

An Emphasis on Stability

An Interview with Charles S. Cohen,
Owner, President, and Chief Executive Officer, Cohen Brothers Realty Corporation

EDITORS' NOTE *An attorney admitted to practice law before the New York State Bar and the Southern and Eastern Districts of the U.S. Federal District Court, Charles Cohen served as an officer in Chemical Bank's Real Estate Division from 1977 to 1979. Following that, he acted as Vice President and General Counsel for Cohen Brothers Realty Corporation until 1983 when he was installed as the company's President. In 2008, Cohen joined the Board of Trustees of the Museum of Contemporary Art (MOCA) in Los Angeles. He is also the former Chairman of the Metro New York Chapter of the Young Presidents' Organization (YPO). Cohen is a trustee of The Cooper Union for the Advancement of Science and Art, a board member of Lighthouse International, and is a member of the Real Estate Board of New York, the American Bar Association, and the Association of the Bar of the City of New York. He is a board member and former Chairman of the Federal Law Enforcement Foundation, a position that he held from 1991 to 1993. In 2001, Cohen received the USO's prestigious Gold Medal for a lifetime of patriotic service to his country and was honored on both coasts by B'Nai B'rith International for his humanitarian and community service. He received the prestigious Israel Peace Medal in 2002 at a luncheon event in his honor that raised an all-time record \$52.4 million for the State of Israel Bonds. Cohen is a 1974 graduate of Tufts University and a 1977 graduate of Brooklyn Law School.*



Charles S. Cohen

COMPANY BRIEF *With more than 50 years of success in New York and across the country, Cohen Brothers Realty Corporation (www.cohenbrothersrealty.com) is a private real estate development and management firm that owns and manages over 12 million square feet of prime Manhattan, West Side Los Angeles, Houston, and Florida commercial space. In addition to 135 East 57th Street, other signature New York properties include 623 Fifth Avenue, 622 Third Avenue, International Plaza at 750 Lexington Avenue, 3 East 54th Street, 805 Third Avenue, 3 Park Avenue, 475 Park Avenue South, and the D&D Building at 979 Third Avenue.*

Will you give a brief overview of your business today and your outlook on growth?

We are home to many high-profile businesses, whether they be in the general office sector, which is anything from service companies to Fortune 50 companies, to design center properties that are home to high-end home furnishing showrooms servicing the design community and featuring the very finest in home furnishings. We're going through a period of stabilization of the individual properties in our portfolio, reinvesting in all of those properties, keeping ahead of the curve as to how

these properties should perform and how they should serve their tenant communities. Growth right now is just a matter of being able to stand still and make what we have better. There is too much emphasis on growth and not enough emphasis on stability. Our plan is to make ourselves more stable than we are, and we consider ourselves pretty stable to begin with.

You're very well known for the design focus and the design centers. Was that a part of the company from early on?

No, it was something I got involved with in late 1996 when the Decoration and Design Building was made available. It's a commercial building with a very unique twist and a niche, and it allowed us to get involved not only as prudent and expert property managers and developers, but also to help gain an insight into the design mentality.

Environmental issues have become a major focus for real estate development. How much are they impacting the industry and the company, in particular?

Our entire company is very environmentally responsible. However, I'm not convinced that what may serve today's environment will necessarily serve tomorrow's environment. I also think there are some creature comforts on the luxury side that people have come to expect that, if you are strictly green, you are forced to sacrifice. I'm all for sustainability and environmental consciousness, but it has to work for the particular project that you're involved with. But as an attitude, it's correct.

In a market like New York, can you really differentiate among the lead industry players, and how challenging is it to show what makes a company unique?

You have to look at the individuals who run the company. The form of ownership is

something that tenants and businesspeople who want to do business with those owners and landlords need to discern. The REIT [Real Estate Investment Trust] sector is the public ownership sector, and they've been particularly under siege with their share price falling in response to a lack of confidence. Much of the public REIT money that is in the marketplace is not as attractive as private ownership would be. If I was a tenant looking for space in the marketplace today or a place to do business, I would want to be with someone who is a tried and true specialist, who isn't in it for the short term, but who is in it for the long term.

Did you know early on you were going to end up in this business?

I've always been attracted to creative endeavors, and I had been involved in real estate as a young person through summer jobs and through proximity. If you're fortunate enough to find something you have a genuine interest in, and you stay with it for 20 years, you will achieve a level of success in that discipline. You have to be careful to make sure it's something you really like, because otherwise you have to go to the end of the line and start all over again, and 20 years is a long time.

How critical is the culture of giving back to the community from a leadership point of view?

It's very important. It's what distinguishes us from our competitors, and what distinguishes the relationships we create and maintain with the people we do business with. For any real estate project to succeed, I strongly believe that project needs to be connected to the physical, business, and charitable communities that it serves.

What would those who know you well say about your management style?

My style is ultimately entrepreneurial, and I am not a lover of bureaucracy. Although we need to review reports on a regular basis, I am not interested in getting too caught up in the reporting. I'm more concerned in how we're doing business, and the level at which we're accomplishing the business that we set out to achieve. I try to be as involved in every angle of my business as possible. I enjoy the creative side the most. I'm finding that the addition of new qualified experienced people to help run my business frees up some time for me to be able to pursue those portions of the business that allow me to express my own creativity in a way that translates to better business. ●