

## A Flight to Quality

An Interview with Michael Shvo, Founder and Chief Executive Officer, SHVO

**EDITORS' NOTE** Michael Shvo is the founder, Chairman, and CEO of SHVO, a leading real estate owner, investor, and developer of unique and innovative luxury and landmark properties. SHVO currently oversees a portfolio of more than \$8 billion, including residential, hospitality, and commercial space. Shvo draws from his diverse background in real estate – from brokerage to marketing and sales to development – to guide his firm in creating and reimagining one-of-a-kind properties at some of the most important and sought-after locations in the world. In the world of luxury real estate, Shvo represents a rare combination of business acumen and aesthetic sensibility. He leads the firm's investment and transaction strategy, capital markets, site selection, design and conceptualization. He anchors a team of some of the world's most respected investors including pension funds, insurance companies, financial institutions, and other leading institutional investors, who share SHVO's vision of creating extreme value by elevating how people live and work. Shvo founded the company in 2004 and built a reputation for groundbreaking residential lifestyle concepts inspired by, and frequently in partnership with, some of the world's leading luxury brands. That included collaborations with world-renowned architects, designers, and fashion brands, including Lord Norman Foster, Peter Marino, Renzo Piano, Herzog & de Meuron, Rafael Vinoly, Jean-Michel Gathy and Philippe Starck. Shvo pioneered the marriage of fashion and real estate with Armani Casa at 20 Pine Street, a concept that continues to be emulated throughout the world. He also has great passion for art and is known for creatively marrying the art and real estate worlds. In 2013, SHVO created the renowned public art installation "Sheep Station" in Manhattan, which transformed an empty former gas station in Chelsea into a whimsical scene of grassy hills and epoxy stone and bronze sheep sculptures by François-Xavier Lalanne. In late 2019, SHVO opened Les Lalanne at The Raleigh Hotel Gardens in Miami Beach.



Michael Shvo

a national portfolio valued at more than \$8 billion and 4.5 million square feet across commercial office and retail space, hospitality, and luxury residential assets. The firm's selective portfolio of architecturally significant properties, from innovative ground up new developments to revitalized landmarks that define skylines in the world's leading cities, includes the Transamerica Pyramid in San Francisco, The Raleigh Hotel in Miami Beach, 333 South Wabash Avenue ("The Big Red") in Chicago, Mandarin Oriental

Residences at 9200 Wilshire Boulevard in Beverly Hills, Mandarin Oriental Residences Fifth Avenue in New York City, and the AMAN New York Hotel and Residences at the Crown building. Renowned for its expertise, SHVO is fully integrated with highly diversified industry experience in every aspect of acquisitions, finance, development, design, sales, leasing, property management, hospitality, and sustainability.

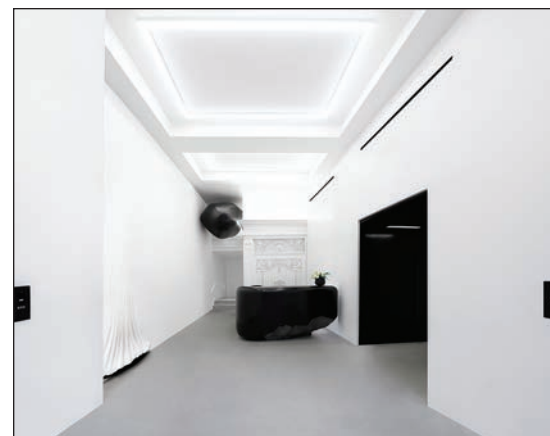
### Will you provide an overview of SHVO's values and culture?

Our core values are as follows:

Caring: We are relentlessly customer-focused to the point where nothing matters more than our customers' satisfaction.

Quality: We are in the business of providing our customers with an uncompromising experience across every touchpoint that exists nowhere else in our category.

Culture: We respect the diversity and desires of our people, as well as the physical



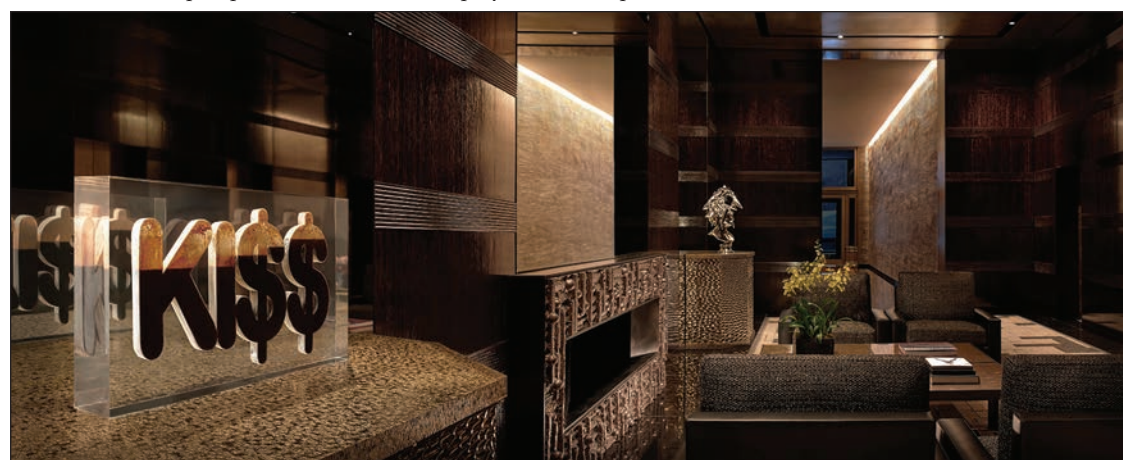
The lobby of 530 Broadway

and spiritual components of our properties. Their stewardship is our greatest responsibility.

