

Ex-Dolphin Konrad sharpens playbook as financial adviser

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by [Brian Bandell](#)

When he was a Miami Dolphin, one of Rob Konrad's most important jobs was keeping pass rushers away from Dan Marino. Now, Gov. Charlie Crist has tapped the retired fullback and current financial adviser to protect \$184 billion of the state's investments as a member of the Florida State Board of Administration's Investment Advisory Council. The board manages 30 investment funds, including the Florida Retirement System Pension Plan.

The appointment, which needs legislative confirmation, is recognition of how far Konrad has come in developing his financial acumen after retiring from professional football after the 2004 season.

He is the president and CEO of Fort Lauderdale-based Allen Konrad Asset Management, a FINRA registered broker/dealer, is a full service brokerage, investment banking and alternative investment firm. Konrad also has set up the \$50 million Konrad Mortgage Income Fund to make loans on commercial property and the \$25 million private equity fund KT Capital Partners to buy small-mid market companies.

The Syracuse University business school graduate said working in the financial industry was his plan all along.

"Football kind of happened," said Konrad, 30. "I never planned to play in the NFL. My second year in the league, I started in the investment industry."

His firm has 25 employees and works with investors of all sizes. Konrad specializes in alternative investments, which are geared towards small institutions and affluent individuals.

"We have probably the second- or third-largest concentration of NFL players, but it doesn't have much to do with me," Konrad said. "we have a dynamic sports office."

His alternative investment funds target niches in the marketplace that the billion-dollar alternative investment funds often miss.

Atlanta-based KT Capital Partners - a partnership with the Summit Acquisition Group in that city - buys majority stakes in manufacturing, services and distribution businesses throughout the Southeast. Konrad said they stick to brick-and-mortar businesses, rather than high tech or biotechnology companies.

This fund targets companies with \$1.5 - \$5 million in earnings before interest, taxes, depreciation and amortization (EBITDA). It tries to buy them for three to four times their EBITDA and sell them for six to eight times EBITDA, Konrad said.

The large private equity firms, such as the Blackstone Group, are too big to cover small companies such as these, Konrad said. Since there's so much competition between private equity firms for the large deals, the valuations have increased and the cost of leverage is more expensive, he said.

Konrad believes his smaller fund will avoid these problems because it has less competition in selecting deals.

Meanwhile, his Konrad Mortgage Income Fund makes short-term loans with interest rates as high as 16 percent to 17 percent. Konrad said the loan-to-value ratio should be about 50 percent to 60 percent so the fund can collect in case of a foreclosure.

Unlike some hard money lenders that are in danger of folding, Konrad said his fund won't make a loan based on a property's future value.

"The hard money business comes down to appraisals and what you are willing to lend," he said.

Now the State Board of Administration will see what kind of financial plays Konrad can draw up for them.

State Sen. Jeremy Ring, D-Parkland, said Konrad is a tremendous choice for the advisory board.

"He and I have had a lot of discussion long before he was chosen to this position with regards to the state board of administration - and I think he's right on target."

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