

The Moinian Mile

An Interview with Joseph Moinian,
Chief Executive Officer, The Moinian Group

EDITORS' NOTE *Joseph Moinian, the New York City-based developer, investor, and long-term owner of prime real estate nationwide, is recognized for pioneering the development of emerging neighborhoods in major metropolitan cities across the United States. He is a member of the Board of Governors of the Real Estate Board of New York and sits on the board of the Skyline Museum.*



COMPANY BRIEF *Founded by Joseph Moinian in 1982, The Moinian Group (moinion.com) today boasts a portfolio of more than 20 million square feet of property – and is among one of the only national real estate entities to develop, own, and operate properties across every asset category, including office, hotel, retail, condos, and rental apartments. The Moinian Group has been a pioneer for the development of state-of-the-art, visually distinguished properties.*

You are currently in the midst of developing four million square feet of commercial and residential property along a one mile stretch between 44th Street and 25th Street on 11th Avenue in New York City. This development has been referred to as the Moinian Mile. Would you provide an overview of this project?

Twenty years ago, we launched a long-term vision for Manhattan's West Side, a vision that has made The Moinian Group the largest private land owner on 11th Avenue, with nearly four million buildable square feet of space spread across four development projects. With one marquee project, Sky, recently completed and another, 3 Hudson Boulevard, on the horizon we continue to set a new standard of excellence for development on the Far West Side, and we are looking forward to breaking ground on additional projects next year.

You have had a long commitment to the Downtown market in New York City. What makes Downtown so special to you and do you see additional development opportunities there?

We are long-term investors in Lower Manhattan, dating back to 1993, and we helped pioneer the conversion of many buildings downtown, most of which we still own. Because we have been part of that community for so long, there is a certain personal attachment I have there. When it comes to long-term community improvement and community development, real estate developers have a duty to play an active and beneficial role in neighborhoods where their assets are situated.

All of the buildings in our Lower Manhattan portfolio – including hotels, restaurants, rental apartment, condominium towers, retail, and office – are very healthy and well occupied, at more than 90 percent occupancy. The demand for space in Lower Manhattan is at an all-time high. What was once a 9 to 5 financial district is now a thriving, 24/7 live/work/play neighborhood with more than 60,000 residents, an influx of media and other creative firms, restaurants, nightlife, and world-class transportation. Opportunities for new projects are certainly there. I think we are just scratching the surface on what Lower Manhattan can look like in 20 years.

Would you provide an overview of The Moinian Group's business today?

The Moinian Group is among the very few national real estate entities to develop, own, and operate properties in every asset category, including offices, hotels, retail, condos, and rental apartments across America's leading cities, including New York, Dallas, and Los Angeles.

Complementing this portfolio, I have invested significantly in the potential of substantial future mixed-use development in urban centers across the United States.

Sky is the largest residential tower in Manhattan. This ultra-luxury development offers 1,175 rental units and gives tenants access to amenities that are unmatched by any other residential building on the West Side of Manhattan, including an exclusive 70,000-square-foot Members Club with a multilevel gym, indoor and outdoor pools, a professional-size basketball court, a water club and full-service spa, and a Skydeck and Skypark, among many others.

3 Hudson Boulevard sits just above the new MTA 7 line station. This state-of-the-art, mixed-use tower will rise to be 66-stories totaling 1.8 million square feet and offering commercial and residential tenants a prime location at the gateway of Manhattan's new Far West Side in the Hudson Yards District.

In terms of finance, as a result of its rich track record of routinely securing favorable financing and completing projects on time and on budget, The Moinian Group is acclaimed for its stability and executive competence.

In May 2015, I led my company to close on a \$361-million bond issuance on the Tel Aviv Stock Exchange.

Additionally, I secured a \$160-million loan to refinance two of my holdings on John Street

in Lower Manhattan. In 2014, I also secured a \$539-million construction loan for Sky.

I am as highly strategic in my investments as I am in asset sales. In 2015, I, along with Joseph Chetrit and American Landmark Properties, sold the iconic Willis Tower in Chicago to Blackstone Group for the highest price ever paid for an office property in the U.S. outside of New York.

Additionally, in 2014, The Moinian Group and SL Green sold 180 Maiden Lane for \$470 million to Murray Hill Properties and Clarion Partners.

In 2011, we sold 95 Wall Street to UDR for \$325 million.

The Moinian Group provides prestigious corporate addresses at buildings such as 17 Battery Place in Manhattan's Financial District; 60 Madison Avenue in Midtown South Manhattan; 535-545 Fifth Avenue in the heart of Midtown Manhattan; and 3 Columbus Circle – The Moinian Group's headquarters – which underwent a drastic redevelopment, elevating it to the prime Class-A asset it is today.

Including the newest addition, Sky, Moinian owns six high-end rental buildings located in extremely desirable locations across New York City: The Marc and The Biltmore in the heart of Midtown Manhattan and Renaissance, 90W, and Ocean in vibrant Lower Manhattan.

Additionally, Moinian holds three distinctive and unique condominium towers: the spectacular Downtown Club, the trophy Atelier, and the groundbreaking Residences at W New York - Downtown.

In terms of retail, most notably, Moinian's 535-545 Fifth Avenue occupies the entire eastern block from 44th to 45th Streets. In 2014, Moinian closed a deal with The NBA Store to take 24,000 square feet – making 545 Fifth Avenue its only flagship location.

Finally, in the hotel space, an international portfolio of luxury resorts includes the W New York - Downtown, Wyndham Sugar Bay Virgin Islands, and Orlando Sun & Spa Resort.

How important is the family culture at The Moinian Group and how do you ensure you maintain that family feel?

As The Moinian Group continues to grow, it is important that all the members of our team feel ownership in the projects that they are working on. One cannot be truly vested in something one feels is not his own.

I am both proud and lucky to be able to have my two sons working with me at the firm. They certainly help in making sure that everyone has the same passion and that we bring it to each and every project we work on. ●