

# ★ Bullish on home offices

## Pandemic moves Wall Street from Manhattan to LI

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Wall Street migrants are turning Long Island's "beachburbia" into a makeshift financial hub.

More than seven months into the nation's COVID-19 outbreak, money management and transactions once reserved for Wall Street's mahogany desks are taking place on the kitchen tables of Long Island.

Barry Ritholtz, chairman of Ritholtz Wealth Management, with assets of \$1.7 billion, said he has been working from his Locust Valley home and last Sunday made his first trip to his Manhattan office since the pandemic spike in March.

His firm's midtown office across from Bryant Park was closed early that month, but reopened in July for those who chose to return.

"If you're living on Long Island, you've got to be grateful to have a little elbow space," he said. "I can't imagine what it's like being in an apartment 24/7."

Noel Roberts, head of the private client unit of real estate firm Nest Seekers International in East Hampton, said a booming rental market from the summer has carried over.

"This move to remote work has many of my clients opting to work from their beach house in the Hamptons," he said. "People have stuck around and are enjoying the Hamptons fall. This will likely continue through the winter."

Roberts said that given the notoriously spotty cellphone service in the Hamptons, many prospective renters are fixated on the strength of the Wi-Fi signal in a house that allows them to work remotely.

In August, one couple from Manhattan began staring at their phones to check the signal as soon as they came in the door of a four bedroom rental in East Hampton, he said.

They didn't bother going upstairs before exiting the home that would have cost \$45,000 a month in a normal year, but in-



Zack Milkman, in hat left, Stephen Ippolito, Alex Andruskevich and Jonathan Beda of The Seed Lab call their East End home office "Beachburbia."



Barry Ritholtz of Locust Valley acknowledged he misses the camaraderie at his office in Manhattan.

stead eventually fetched a pandemic premium price of \$70,000 a month, Roberts said.

"Beachburbia" is the name a trio of venture capitalists use for the East End digs where they and their staff work and continue to evaluate deals for Manhattan-based The Seed Lab.

"When the pandemic hit, we all migrated to the East End," said co-founder Jesse Cole. "We find it as productive or more productive working out east," though Wi-Fi was "always a little nerve-wracking."

During the summer, Cole said they often would congregate at

his 900-square-foot Amagansett house on Atlantic Beach.

They would roam from an island in the kitchen to a dining room table, sometimes taking phone calls outside.

When they needed a break during the summer, they might take a dip in the ocean.

"It was California dreaming," Cole said.

The Seed Lab chairman and founding partner George Hornig launched the firm in the fall of 2019 after a long career at major Wall Street banks.

The early-stage venture fund closed on its first funding

tranche — a slice of a group of securities — in February 2020, just before the COVID-19 crisis erupted.

Though the firm vacated its offices as the pandemic bloomed, the deal flow continued.

The venture capital fund expects to reach \$15 million to \$20 million by year's end after raising money from high-net-worth individuals, including Wall Street executives, Cole said.

In October, The Seed Lab closed on \$1.9 million out of an overall \$4 million funding round for Brooklyn-based Terra Kaffe, Cole said. Terra Kaffe's bean-to-cup coffee machine is designed to provide barista-quality coffee at home while doing away with plastic pods.

Last spring, the firm led a \$2.25 million round for Vantage Point, a Los Angeles company that uses virtual reality headsets for sexual harassment prevention and other business training.

When the pandemic subsides, Hornig said, the company will return to Manhattan offices, possibly taking a street-level property that would showcase The Seed Lab's portfolio companies.

Some financial executives have returned to the office al-

ready.

John Cierski, managing director and partner at Madison Global Partners LLC, a financial advisory and investment banking firm with offices in Manhattan and Hauppauge, said he has been working out of the Long Island office most days.

"You get more done in the office," he said. "When you're home, you see something wrong with the yard and you take care of that, too."

Ritholtz acknowledged he misses the camaraderie at the office of his 33-person money management firm.

But he said that the firm's operations reside on remote computer servers known as "the cloud" and that technology means that Wall Street no longer is tethered to lower Manhattan and is more "a state of mind."

Further, on a practical level, Ritholtz said the prospect of commuting to Manhattan during a continuing COVID-19 outbreak is daunting.

"Who wants to sit on a train with a mask?" he asked.

For The Seed Lab's Hornig, while he and his partners wait out the pandemic, holing up on Long Island is not a bad option.

"It isn't the worst thing to have your home office in the Hamptons," he said.