

The Record

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Business

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A lifeline for real estate developers

Old Tappan firm helps revitalize stalled projects

By JOAN VERDON
STAFF WRITER

Joseph L. DiBernardo has developed a new business niche: helping builders stymied by the current economy rethink and repackaging their projects.

But before he could create that niche, he first had to recast himself.

Exec Access

Joseph L. DiBernardo, president, Joseph L. DiBernardo & Associates LLC

After working in New York real estate for 16 years, DiBernardo was a top executive at Town and Country Developers of New Jersey for eight years, and helped Town and Country secure the 16-acre Helmsley property that was to become the now-stalled Centuria mixed-use project in Fort Lee.

DiBernardo, 61, left Town and Country in 2002, after deciding he wanted to venture out on his own. In 2005, he formed Joseph L. DiBernardo & Associates LLC, an Old Tappan-based consulting firm that helps developers dispose of unwanted projects, and get new ventures off the ground.

This month, he announced that his firm had formed a strategic alliance with seven other companies — an architectural firm; two marketing firms; a construction financing firm; and structural, civil and environmental firms — to be able to offer a package deal of services for developers looking to buy or sell.

DiBernardo, an Old Tappan resident, spoke with The Record recently about how he finds deals in a down economy. (Interview edited and condensed for space.)

Q. How did you decide to retool yourself? When you left Town and Country you were about 55, right?

I wasn't ready to retire. After trying a couple more corporate gigs, I said, "It's time — if I'm ever going to do it." And now it's working. I'm very, very happy.

This business has provided me with an income where my wife and I have been able to take our European trips every year and our cruises. We go on nice adventures every year.

Q. Where does the income come from?



Joseph DiBernardo of Old Tappan formed Joseph L. DiBernardo & Associates LLC. He says that despite the economic downturn, banks are willing to lend under the right circumstances.

Two sources. One is from the new business development, the client development business — marketing, public relations. That provides steady cash flow from retainers and fees. I also make appearances before planning and zoning boards as a development consultant. The other source is commissions, if the client decides they're going to sell a property.

Q. You've seen other downturns. Is this the scariest?

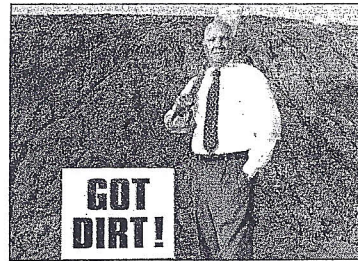
The difference now is, the last time we had a hit like this in real estate and construction it was really just the housing industry. The whole country didn't get hit with a downturn as serious as this. I have to say this is certainly the scariest downturn for our industry. But from a personal standpoint, I'm in a very advantageous position in that my business is assisting people who have issues and problems.

Joseph L. DiBernardo

President, Joseph L. DiBernardo & Associates LLC

Background: After graduating from St. Bonaventure University in 1970 and teaching Spanish at New Milford High School for eight years, DiBernardo joined New York real estate firm Kraus Enterprises. He was an executive at Town and Country Developers in Woodcliff Lake from 1994 to 2002.

One Bergen County bank, which has been a very, very builder-friendly bank — I don't want to mention their name — their board of directors met a couple of weeks ago and they're taking a freeze on any kind of construction or acquisition right now. When I bring a deal to the table, they ask me



Old Tappan-based firm digs up deals even in a down economy.

the question you asked — "Do you have the money?" I have to bring my financial people to the first meeting.

Q. What kinds of companies are looking for land or new projects now? You're working with one developer that's looking to build assisted-living projects. That sounds like a growth area.

Right. For baby boomers. There are also independent-living companies that do very well. The active adult sector is quiet, but assisted living or a building that would have assisted living, dementia care and independent living will catch three markets. The affordable-housing sector is going to come alive again, thanks to President Obama. Usually when the Democrats come in, we see the HUD money flow again.

Q. Are you seeing projects that were in the pipeline, with approvals, that have been frozen by the economy?

Some are, but when you have this kind of economy, you still have to look at '09, and '10, and '11, and at what's going to feed the pipeline in the future. While some will freeze projects, if they have the finances to wait it out, some will say, "We don't want this in our portfolio anymore." What's happening now is, the middle-size builders, we're bringing them together in partnerships. They're going to take over a property from a larger developer and they're going to repackaging it. It's not going to be \$800,000 to \$1 million town houses; it's going to be things for the middle market.

Q. When people come to you and say, "Help me get rid of this project," are there buyers out there?

There are. A lot of people look skeptically at me and say "Really?" I get in the car every other day with developers and acquisition people from national companies and show them properties. Of course they want to buy it because they feel that now is the time for the fire sale. They're thinking, "I'm going to get that property that used to be \$18 million, I'm going to get it for \$5 million."

Q. Do you have to go in and work with developers who've lost millions?

I was with one yesterday. I'm like a cheerleader. I go in and I say, "Look for the positive things. At least it's not 600 units; it's 44 units. Retool it, bring in new marketing people, put in a new advertising agency. Shake up the tree." A lot of it is pep talks and encouragement.

Exec Access appears every Wednesday.
E-mail: verdon@northjersey.com