



Executive of the Month: Tsunis' real estate experience shapes his new role as chairman of the board at Gold Coast Bank

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With his extensive real estate background, Gold Coast Bank's new chairman of the board has a unique perspective on how bankers can make or break a project. John Tsunis was recently elected to his new position through a unanimous vote from his fellow board members. He helped organize the bank that launched with clean balance sheets, just as many of its competitors began struggling with bad debt. Since Gold Coast Bank's inception, Tsunis has played a key role in shaping the bank's relationship with real estate developers and investors.

He advocates treating a banker as a member of the business team: "Stay close to your banker. Give the banker good information as well as bad news, so there are no surprises later."

Tsunis speaks from experience. He has been involved in the hospitality sector since 1987 and built and opened Long Island's first "Express" franchise for Holiday Inn in 1991. He got his start as an attorney specializing in real estate, land use, commercial transactions, and banking law, with a subspecialty in hotels and restaurants. He is a partner of Tsunis & Gasparis, LLP. He also serves as the chairman & CEO of Long Island Hotels, LLC. Tsunis was formerly vice chairman and general counsel to Long Island Commercial Bank.

According to Tsunis, the best bankers will offer strategic thinking and bring solutions to the table. "Even if there is a catastrophe or large customer bails out, our bankers have the experience to understand what options might save the situation. The loan may be able to be amended to pattern your cash flows. Or you can explore options like reducing amortization or going interest-only for a period of time."

Headquartered in Islandia, New York, Gold Coast Bank was founded in early 2008 with this type of expertise in mind. The independent bank caters to the special needs of small- and mid-sized organizations on Long Island and in the boroughs of New York. Tsunis sees opportunity serving a market that many mega-banks are currently shying away from. The bank has money to lend and is actively seeking promising investments.

Tsunis helped create a business model designed to be responsive and empower bankers to make decisions. His real estate experience has given him a strong appreciation for the value of a team that turns things around quickly. He also understands that developers and investors can't make money unless they are doing deals. That's why he emphasizes creativity. Tsunis believes a great banker often can find a way to structure a deal that makes sense - rather than just telling clients that it can't be done.

He also knows that savvy real estate investors put a lot of time and effort into assembling a good team. According to Tsunis, a banker should be a key member of that inner circle. Being available to meet on a moment's notice to coordinate developing a project - whether it's a purchase or new build - should be a fundamental part of the banking relationship.

"If your banker isn't talking to you, or if you know you have a good deal and your banker is too paralyzed to act, then it's time to change banks," advises Tsunis. "Your banker shouldn't have to constantly ask permission to do things. At Gold Coast Bank, you can meet the president with one day's notice. We are small and very responsive."

The bank offers a variety of real estate finance products, including commercial construction lines of credit to assist with the construction or renovation of properties. These loans are for customers who want to expand, reposition, erect or regenerate any commercial assets. They can be available for draw-downs for up to 18 months. They also offer term loans, balloon programs, construction financing, multifamily financing, variable rates and interest-only options for new construction and major renovations on commercial, residential and multifamily projects.

When it launched, Gold Coast Bank adopted "remote teller" technologies with its commercial customers in mind. Deposits can be made electronically at any time to help customers reduce trips to the bank and possibly eliminate costly courier fees. The technology also facilitates electronic deposit preparation to reduce customers' labor costs and free staff for other tasks. Check deposits can be made from any remote office or storefront, to streamline cash flow by consolidating deposits from multiple locations into a single bank. The software also was designed to reduce the risk of check fraud. Faster check clearing may allow customers to act sooner on returned checks, increasing the likelihood for collection. Multiple layers of security including password protection, Internet firewalls, and 128-bit encryption, deliver the highest level of security available.

Tsunis replaced Harvey Auerbach who has assumed the role of chairman emeritus, and remains on the board and the executive committee of the bank. Board member Christopher Damianos was elected vice chairman of the board and also brings real estate experience to the job. He is a principal in Damianos Realty Group LLC, a commercial real estate development company located in Smithtown, N.Y., that specializes in the development, management and acquisition of office, retail and industrial properties throughout Long Island.

Tsunis received his J.D. from Syracuse University College of Law in 1975 and is a graduate of New York University with honors in banking and finance. Among other philanthropic endeavors, Tsunis currently serves as a member of the board of governors of the Touro Law School, a member of the board of directors of New York State Hospitality and Tourism Association, member of the Stony Brook Medical Center Development Committee, and president of the Tsunis Family Foundation Inc. He lives in Poquott, N.Y., with his wife Laura and son Charlie.