

## Divorce, Manhattan Style

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Photo: Joe Fornabaio

Ronald Gold says real-estate appraisals can be like detective work.

Ronald M. Gold has been a real-estate appraiser in New York for nearly three decades. And in that time, he said, he has learned at least one thing.

"I don't trust anyone or anything except public records, signed leases and corroborated information," he said.

For Manhattan appraisers, this brutally objective approach to real estate swings acutely into action in one particular area—divorces. On an island where apartment prices now average over \$1.2 million, the divvying up of real estate can leave nothing to whim or to estimation.

Appraisers, like attorneys, become capos in often bitter family wars, paid witnesses to the painful and sometimes sordid testimony of broken-hearted and vindictive Manhattanites.

"I'm finding that the real estate, in a lot of these cases, is the most valuable asset in the marriage because of what the market's done," said Nancy Chemtob, founding partner of Chemtob Moss Forman & Talbert and a divorce attorney in New York for 14 years. "It's gotten to the point in Manhattan where they can't buy out the spouse, so they have to sell the apartment."

And, under state law since the 1980's, real estate, among other assets, generally gets chopped up equitably (though not necessarily equally) between a divorcing husband and wife.

"Today, the battle's not over alimony or child support; those are classic—they'll always be there," said Martin Juvelier, a founding partner in Tarnow & Juvelier who's been practicing matrimonial law for a quarter-century. "Now, there's the dissolution of the marital partnership, and that includes the property. So you need values."

THOSE VALUES COME FROM APPRAISERS, and their involvement in divorce trials generally starts with a phone call or an e-mail from the New York State Supreme Court, which handles divorces in Manhattan, or from an attorney familiar with the appraiser. The court will call if it appoints an appraiser; the attorney will call if she or he needs one for a client or clients.

If both sides of the divorce agree on the appraiser, the appraiser becomes what's called in the legal parlance a "neutral," an interesting identity. Being the noun means being the adjective—neutral. A neutral appraiser must c.c. both parties on any e-mails; not take a call from one party when the other's not on the other line to participate; and not inspect a property if both parties—or their representatives—aren't present.

A neutral, too, gets paid by both sides under the court's parameters, which can save them serious monies. "If they start hiring their own experts, it can get quite expensive," said Elliot Berry, president of Elliot W. Berry & Co., an appraiser in New York since 1985.

Appraisers in Manhattan divorce trials earn a flat fee ranging from \$1,000 to \$4,000 for the appraisals and the report on the appraisals; appraisers can earn another flat fee, as much as \$2,500, or an hourly rate for court testimony. (These fees, according to both attorneys and appraisers, are negotiable.)

From the phone call or the e-mail, the Manhattan divorce-trial appraiser travels a route of examination and divination, coming to the best estimate of a piece of often prime real estate's value that both sides can agree upon. That route includes visits to the property, an inspection of relevant documents and, finally, a distillation of the appraisal that can happen under oath on a witness stand.

"Judges have to be made to understand immediately," Mr. Gold said. "If the judge can't understand it, then the appraiser—and his client—are in trouble."

Mr. Gold likens appraising real estate in divorces to "detective" work; another appraiser compared Manhattan divorce trials to "a chess match," with the appraiser a key pawn.

"Your role is really to demystify the process and what it is that you've done," Mr. Berry said of testimony in court, often the climax and coda of an appraiser's work in a divorce. "If you've done the thing right, it's not really that difficult to do that."

ONE WAY THAT MR. BERRY DOES IT is by talking to building superintendents, especially at co-ops. "The super knows more about what's going on in the apartments than anyone," he said.

Also: check the basement.

"I've always felt that the best measure of a building is what does the basement look like," Mr. Berry said. "If you can almost eat off the floor, you know the building's being looked after; and that can tell you about the apartments upstairs."

As for the apartments upstairs—or the townhouses or, in some cases, mansions—appraisers do what appraisers do: measure rooms, snap exterior and interior photographs, find the maintenance costs, size up the importance of the floor (floor numbers matter big in big-time Manhattan real estate). And, also, appraisers determine the comparably priced homes nearby, and how those comparables affect the appraised apartment's value.

Ms. Chemtob, the attorney, once represented a wife whose husband's appraiser claimed the family apartment on the north side of 96th Street and Fifth Avenue was worth around \$6 million—using comps from south of 96th Street, the stark boundary between the Upper East Side and more affordable East Harlem. Ms. Chemtob brought in her own appraiser to explain on the witness stand that the comps for an apartment north of 96th Street on Fifth Avenue should've come from, well, north of 96th and not south.



"It is a game," she said, "but it is an educated game. You have to know your facts."

Especially if the disputed real estate extends beyond a single property. Eric Haims, a senior vice president at Jerome Haims Realty in Manhattan, recently worked on the divorce of landlord Mark Scharfman. Mr. Scharfman owned 110 apartment buildings in the five boroughs.

The terms of the divorce were eventually settled out of court—but not before three different appraisers had been finagled into the case: the wife's (Mr. Haims' client through her attorney), the husband's and the court-appointed neutral.

Such maneuvers amid the shambles of a relationship in harsh twilight can, understandably, gnaw at anyone—but appraisers interviewed for this story all hammered home a devotion to professionalism, a devotion that has probably turned work in Manhattan divorces into a fairly lucrative routine.

"Let the professionals do their jobs," said Mr. Haims of visits to disputed real estate. "I'm not emotionally involved in this, and neither are the attorneys, or at least they shouldn't be. It's almost best for the husband and the wife not to be there, because they're emotional."

The appraisers, after all, have enough to fret about.

Mr. Gold remembers when one client lied to him—and he discovered the lie while on the witness stand. A divorce appraisal 10 years ago involved two Manhattan apartments, but Mr. Gold's client gave him access to only one.

"He told me the other one, 'Oh, that's a mirror image.' It turned out to be twice the size of the other one and to have a large terrace!" Mr. Gold laughed. "From then on, I learned not to trust anybody."

Lies, more lies, money and betrayal—enough to weight the souls of even veteran appraisers toward cynicism. But some sunshine cracks through the clouds.

Jonathan Miller, president and C.E.O. of appraisal firm Miller Samuel, has been a neutral in several Manhattan divorces. He often does one thing after visiting a disputed property—especially if the feuding couple's younger kids are there during the visit.

"I always go outside," he said, "and I call my wife to tell her I love her."

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