



In the pink: Mark Schechter has found success procuring luxury goods, like this 5.18-carat radiant-cut pink diamond ring.

Let's make a

# DEAL

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The mirrored lenses of Mark Schechter's Ray-Bans glint against tanned skin. He is tall and lean, dressed in a button-front shirt, brushed twill shorts and rubber thong sandals. He moves deftly through a crowded waterfront restaurant in Newport Beach like an athlete, a cluster of packages under his arm.

He smiles affably at everyone he passes, raising his hand in acknowledgement as he heads toward a table full of impeccably put together women. He greets them warmly, places his things on the table in front of him. Hear him ask after children in college, husbands away on business, the health of a parent, the progress of divorce proceedings.

This man with his simple grace and athlete's build could be anything – the personal trainer, tennis pro, financial adviser or just a family friend. The fact is he fits in so well, no one is even wondering what a licensed pawnbroker is doing here, meeting well-heeled ladies who lunch.

The proprietor of Ideal Luxury (and an Ironman triathlete), Mark – everybody just calls him by his first name – coordinates buying, selling and lending on luxury goods only through private appointment. The Tustin-based luxury goods concierge will meet his clients just about anywhere, any time, because he's as committed to closing the deal as he is to crossing the finish line.

After the salads and chardonnay, watch how dramatically he presents a sage green velvet box the size of a laptop, unsnapping the lid and folding it back to reveal a Van Cleef & Arpels 18-karat gold mother-of-pearl and onyx Alhambra necklace.

Hear the women gasp, more than one of them asking, "How much?"

A mere \$19,500, a fraction of retail. And this isn't the only treasure he's brought with him. The women ooh and aah over Tiffany, Chanel, Cartier.



## INSIDE THE DISCREET WORLD OF A CONCIERGE PAWNBROKER



Mark is in the business of finding things. The right Van Cleef & Arpels necklace, the 40-year-old bottle of scotch, the 1943 vintage Rolex, even an exact replica of the ring your wife saw last summer in Tuscany on someone else's finger – but with a better quality stone.

At Ideal Luxury, says Mark, “Our clients tell us exactly what is on their wish lists, who they want us to share these wishes with, and we make it happen.”



Another thing Mark can get his hands on? Cash, in a pinch.

“Clients use my money to make more money,” he says. Often what happens is that Orange County clients see a financial opportunity they can't pass up – a hot beachfront property, say – and are in need of immediate capital. Ideal Luxury is quick, confidential and unconcerned with risk.

“I once did a collateral loan for \$25,000 on a diamond so that one of my clients could close a real estate deal,” Mark says. Another regular client has borrowed “in the high-five-figure range” against his wife's 5-carat diamond ring to bridge a short-term gap in cash flow for his small business. Another, he says, has borrowed “in the low six figures from us, twice” on a 12-carat diamond ring.

The downside? Expect to pay the same amount of interest in a month that you would pay in a year on a traditional loan.

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In “Pawnonomics: A Tale of the Historical, Cultural, and Economic Significance of the Pawnbroking Industry,” author Stephen Krupnik provides 5,000 years of history to make a tongue-in-cheek claim that pawn is the second oldest profession.

The fundamentals of the pawnbroking industry have remained relatively unchanged since the Roman Empire. Brokers determine the value of an asset and make a short-term loan based on that value. An agreement is made to pay the loan back in a specified period of time, and the client is responsible for the interest accrued on that loan.

Ideal Luxury has found its niche in Orange County, where many have an abundance of nice-to-have assets they are looking to move around, rather than must-have assets they can't afford to play with. And while clients can make use of online sites like Borro or Tradesy to buy, sell or lend on high-end items, a website falls short of the precise personal attention a concierge offers.

Although today the idea of pawning something for cash has unsavory associations – think drug deals and final notices from the DWP – the fact is aristocrats have been borrowing against their property for centuries. Even England's crown jewels weren't off-limits: King Edward III pawned some of them to pay his troops in the 14th century, and Henrietta Maria of France (King Charles I's wife) sold a few smaller pieces in Holland to raise money for the Royalist cause in 1642, proving pawn isn't just the province of the poor.





The tasteful but unassuming Tustin Financial Plaza houses the Ideal Luxury office. There are no retail hours, no showcases and no signage. The location could be home to anything – a real estate agent, a financial planner, a design firm. And that’s the point.

“People come here because it is discreet, expecting a certain level of service, and they feel comfortable.” Comfortable – and safe. Clients are buzzed into a main office after being vetted, through referral, over the phone and then via camera. There are motion detectors in the drop ceiling and vibration sensors on the safe in the back room, and part of Mark’s casual office attire is the panic button hanging from a lanyard around his neck. It’s a precaution he has used only accidentally.

For a good part of 20 years, Mark was an executive in the finance sector, traveling all the time, “writing the checks,” he says, but not around to see his three kids growing up. Mark’s dad, Jack, was the resale manager at Fletcher Jones Motorcars in Newport Beach.

