

Run, Paul, Run!

Can a guy who ran a commercial real estate company run New York City?

While he has not made up his mind yet, Paul Massey is considering a run for mayor of New York City. He should run. I believe he would be great at the job and he would be great for the city.

Let me explain why. I met Paul in 1984 when we were both rookie salespeople at Coldwell Banker (the predecessor company to CB Commercial and later CBRE). Paul had just finished CB's one-year training program and was two weeks into being a salesman when I joined the firm. CB had 60 office leasing brokers at the time and four brokers in the building sales department. Of the four sales brokers, three had over 20 years of experience, and then there was Paul.

My first day on the job, the boss said to me, "Massey just started a couple of weeks ago. Follow him around and he can show you where the coffee machine is." It became clear that the veteran sales brokers didn't have a lot of time for the two newbies. Paul seemed like a very genuine guy and was nice enough to show me around the office, so during lunch on my second day, we decided to work together on everything and simply share all commissions equally.

One year later, we were appointed co-directors of that sales division to the chagrin of the three veterans who initially had little time for us. We had become their bosses and ran that division for the next three years.

During those first four years, my relationship with Paul grew and became a very tight bond. We sat in a bullpen environment, always side by side. We always competed to see who could arrive at the office first. The last to arrive was usually in before 6:30 a.m. We ate breakfast and lunch together every day and dinner a couple of times per week.

Professionally, we grew up together and became like brothers, working on all of our transactions together, sharing all of our commissions equally, never having any disputes and it was all done on a handshake. That's the kind of guy Paul is; his word is his bond.

By the end of 1988 it was time for us to spread our wings and go out on our own. We started Massey Knakal Realty Services (the order of the names decided by flipping coins) in November of that year and, while we signed a partnership document for the first time, I never ever felt like we needed one.

By the time the savings and loan crisis

began in 1990, the commercial real estate market was suffering tremendously. Our fledgling firm nearly went bankrupt. Neither of us came from wealthy families so when our burn rate was \$15,000 per month, and we had only \$15,000 in the bank, some tough decisions had to be made. Do we spend \$5,000 per month, for three months, on our most imperative expenses? Do we pay everything next month and see what happens? Do we go to Atlantic City and place it all on black? We actually considered each of these options.

Ultimately, we realized we both had very good credit so we went to every bank we saw and filled out as many credit card applications as we could. With \$2,000 from this bank and \$4,000 from that bank, we accumulated \$60,000 in total credit lines. These lines, in addition to closing one or two sales, allowed us to make it through until mid-1991.

By late-1991, the market had not gotten much better. Not only were we out of money, but the lines were maxed out. We approached one of our very wealthy clients, asking for a \$75,000 loan. He said, "Sure"—but wanted 50 percent of the stock in our company in addition to interest. Fortunately, Paul's new stepfather-in-law, Jack Holler, was a successful mortgage broker in New Jersey. We asked Jack for the \$75,000 loan and were willing to give him 25 percent of the stock in the business. Jack gave us the money, telling us that someday we would be successful and that we would regret giving him the equity, so he didn't want it. In retrospect, I'm sure Jack simply saw the goodness in Paul and couldn't refuse helping "one of the good guys."

In my entire life, I have not spent more time with anyone than I have with Paul Massey. Over the course of our 32-year partnership, we have probably shared over 15,000 meals together and amassed about 75,000 hours working together, all the while with our desks side by side. I convey this because if anyone knows Paul, I do.

I have seen him close up, under all sorts of circumstances—good times and bad, joyful times and sorrowful moments. It is said that someone's true character comes out when their back is up against the wall. I have been there with Paul with our backs about as hard against the wall as possible. And I have never seen him waiver from his core values. Never once did I see him take a shortcut, or the easy way out. This is a man

of strong character and conviction for his beliefs.

Paul is also a consensus builder. Massey Knakal had a very unique operating platform in the commercial real estate sales industry. It required great discipline and required buy-in from all of our employees. At our peak we employed over 250 people, many of whom were commissioned salespeople. Those of us in the industry know that instilling discipline in commercial brokers is similar to herding cats. Paul was able to do just that. And the tougher the challenge, the more he loved it. He was motivated to overcome the most difficult obstacles, no matter the odds.

He is a great leader who makes those around him feel better about themselves and gets the best out of people. He constantly looks to improve himself and wants to help those around him do the same.

In all those years together, I had but one argument with Paul. In 2007, I wanted to sell our firm as we had an offer on the table much higher than I expected we were worth. Paul didn't want to sell. I'm sure that at moments during the recessionary years of 2008 and 2009, Paul may have wished that we had sold, however, not selling more than doubled what we received when we ultimately sold to Cushman & Wakefield in December of 2014. As usual, Paul was right.

So his success as a businessman is unquestioned. What people may not know about him is that he is a loyal and loving husband to his wife Gretchen of 28 years. He is also a devoted father to his three children, PJ (26), Sarah (23) and Greta (19). And he is a prominent member of his community.

Paul Massey is exactly what New York City needs: a bold leader who can inspire people. He builds consensus and listens to all voices with an open mind. He is a brilliant problem



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solver who isn't timid in the face of seemingly impossible odds. And he stays true to his principles and values regardless of the circumstances.

At Massey Knakal our core values were passion, integrity, excellence and responsibility. Not only did Paul write them, he lives them every day. Our city would be lucky to have him serve us. I certainly hope he runs.

Robert Knakal is the chairman of New York investment sales for Cushman & Wakefield.