

Jeff Congdon Joins Kidder Mathews

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SAN FRANCISCO-Jeff Congdon has joined GVA Kidder Mathews as an executive vice president focused on institutional real estate investments. The 37-year veteran of the local commercial real estate industry will be based in downtown San Francisco office. The Seattle-based commercial real estate firm entered the market three years ago and now has 60 people in three offices in the region.



Congdon

Congdon brokered most of his \$15 billion in transactions with Cushman & Wakefield, where he worked for 33 years and was often its No. 1 office broker in the region. For the last 15 years of his tenure there he was executive director of C&W's capital markets group while also building up his own real estate investment portfolio.

At the beginning of 2007 he left the office market to join Hamilton Zanze as a senior member of the apartment investment firm's financial services group. Jeff did a great job introducing us to some new institutional investors but I think at the end of the year his heart was really still in office buildings, Hamilton Zanze founder Mark Hamilton tells GlobeSt.com.

That fall, New York City-based Swig Equities, which owns several San Francisco office buildings and much more in its home town, acquired Helmsley Spear, a commercial real estate services firm also based in New York City. Shortly thereafter, Kent Swig came looking for someone to expand Helmsley Spear to the West Coast, just as Congdon was itching to get back into office investment brokerage, and that's how he began 2008.

Nearly 24 months of craziness later, Helmsley Spear has long since put its West Coast plans on hold and Congdon is moving forward with Kidder Mathews just as the investment sales market is starting to pick up. Kent has a terrific portfolio in New York that he needs to concentrate his time and energy on right now, says Congdon.

Congdon wants to concentrate his time and energy on doing deals, which he quips will keep him mentally active and adding to the ill-gotten gains I have accumulated over the years. All joking aside, he says he's excited to be back in the mix.

This is the best time to buy I've seen in my entire career, he says. I want to be part of the reconstitution of the market.

Congdon says he chose Kidder Mathews because he likes the operating model, which is not laden down with lots of management, lets a broker keep 90% of what he makes after covering his desk fee, and lets them own a stake in the company. In addition, he likes the fact that Kidder Mathews already has a strong presence in the market.

The world is flat, you know, he says, referring to Tom Freidman's book title, which is a metaphor for viewing the world as a level playing field in terms of commerce, where all competitors have an equal opportunity.

So why is it the best time to buy? People are afraid, paralyzed, and although there is a lot of money on the sidelines there are not a lot of buyers, Congdon says, adding that while it's the best time to buy from a value standpoint investors need to be prepared to bring more equity to the table and sit on the asset for longer than has been typical.

I'm suggesting that buyers might be able to get out of something in five years but should plan for a seven-year hold and should always be prepared for 10 years, he says. The scenarios for a three-year turnaround are few.

Seattle-based GVA is a 400-person firm with nine offices in Oregon, Washington and the Bay Area. The firm provides brokerage, consulting, property management, appraisal, construction management and sustainability consulting services.