

THE REAL DEAL

GFI gets into retail game

By Lauren Elkies
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Lon Rubackin

As commercial real estate company GFI Capital Resources Group celebrates its 25th anniversary, the firm is diversifying with a new retail group.

GFI brought on Lon Rubackin, a former senior vice president at Forest City Ratner, to run the division, called GFI Retail Group, out of the company's Manhattan office at 50 Broadway.

Although GFI's realty services division handled the odd retail deal for the company, such as representing the buyers in the July sale of [Loehmann's Seaport Plaza](#) in Brooklyn for \$24 million, the retail group will allow the company to home in on retail deals nationwide.

Rubackin said his group, which only consists of him right now, will acquire properties for GFI's portfolio, lease the company's space and represent tenants and landlords in retail deals.

The first project for Rubackin to tackle is 470 Vanderbilt Avenue, a GFI mixed-use property in Fort Greene with about 60,000 square feet of retail space available for lease. Rubackin said the neighborhood's retail market is underserved.

When asked if the three lines of business represent a conflict of interest, Rubackin said: "In the truest spirit of brokerage, that line has been broken, and it's accepted business practice that a brokerage firm can represent both tenant and landlord."

As for the fact that GFI, a firm of about 100 agents, represents its own properties as well, he said, "I don't see where it's very much different if you're the landlord or you're [representing] a landlord. In a sense, it's the same master."

Real estate companies have been developing more complete brokerages as real estate firms handling one side of the business — like Studley, for example, does with tenant representation — get bought out by larger, more comprehensive firms. Most recently, Staubach Company, another tenant rep firm, was bought out by Jones Lang La Salle for \$613 million.

Also part of the GFI Capital Resources Group is GFI Mortgage Bankers, GFI Property Management, GFI Insurance Services, GFI Development and GFI Hotels.

Rubackin handled leasing and acquisitions for Ratner, working out of the company's MetroTech Center in Brooklyn. His most recent endeavor at the company was the purchase and leasing of the \$90 million mixed-use project Ridge Hill in Westchester, slated to open in 2010. The development has 1.2 million square feet of retail space and was 30 to 40 percent leased when he left a few weeks ago, Rubackin said.

The new GFI retail head expects that the lion's share of buildings that will come on the market for purchase by GFI will be outside of New York City, in markets like Florida, where the economy is especially lagging.

Rubackin said the overall market is slow, and he expects business will stay that way until next spring.

"Anyone that tells you they're not nervous is full of it," he said.