

Going once, going twice...



DANIEL J. FLYNN III

Position: Chief executive officer and founder, Daniel J. Flynn & Co. Inc.

Age: 46

Education: Boston College, B.S. in Political Science, 1985

Quote: "The next wave is commercial. We expect to see retail, office. You're going to see a few more downtown trophies come to the market. In terms of the debt stack this is the next thing that's really going to hit."

Flynn emerges as one of area's top auction go-to guys

BY MICHELLE HILLMAN
JOURNAL STAFF

Minutes before the auction of a 183,000-square-foot mill building in Fitchburg, Daniel J. Flynn III, shakes hands with people who have come to observe, not bid, as it turns out.

Flynn, 46, is relaxed even though he's about to try to coax people into paying \$1 million for the empty downtown building just off Main Street. Perhaps it's because there are fewer than a dozen people in the crowd or that he's emceed thousands of auctions

since launching Daniel J. Flynn & Co. Inc. nearly 20 years ago.

The auction begins with Flynn describing the terms and conditions of the sale, telling the spectators gathered that the vacant brick building will be sold "as is" and that the highest bid is subject to confirmation by the seller. Then, he launches into a fast-paced repetition of "one million is what we'd love" and elicits a bid of \$200,000. After several more attempts to up the bid saying "200 is what we've got, I don't think that's going to do it," the auction ends.

PLEASE SEE FLYNN, PAGE 24

FLYNN: Going once, going twice — three times, sold on a career

CONTINUED FROM PAGE 3

The Fitchburg auction is not a reflection of Flynn's ability to excite a crowd into spending money on real estate but more a comment on the market. The owner of the Fitchburg property was in the process of permitting the site for 150 condos but was unable to secure financing.

Out of options, the developer called Flynn.

Last year Flynn generated \$10 million in revenue from 3,000 auctions — a 10-fold increase from the company's first year in operation. He employs 24 people who market and stage property for him. It wasn't always that way — when he started his business Flynn was known to mow the lawn of the property he was about to auction, if necessary.

Flynn, who estimates he has conducted more than 15,000 auctions in his career, is just getting ramped up for what could be the second busiest year since opening his Quincy business.

Auctions of both residential and commercial real estate is booming as owners, unable to pay mortgages or land financing, are being foreclosed upon. Flynn is conducting between five to 10 auctions a day, a drop from the feverish 20 to 25 auctions he conducted a day after the subprime fallout last year. Unlike the last major real estate bust in the early 1990s, when he recalled selling hundreds of brand-new homes, Flynn said the real estate market is not overbuilt and was a victim of the collapse of the financial system.

Flynn expects the commercial market will drive his business as more property owners find themselves under water, or with mortgages that exceed the value of their properties. In anticipation of a flood of commercial properties coming to the auction

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Jeremy Freid

Principal with Boston Realty Advisors

26-unit development had been on the market for 17 months, said Freid, with little buyer interest. Flynn was able to sell eight in an hour for between \$499,000 and \$600,000. As a result the auction prices have been reset and the project will hopefully gain traction post-auction, said Freid, who called Flynn an "old-school Bostonian auction guy." "I think he's a deal guy," said Freid. "I think everyone knows they can retain Dan Flynn in the marketplace and he will consummate a deal anyway he knows how."

block, Flynn joined with **Boston Realty Advisors LLC** at the end of March. The two companies are combining to auction and market bank-owned properties as well as help developers and owners dispose of real estate.

"The next wave is commercial," said Flynn. "We expect to see retail, office. You're going to see a few more downtown trophies come to the market. In terms of the debt stack this is the next thing that's really going to hit."

Jeremy Freid, a principal with Boston Realty Advisors, cited the recent auction of eight units at the Oceania Residences in Hull as an example of Flynn's expertise. The

Flynn's auction schedule has taken him to Atlanta, where he recently sold 28 single-family homes in under an hour. Like a stand-up comedian who tries to get a feel for the crowd before delivering gut-busting jokes, Flynn started the Atlanta auction by playing up his Boston accent, making references to "paahking the caah" to get the crowd warmed up.

Flynn anticipates he'll be spending more time flying to Georgia, New York, Florida, North Carolina, South Carolina and Maryland, where the pain of the real estate downturn is being more imminently felt than in Boston.

Flynn started his Quincy company in the early 1990s when he was just a "puppy" and has grown it to be one of the largest, and most-well known auctioneers in the area. He's known for his quick wit and ability to entertain a crowd, whether it's for business or charitable purposes. Flynn donates his time and abilities to pet causes such as the **Cystic Fibrosis Foundation** in Natick, where he has volunteered for eight years and was given the Outstanding Volunteer Award last year. **Eastern Bank** President **Bob Rivers** serves on two boards with Flynn and said there's not an event, particularly on the South Shore, that Flynn isn't involved with in some way. Flynn has a tremendous amount of energy, is upbeat and is a "force of nature," said Rivers, who once asked Flynn what he got out of all his charity work. Flynn's response? "Heaven, I hope."

Even with all his personal and professional commitments, Flynn, a Milton resident and Quincy native, makes time for his five children and wife of 13 years. He referred to her as "Saint Margaret."

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