Take a moment to consider that the Rolex Cosmograph Daytona, introduced in 1963, was designed to meet the demands of professional racing drivers, and you won’t be too surprised to learn that Jack also trafficked in luxury timepieces. Machines are machines, after all. So when the market crashed in 2008,

father and son took Jack’s contacts and Mark’s business sense and opened Jewelry-N-Loan in Costa Mesa.

“Having a storefront meant I had to be there all of the time, and I couldn’t screen the clientele. There were times when my wife was actually worried for my safety. I also found out I wasn’t around for my kids much more than I had been. But I learned everything I could about the business. My dad would say I lapped him.”

The desire to control the point of sale, to make his own hours, and to deal almost exclusively in fine diamonds, watches and jewelry drove Mark into the luxury concierge business.

While he still makes collateral loans, his passion is sales and acquisitions. A self-confessed gambler, he loves to make a deal. As an athlete, he’s a team player conditioned to reward loyalty. For his regular customers, this means getting access to new items at a discount before they are advertised to the public. Mark estimates that eight out of every 10 items sell through his Ideal Insider program before they are even advertised on his website or posted on eBay.

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Being this eager to make a deal means biting the bullet sometimes, though. This becomes evident listening to him field a text from a client concerning a diamond he purchased. A 2-carat



stone, it was a trade-in during an amicable divorce. Ready to get remarried, the client wanted to unburden herself.

"It was a beautiful ring," Mark says. "I looked at it through the (jeweler's) loupe and bought it even though it had an EGL Israel certification."

A diamond certificate is a report created by a team of gemologists, who scrutinize the stone using trained eyes, a jeweler's loupe, a microscope and other industry tools. A completed certificate includes an analysis of the diamond's dimensions, clarity, color, polish, symmetry and other characteristics. While there are a number of diamond certifications, all of the diamonds sold at Ideal Luxury are GIA-certified. GIA is the Gemological Institute of America, the world's most established certification company. A GIA-certified stone can be sold sight unseen. Not so with EGL Israel.

But when Mark sent this particular diamond to be analyzed, an unpleasant discovery was made. He uses the dictation feature on his phone to text his client the news:

"As it turns out, this diamond was laser-treated to remove an imperfection – something that should have been disclosed at the point of purchase."

Mark is incensed at the original jeweler, one with an otherwise good reputation in the county. The ring was originally purchased for \$21,500; had it been disclosed that this was a treated diamond, the ring's worth would have dropped closer to \$12,000.

"Look, to say it was an F and it was an H or an I" – he's referring to the stone's color grade – "that's all subjective. That happens all day long. This is something else. As a graduate gemologist, to sell a stone that's been laser-drilled? And they're not only jewelers; they cut diamonds to sell."

The text from the client says, "What should I do?"

Mark answers, "It's up to you." He continues to dictate: "If you want me to keep the stone, I will. It was my mistake, but I think you should return it. Tell them you were having it appraised and discovered that it was treated. See what they say. I like to give people the benefit of the doubt. If it was inadvertent and they missed it, which they might have, they should make it right. Either give you all of your money back or offer you a different

stone. Otherwise, it's fraud."

"Ok," she answers. "I trust you."

Trust can be hard to come by in this industry. Lucky for him, Mark is an easy guy to trust. He likes to talk, and that constant flow of chatter makes it seem as if he isn't capable of pulling a fast one, that he'd be too likely to tell on himself because inevitably, his personal narrative becomes a part of each business transaction.

You have small kids? Mark is a Little League coach. You're a teacher? "My wife teaches sixth grade!" Want to know what your

cherished engagement ring is worth, even if you're not in the market? Unfortunately, Mark doesn't give quotes on things that aren't for sale. "I don't want to change the perceived value on a sentimental item," he says. "Obviously you already think it's priceless. Why would I try and change your mind?"

Somehow, it never feels like a hustle, even if Mark is so obviously an enterprising person. The kind of person who walks his kids to school and hosts charity events for Boys Hope Girls Hope Southern California, an organization that helps underserved kids go to college. All while keeping an iron grip on his cellphone, fielding calls from potential clients.

Being a good guy and being opportunistic don't have to be mutually exclusive.

"I feel like I'm rambling," is Mark's common refrain, and maybe he is, but that endless talking is comforting. It feels like there is nothing he's keeping to himself, though there is one thing he refuses to discuss: the identities of his clients.

He will present scenarios for the sake of explaining the backstory but never, ever names names. People have

been so thrilled with his service they post online reviews (55 five-star ratings on Yelp), even participate in video testimonials, but for some, he's their best-kept secret. For others, a dirty little one.

"It's taken me 10 years to build these kinds of relationships. I have the connections, I have the client base, I do what I say I am going to do, and I do it consistently and repeatedly," Mark says.

Which would sound like bragging, except the proof is his business. It probably doesn't hurt that he does it all with charm and enthusiasm, likely one of the main reasons those ladies who lunch keep asking him back. Just your friendly neighborhood pawnbroker. ■



Mark Schechter estimates the jewelry he's wearing would cost about \$5 million if sold at a high-end retail store. As a pawnbroker, he'd price it around \$2 million.