



Company of the Month: David R. Maltz & Co., Inc.: Father-and-son Long Island auction team values integrity above all else

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David and Richard Maltz have built one of Long Island's premier auctioneering businesses.

It was, quite literally, a diamond in the rough.

Prominent Long Island auctioneer David Maltz noticed something different about an item in a bag of costume jewelry, part of the contents of an estate sale. Ordinarily the bag's contents might have garnered \$20 or \$40 at auction.

But this ring, at first glance made of cheap quartz, was surrounded by diamond baguettes. Maltz suspected something else. He had it cleaned and examined by an expert. It would turn out to be a 21-carat diamond, valued at \$291,000.

Some people might have pulled the ring from the bag and made a windfall profit and the estate's benefactors would have never known the difference. That's not how David Maltz and his son, Richard, operate.

"This industry has a legacy of disreputable people who give it a bad name," David said in a recent interview at his headquarters in Central Islip. "But we know that our reputation is the single most important asset we have. Sure, I could have gotten away with it. But I would know and it's just not worth it."

No anecdote about the 35 year old story of David R. Maltz and Co., now a \$100 million a year corporation, could better illustrate what the father-and-son team have built on Long Island.

The firm is big enough to sell palatial properties off Long Island Sound, most recently, to the tune of \$3 million. They are also capable of moving giant lots of cars, truck fleets and heavy equipment. But a key component of their growth has been real estate, where Richard is the expert. He runs the day-to-day operation and takes the lead on selling commercial property and homes all over the region and in a wide spectrum of price ranges.

Want to invest in an eight-unit apartment building over a retail store on the East Side of Manhattan? The opening bid was \$1.6 million. Yet, a handyman's special in Catskill, N.Y. cost a modest \$50,000 to get in on the action. The auctions guarantee the assets are free and clear of any legal claims such as liens. All the parties and their attorneys are on the same page when the auction takes place.

The Maltz' most recent auction made headlines when a prime, 40,000 s/f North Shore lot was selling. The seven-bedroom contemporary in Kings Point, with broad views of Manhasset Bay and the Sound, went on the market for \$3.98 million and was subsequently reduced and lowered for over a year. Richard, who holds a degree from the Kelley School of Business in Indiana, and a masters in Real Estate from New York University, valued the waterfront home at a starting bid of \$2.1 million and set the auction date.

That created a buzz you could feel in the ballroom at the Inn at Great Neck. Bidders were required to put up the initial bid price in order to get in on the game. Eight of them did.

With Richard serving as auctioneer, one man opened the bidding at \$2.8 million. Someone offered \$2.85 million. The original bidder countered with \$2.9 million. The atmosphere was charged like a high-stakes craps game when a player is on a roll of "7s."

The original bidder won that day, and the property on Manhasset Bay, sold for \$3.18 million. In the process, the seller got out from under a home that had been on the market for more than a year and walked away with more than he expected. It was all over in five minutes and all sides won.

Real estate has long been Richard's passion. "There is something unique about every piece of property," Richard said. "No two parcels are alike. I've developed a knack for seeing the strengths and weaknesses of a property and assessing its true value."

That gives motivated sellers an alternative to a conventional sale. The seller and the lenders are all on board. Inspections and appraisals have been done. The auction draws serious people to the table, and the sale closes in a matter of weeks, Richard said.

Both father and son have developed a keen sense of what things are worth, perhaps the gift that makes a great auctioneer. They are able to differentiate what the seller wants for his property and offer a realistic expectation for its actual worth.

David has been at it for four decades. At the beginning, he advertised in the New York Times classifieds, "the bible of the auctioneering industry," David said. Now they advertise on over 200 websites in addition to their own site that receives 100,000 page views each month and they compile a weekly email database of 20,000 subscribers.

In time, his business steadily grew as his son was growing up. The two were big Met fans, the kind of father and son who played catch and took in scores of Mets games.

From the age of 5, Richard was exposed to the workings of his father's business and always helped out. As soon as Richard was out of college, David called him to join the team. Richard started from the ground up, learning every aspect of his dad's business and working alongside various employees of the growing firm.

Their commodities come from a range of places, including government agencies. David Maltz and Co.'s clients include the IRS, the NYS Department of Taxation and Finance, bankruptcy courts, trustees, lending institutions, and a wide range of people who simply want some of their money back. Estate sales are part of the equation, as are vehicles seized for default on debt or even taken for non-payment of child support.

On their heavily secured sprawling back lot on Windsor Place in Central Islip, they store a wide range of vehicles. Old and new cars, ambulances and police cars, construction equipment and even a speed boat make up the eclectic collection. On the day of the interview, the company had just received a fleet of trucks and vans seized by the government. A few months back, David said they had a plane to sell.

They have also built an in-house team who specialize in appraising specific items for sale. They include experts at valuing vehicles, industrial machinery and even musical instruments. When they don't have an expert on hand, they find one outside who can offer a realistic price, David said.

Father and son both say that is the key to their success: Being realistic. "We have a large number of clients who have realistic expectations," Richard said. "And that's why about 96% of what we put up for auction sells."

To contact David Maltz and Co., dba Maltz Auctions, call one of their 35 team members at (516)

349-7022 or go to their website at <http://www.MaltzAuctions.com/>

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