

Focused on New York City

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



Moinian's 605 West 42nd Street development

EDITORS' NOTE *Joseph Moinian is a New York City-based developer, investor, and long-term owner of prime real estate nationwide. He 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. He is also a noted philanthropist who supports the arts, civic organizations, and healthcare issues.*



Joseph Moinian

COMPANY BRIEF *Founded by Joseph Moinian in 1982, The Moinian Group (moinian.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, condominiums, and rental apartments.*

How far has the New York market come back?

New York and several other top U.S. cities have made a full recovery since the downturn.

In regards to New York, the real estate market gets stronger every quarter, no more so than with land prices, which have hit an all-time high. Manhattan is an island with space constraints, which drives up demand. But successful rezoning efforts over the past several years have resulted in a tremendous catalyst for multiple new developments and acquisitions. We have seen the city grow as a result, such as what we are now seeing on Manhattan's Far West Side.

New York City has also seen a record escalation in prices for retail space. In addition to the skyrocketing prices of the luxury retail market, such as along Fifth and Madison Avenues, the retail space on side streets has exceeded previous highs as well.

Is it possible to make the older buildings in the city competitive today?

New York City has some of the best-functioning assets in the world – both residential and commercial – with a mixture of older, classically designed buildings and new, glass-and-steel towers. There is tenant demand for both.

The Moinian Group owns, operates, and maintains a great number of nationally registered landmark assets. Maintaining and restoring the historical value of these beautiful buildings is essential to the fabric of New York. The key is to upgrade the infrastructure of these assets wherever possible, while preserving their character and charm.

Yet, we cannot let sentiment alone dictate our actions. With expected population growth in New York, and the booming rental market, we have to accommodate these changes. We are currently renovating 60 Madison Avenue in Midtown South, particularly for technology, media, and other creative firms. We are able to offer space flexibility and modern amenities while keeping true to our signature technique of delicately blending a building's historic charm with high-end design and state-of-the-art infrastructure.

Is a large percentage of the population going to be priced out of this city?

New York City is a combination of five boroughs – Manhattan, Brooklyn, Queens, Staten Island, and The Bronx, with a continuing push to build excellent product throughout the city. At no other point in my lifetime has the desire to live, work, and play in New York been greater than it is today. There are many options in both the residential and commercial markets across all five boroughs.

What did you anticipate about the transformation of Lower Manhattan and has it become what you expected?

We are long-term investors in Lower Manhattan – dating back to 1993 – and helped pioneer the conversion of those buildings, most of which we still own.

The demand for space in Lower Manhattan is at an all-time high. What was once a 9-to-5 financial district is now transforming into a live/work/play neighborhood. The influx of media and creative firms, as well as the new world-class transportation network, has created a new thriving district.

Are you surprised to see how many neighborhoods have been developed that were previously unpopular?

New York City constantly evolves. We were early investors both in Lower Manhattan and the Far West Side – areas that were previously less developed – and those dreams are now becoming a reality. We are excited about the success of our Downtown properties, including The Residences at the W Downtown and 180 Maiden Lane, as well as our properties on the Far West Side.

We are currently developing a luxury residential property that will encourage the movement to the Far West Side. 605 West 42nd Street will bring over 1,174 residential rental units to the new 42nd

Street Corridor, 235 of which will be affordable housing and will be a major step forward towards accomplishing Mayor de Blasio's 10 year affordable housing plan. The building will also boast an immense amenity space totaling to over 40,000 square feet.

While 605 West 42nd Street represents our current dedication to housing on the Far West Side, 3 Hudson Boulevard embodies the future of a New York City office tower. With environmental sustainability at the forefront of our minds, we have designed a 1.8 million-square-foot LEED Platinum office tower that will forever change the Manhattan skyline. 3 Hudson Boulevard will sit adjacent to both the new Hudson Park & Boulevard and the 7 line extension providing people with seamless movement between the office, the park and the subway. These properties represent our vision and excitement for the new Far West Side.

Will New York always remain the key focus area for The Moinian Group?

New York will always be our core market. It is our home. We will never lose our New York focus, but we own and manage major office assets in Chicago, Dallas, and downtown Los Angeles. We love those cities and expect to expand there. We also have significant interest in several emerging markets overseas.

Do you often look back and appreciate what you've accomplished?

My primary focus is usually on the next development, but taking time to reflect on the past helps keep me grounded. It is also important that I stay in touch with our ongoing projects. Starting at 8:30 PM on some Sunday nights and going until 2:30 in the morning, I visit our buildings and talk to our people, such as doormen and cleaning staff, to help make sure things are running smoothly, but also so that our people see me. I want them to know we are in this together.

Can you ever turn the business off?

Delivering a quality product is a huge responsibility, which includes running a healthy business. My family's name is tied to this company, so it is important that we always meet or even exceed our standards. But I do try to set aside as much time for family as possible. My wife and I have five children, two of whom work at The Moinian Group, so my time away from work most often involves doing things together that we enjoy. We are huge supporters of the art world, and contribute to many philanthropic organizations. But no matter where I go, my business is always at least in the back of my mind. It's impossible to turn it off completely. ●