accountants' new bread and butter. "We see what happened, and what's supposed to happen," he says.

About one-third of the firm's 325 people are dedicated to real estate, making it one of New York's largest real estate practices. Mr. Berk also says they've been getting more overseas clients, specifically from Ireland, who are eyeing some of the city's most coveted trophy properties.

"Most of the foreign investors are very interested in trophy properties

because they consider it a safe haven," he says, though he declined to provide further details.

**CITRIN COOPERMAN & COMPANY LLP**

For Citrin Cooperman & Company LLP, it's about being not too big, not too small, but just the right size.

Recently, the firm, which is the 31st largest in the country, has been scooping up clients that have left the Big Four, says Mike DeVito; he and colleagues Richard Zendel and Vic Mizarro each bring more than 20 years of experience to the accounting business. Mr. DeVito says the

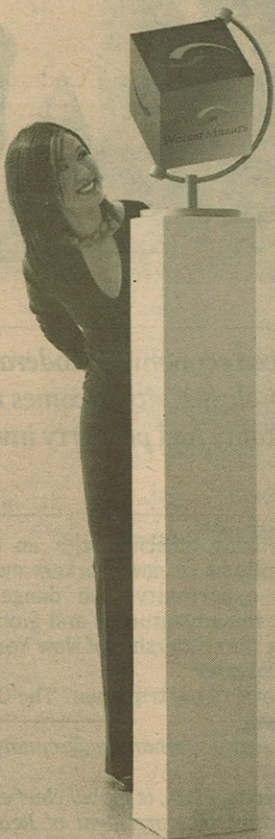
new clients are mostly owner-operated properties in search of lower fees.

The challenge for Citrin Cooperman is to show they can handle the new volume of work, when a single company may need 100 tax returns filed by March every year. That should be no trouble for the firm, which has consistently aimed big, including a major recent transaction to turn a private owner with 80 to 90 properties into a REIT.

"Every two or three big real estate clients we get," says Mr. DeVito, "we open up to new opportunities out there."

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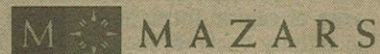
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