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# Primecorp Breaks \$1.5 Billion Mark

By Ellen Tsapraillis

**Two Ottawa based multi-residential** brokers have discovered national success thanks to their ability to keep business simple by developing strong relationships, one landlord at a time.

Since Sam Firestone and Aik Aliferis founded Primecorp Commercial Realty Inc. in 1998 (along with two other partners), they have led their company to the forefront of the multi-family brokerage business in Canada by closing more than \$1.5 billion in deals. These deals have spanned across 23 cities in Canada, comprising of more than 18,000 apartment units and over two million square feet of commercial property. In 2005 alone, the duo sold \$335 million worth of properties in 14 cities, involving 3,828 residential suites.

Ask some of the major apartment landlords what their thoughts are of Firestone and Aliferis, and the answer is pretty much always the same: personable and tenacious.

“They are very unique,” says Sam Koliass, president and CEO of Boardwalk Equities Inc. / Boardwalk REIT. “They focus on relationships first...business second. That is a real classy approach to any business.”

CAP REIT president and CEO Tom Schwartz says, “They stand out among the pack. They are very client-oriented... efficient and hard-working.”

While few national firms can attest to brokering more than one billion dollars in business, the fact that Aliferis and Firestone have been able to do it without representation across the country has impressed their clientele, many of whom consider them to be two of the top brokers in the country. “They don’t need a big organization to get deals done,” says Schwartz.

“They are boutique but not small,” adds Alf Hendry, CEO of Homestead Land Holdings Limited. “They have done a very good job of carving out their niche in the market. They are very well-connected and we see transactions that others don’t.”



Homestead has closed multiple deals with the team dating back to the early 1980s and is one of the largest privately owned multi-family landlords in Canada. Currently, they own 20,500 units in Ontario and Florida. “They know exactly what we’re looking for in each city,” says Hendry. “They know what our appetite is and bring (product) to us quickly.”

Getting clients deals that are not formally listed is a big part of Primecorp’s success.

“We are matchmakers,” says Firestone. “We understand the investment characteristics of an apartment asset and match that to a specific apartment investor whose criteria best matches the opportunity. As a result, our success in closing deals we take under contract is close to 100 per cent. We rarely require a full mandate to get a deal done on terms satisfactory to both sides.”

Last September, they quietly sold Homestead 442 multi-residential suites in Toronto, Oakville and Hamilton worth \$40 million from Portree Properties, a landlord they had pursued for more than seven years on behalf of Homestead.

That type of persistence impresses Tyler Seaman, director of investments at GWL Realty Advisors Inc., who values Primecorp’s ability to source apartment product and execute deals. This past January, Primecorp was instrumental in quietly bringing GWL an exclusive Ottawa property in the upscale Byward Market. The asset comprised 120 luxury apartments, 14,000 square feet of retail and a 185 stall underground parking lot with a transaction value of \$30 million.

“It was a complex ownership situation that they were able to guide GWL through to complete the transaction,” says Seaman. “They have great tenacity in problem solving and overcoming

objections. They don’t give up.”

Daniel Drimmer is another client who has signed deals worth tens of millions of dollars with Firestone and Aliferis in the past five years. As president of Transglobe Property Management, with a current portfolio of 250 buildings in Canada, he is always on the hunt for new properties, especially those under the radar.

“They are my kind of team,” says Daniel Drimmer. “(Sam and Aik) know exactly what I’m looking for and get deals done. They find me off-market deals (which) I prefer. They stick with me...and are part of the process. “They are movers and shakers.”

### BREAKING OUT BEYOND OTTAWA

After founding Primecorp and brokering deals in the Ottawa region for many years, Firestone and Aliferis knew they would have to increase their geographical territory if they wanted to achieve their professional goals. The only catch was figuring out how to expand their client base effectively, while maintaining their headquarters in Ottawa.

“It’s easy to say, ‘increase our market size,’ but we had to implement it. We recognized that we were going to have to travel frequently; and aggressively work each market we wanted to succeed in, as only face-to-face contact can foster relationships,” explains Aliferis.

So travel they have. When a client wants to see them in Toronto, Montreal, Edmonton or London, they are there, often that day. “We never let geography, time, cost or effort interfere,” says Aliferis.

Building relationships with apartment landlords is an integral part of their

workday. Often, they may visit a particular landlord over a period of years before any business is actually achieved.

“We are patient, diligent and tireless maintaining contact with potential vendor clients in all our markets,” says Aliferis. “Our clients know that we will drive or fly anywhere at any time to meet them. Clients see how hard we work and how dedicated we are in pursuing opportunities, and how successful we’ve been at consummating transactions that have been attractive for both buyers and sellers.”

That effort has paid off. Some of Primecorp’s recent deals across Canada have included a \$22-million sale on Jasper Avenue in Edmonton; a \$56-million portfolio sale in Vancouver; and more than \$40 million in sales in smaller Ontario towns such as Brantford, Chatham, Cornwall, Kingston, Lindsay and Owen Sound.

According to Firestone and Aliferis, what makes them stand out from other brokers is their direct market knowledge of every market in Canada that they have decided to penetrate. “We’re one-stop shopping,” says Firestone. “We can provide opportunities and market knowledge in more than 25 Canadian cities to any given investor.”

Adds Aliferis, “Thanks to our intensive research, we are able to quickly learn new markets across Canada. At the moment, Ontario has represented the largest portion of our business, but we have established a strong foothold in Quebec (through our Quebec registered brokered firm), and in Eastern and Western Canada through our affiliate brokers. Our success in Ontario has given us a stepping stone to the rest of Canada. “Our brand has now crossed the country.”



## Primecorp at a Glance

- Primecorp Commercial Realty Inc. created in 1998
- Founding partners: Sam Firestone, Aik Aliferis, Nick Pantieras, Steve Lerner
- Head office located in Ottawa, Ontario; offices in Montreal, Toronto and Halifax
- Commercial real estate brokerage specializing in brokerage services in retail leasing, and the acquisition and disposition of multi-family and retail, industrial and office assets
- Provide property management services to multi-family and commercial real estate; owners with Luigi Caparelli

### CREATING THE PRIMECORP BRAND

As the duo move across the country setting up deals, their approach has become so consistent that Primecorp has created its own brand of selling.

The Primecorp brand has captured the attention of the largest players in the country (private and institutional) as well as the smaller ones, having dealt in asset classes from as low as \$25,000 per unit to as high as \$270,000 per unit and projects as small as 25 units to portfolios over 1,000 units.

Looking to the future, Firestone and Aliferis recognize that Canada is a small country with a limited number of owners in the multi-residential market. Demand for product remains strong and Primecorp continues to face the challenge of uncovering enough supply to fill the increasing demand for their investors across the country.

With their success in Canada, it seems natural that Firestone and Aliferis would want to continue their winning style south of the border. It has crossed their minds but the duo has decided to hold off expanding into the United States, for now. Not wanting to spread themselves too thin, they have

decided to introduce new asset classes into their model instead. That has meant selling office and industrial buildings in all the markets they are currently active in. Their efforts have resulted in successful closings of more than \$100 million in the past six months alone and an additional \$150 million in pending transactions.

### PEOPLE COME FIRST

Working hard for their clients is a given, but Firestone and Aliferis' genuine concern for others and engaging personalities have given them a wealth of friends amongst their clientele.

“Whenever I’m with Aik, I enjoy my time with him,” says Sam Kolias. “Aik knows where really good food is and I’m always hungry around him. (He’s) a home away from home.” ■

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