

PROFILE

Ronald Kremnitzer, partner,
Pryor Cashman

Playing it safe nets gains for this legal eagle

By Jason Turcotte

Ronald Kremnitzer says it's the experiences that shape who you are as an attorney.

With exposure to such an eclectic mix of deals, the Pryor Cashman partner and Real Estate Group co-chair — with more than 25 years in the industry — has added several layers of unique transactional work that makes him one of the city's most dynamic deal-making attorneys.

His practice entails residential and commercial acquisitions and sales; development; financing of conventional mortgage loans, equity participation and other lending; workouts and debt restructuring; co-op and condo conversions, new construction and bulk disposition of unsold units; and leasing. Kremnitzer has seen — and continues to see — it all. And even during the industry's quietest times, he's made things happen.

Working on residential deals in the \$5-30 million range throughout New York, Connecticut and the Hamptons, Kremnitzer has assisted a number of celebrities with closing on their high-end homes. He's represented Dan Akroyd, Martha Stewart, Tommy Mottola, Bruno Bich (at 960 Fifth Ave.) and a number of famous "foodies."

And when working with household names, Kremnitzer said he must exercise extra caution, as others sometimes seek to take advantage of a celebrity's wealth or likeness. "In some cases these guys are a target for a scam," he said. "And sometimes developers just want these people in their buildings to raise the profile."

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Most recently, he assisted with a client's successful residential conversion of 11 buildings on Riverside Drive.

Undaunted by the complexity of deals, Kremnitzer says the "numbers intensive" nature of transactional work fueled his interest in real estate to begin with, along with the fact he was exposed to the industry at an early age.

"My family was involved in the ownership of properties in Manhattan, Queens and a little bit in the Bronx, so I've always had a passion for real estate," said Kremnitzer, who was raised in Queens.

After graduating from law school at Syracuse University, Kremnitzer spent six years handling litigation with another firm before joining Pryor Cashman, where he has worked since 1987. There he has been immersed in a wide range of transactional activity.

"Up until a couple of years ago, the big thing I was doing was multifamily acquisitions," Kremnitzer said. "We had one client buy over 800 buildings."

In fact, that same client purchased 100 of those buildings in a single day. Kremnitzer recalled receiving a phone call from his client to meet with a seller's attorney. After 11 hours of negotiating — well into the wee hours of the morning — and a 75-page contract that included complex financing from multiple mezzanine lenders, he closed the deal at 4:35 a.m.

In the housing sector, the pace of sales has changed dramatically and he's now handling smaller-scale deals. Kremnitzer is seeing fewer \$10 million-plus sales in today's market.

"I would say the volume is extremely curtailed; there's no rush [to buy] anymore," Kremnitzer said. "People are much more reluctant. And new construction? I think it's dead and if not, it's on life support."

But with such a broad scope of expertise Kremnitzer remains active, and the key to Kremnitzer's success as an attorney is that he zeroes in on both the practical and theoretical language. He said theoretical language in a contract can cost people thousands of dollars in litigation. He aims to minimize that risk by creating as many "safety nets" as possible for his clients.

Knowledgeable of the multifamily sector, Kremnitzer continues to closely follow the Stuy Town situation, which he feels will have strong ripple effects in the housing sector and ultimately take its toll on building values at all J51 properties.

Kremnitzer doesn't always advise clients from an attorney's perspective, but from an investor's as well. "Everyone has their own magic when they invest. For me, I have a common interest with one of my main clients and that's multifamilies — but not the super luxury," he said, emphasizing the importance of investing in properties with upside.

Commercially he recently represented Mario Batali, Joseph Bastianich and Lidia Matticchio Bastianich in their 44,232 s/f lease at the former International Toy Center site, overlooking Madison Square Park. There his client plans to open the renowned Eataly restaurant and market (which already has locations in Turin, Milan, Bologna and



Tokyo). The plans also include an artisan foods market and a 4,500 s/f rooftop beer garden serving up beer brewed onsite. And Kremnitzer also handled the sublease at 355 West 14th Street for Scarpetta restaurant (which opened last year).

While transaction volume on both fronts is down, Kremnitzer sees an improving 2010 market. As fundamentals continue to rebound, he's hoping the common sense of players in the game does as well. But wanting a return to a healthy market, rather than one of excess, may prove no more than wishful thinking.

"I'm hoping it will be a more sane market," he said. "But if you look at history, after a couple of years, people just get stupid again."

A member of the New York State Bar Association, Kremnitzer has served on its Committee on Foreign Investment in U.S. Real Estate, and is currently a member of its Committees on Condominiums and

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Cooperatives — serving in that capacity since 1982. He also serves on the board of trustees for Guillain-Barre Syndrome Foundation International.

In his free time, Kremnitzer enjoys traveling to Europe for wine-tasting trips. He currently resides on the Upper West Side.