

HAP's Growth

An Interview with Andrea Lawrence,
General Counsel and Deputy CEO, HAP Investments

EDITORS' NOTE Prior to joining HAP Investments, Andrea Lawrence was a partner at several prestigious New York law firms, where she focused her practice on commercial real estate litigation and transactions. Lawrence is a contributing author to two preeminent legal treatises on real estate law in New York. She is also the author of various articles on significant legal issues and trends affecting the real estate industry. Lawrence has served as a member of the Board of Directors for the American Composers Orchestra, Soho Rep., and REIN NY. She received her J.D. from the Benjamin N. Cardozo School of Law, where she was the Research Editor of the New Europe Law Review/International Law Journal and received her B.A. from the University of Michigan, Ann Arbor.



Andrea Lawrence

COMPANY BRIEF HAP Investments (hap-ny.com) is an international, full-service real estate development company headquartered in New York City. The firm is keenly focused on identifying and investing in projects strategically situated in emerging and prime markets in the New York metropolitan area. Founded in 1998 by partners Eran Polack, Amir Hasid and Nir Amsel, HAP Investments has successfully acquired, designed and developed a diverse portfolio of residential and commercial real estate that is renowned for its location, proximity to mass transit, and innovative, high-quality construction and design. Its U.S. portfolio is currently comprised of 11 residential projects totaling more than 1.8 million square feet in various stages of development, completion and operation. HAP Investments leverages its two decades of experience, knowledge and expertise along with its strategic partnerships to continually assess and stay ahead of market trends and best position its developments for financial success. The company's development approach is combined with its respect for the communities in which it works, creating buildings that enhance the lives of both its residents and neighbors. From land acquisition through design, construction and property management, HAP Investments carefully oversees every development to deliver premier quality and maximum value.

What have been the keys to HAP's growth and success?

I attribute a significant amount of HAP's growth and success to the foresight of our CEO, Eran Polack, particularly with respect to our earlier acquisitions in emerging markets, such as East Harlem, Inwood and Washington Heights. We invested in these neighborhoods long before the demand for properties in these areas soared, and at a time when sales prices were reasonable. As a result, we were able to develop these prop-

erties into modern rentals and condominiums that appeal to the end user.

Is HAP's growth primarily taking place in the New York market?

We have explored opportunities in other parts of the country, but as of now, the focus of the company is Manhattan and the immediately surrounding areas.

When you look at HAP's portfolio today, are the developments similar in size and scale?

Definitely not. When I joined the company in 2013, we were working on smaller scale rental/condominium projects in East Harlem, Fort George and Hudson Heights. Since then, our projects have increased significantly in size and scope. For example, we now own 213-227 West 28th Street (assembled over a four year period), which we are developing through a joint venture as two adjoining 20-story residential buildings; 2211 Third Avenue, a 108-unit rental building in East Harlem; 65 Franklin Street, a 19-story residential building being developed in Tribeca; and a large tract in Jersey City that we intend to develop as a 42-story rental tower with retail/commercial components at the base.

Is this a time for opportunity in the New York real estate market or are you concerned about a potential pullback in the market?

The real estate market is traditionally cyclical, so we think that there is always opportunity for investors and developers, particularly in Manhattan and the surrounding boroughs. In any event, we feel confident that we can weather a downturn based upon our diversified portfolio. Our rental projects in East Harlem are in demand and continue to generate income, and our condominium project at 448 West 167th Street is over 90 percent sold. Further, several

of our residential developments are not slated for completion for another year or two. By that time, we expect the real estate market to be in a different position.

Having come from the legal profession, what excited you about joining HAP and how has the role of general counsel evolved?

Having worked in several large law firms over the course of my career, I noticed a definitive shift in the traditional law firm model. Attorneys at a certain level are now required to focus on bringing in business and generate revenue, which often slices into the time spent practicing law. It's a different model than in the past, where one rainmaking partner could support an entire practice group of attorneys. Eventually, I lost interest in the sales and marketing component of the legal practice, but maintained an avid interest in real estate law. I was looking to work for a developer when HAP came along, and it proved to be a great fit.

My role at HAP has evolved on several fronts. While I was initially hired to advise on the legal risks affecting the company, I am now called upon to provide strategic advice on the business affairs as well. I believe the shift in my responsibilities reflects the overall global change in the role of the general counsel over the past decade from legal counsel to trusted business advisor. Additionally, my recent promotion to Deputy CEO has enabled me to utilize my legal skills and acumen to help management make decisions on high-level business issues affecting the company.

When you came onboard, there were only seven people at HAP. How critical has it been to attract diverse talent at the firm as it has grown in size and scale?

At HAP, we are thoroughly invested in attracting and maintaining a diverse and inclusive workforce. We believe that having a diverse group of employees provides substantial value to our business. I am proud of the fact that half of our employees are women, and that they populate each department at HAP – from marketing and PR, to legal and finance, to construction and development. We also take pride in our efforts to recruit talent from all over the world through our active engagement in various sponsorship programs. At present, we have employees from Israel, China, Egypt, France, Italy and India. ●