### What have been the keys to SHVO's strength and leadership in the industry?

We exist to elevate super-prime real estate. We create unrivalled value by being different. We do this by focusing exclusively on unique properties and creating unprecedented desire, whether that is on the commercial side, such as Transamerica Pyramid Center in San Francisco where we are collaborating with Norman Foster on a major redevelopment, or on the residential side, such as the development of our Mandarin Oriental Residences Fifth Avenue and Beverly Hills.

Ultimately, we build the right thing at the right place at the right time for the right customer – and we never rest until an emotional response is achieved.



The lobby of 711 Fifth Avenue

**FIRM BRIEF** SHVO (shvo.com) is a real estate development and investment firm built on the vision of Chairman and CEO Michael Shvo to create culture-defining experiences in iconic properties. Headquartered in New York City with offices in Miami, San Francisco, Los Angeles, and Chicago, SHVO owns and operates





711 Fifth Avenue

### **Will you highlight SHVO's portfolio and current development projects?**

We own and operate a national portfolio across the U.S. with more than \$8 billion in assets under management comprising more than 4.5 million square feet across commercial, residential, and hospitality assets.

On the commercial side, this includes 711 Fifth Avenue and 530 Broadway in New York; 333 South Wabash, the Big Red, in Chicago; Transamerica Pyramid Center in San Francisco; and The Alton, a project we just announced in Miami where we are collaborating with Norman Foster and the team at Foster + Partners, marking their first office building in Miami Beach.

On the residential side, we have partnered with Mandarin Oriental to develop the Mandarin Oriental Residences Fifth Avenue and Beverly Hills, and with Rosewood Hotel Group on the

revival and restoration of The Raleigh, the iconic Miami Beach property.

The tie that binds each of these properties together is the fact that they are or, in the cases of new developments, will be distinct and iconic in their own right.

### **Will you discuss SHVO's presence and investment in the New York market?**

New York is the epicenter of the world's real estate industry, and we are continuously investing in and looking for new opportunities to invest in the market. Our portfolio in the city includes commercial properties such as 711 Fifth Avenue, the old Coca-Cola headquarters, where we will be welcoming the exclusive members club, Core Club, as one of our tenants – and 530 Broadway, on the nexus of Broadway and Spring Street, one of the most creative corners in the world. We are also developing a luxury residential project, the

Mandarin Oriental Residences Fifth Avenue, at 685 Fifth Avenue which previously served as Gucci headquarters in New York.

We are seeing strong demand across all of these properties, whether its companies looking for office space or individuals and families looking for residences.

### **Where do you see the greatest opportunities for growth for SHVO?**

We are witnessing a flight to quality across the real estate sector. People and companies are looking for incentives to return to the office. In this environment, the level of design and service being offered at office buildings matters more than ever – and buildings that offer beautiful design, and a hospitality-like service, are seeing greater demand than ever. For instance, in the San Francisco commercial market, the top 20 net effective rents have increased by 15 percent since their peak in Q4 2019 versus the overall market which has dropped by approximately 26 percent since that time.

As a firm that focuses exclusively on luxury properties, we are perfectly positioned to cater to this demand, and this has been borne out at the Transamerica Pyramid Center where we have secured record rents in recent months.

### **How valuable have partnerships and collaborations been to SHVO's business?**

Since our earliest days, we have entered groundbreaking partnerships and collaborations with the world's best-known architects, designers, hotel brands, chefs, and artists. We pioneered the union of fashion and real estate with Armani Casa at 20 Pine Street, a concept that has subsequently been emulated worldwide. In 2013, we created the public art installation "Sheep Station" in Manhattan, which transformed a former gas station lot in Chelsea into a whimsical scene of sculptures by François-Xavier Lalanne, and in late 2019, we opened the Les Lalanne sculpture garden at The Raleigh Hotel Gardens in Miami Beach.

We are currently working with or have previously worked with the likes of architects such as Lord Norman Foster, Peter Marino, Renzo Piano, Rafael Vinoly; hospitality groups such as Mandarin Oriental, Rosewood Hotel Group, Aman Resorts; as well as incredible chefs such as Daniel Boulud.

These partnerships and collaborations allow us to create and offer truly unique and transformational experiences for our guests and customers which is what we strive for every day.

### **How critical is it for SHVO to build a diverse and inclusive workforce?**

We are very proud of the diverse nature of our workforce. Our people come from a range of backgrounds, in every sense of the word, and each brings something unique and distinct to the company.

### **What has made the real estate industry so special for you?**

The joy I get from seeing people that have truly enjoyed their experience at a SHVO property is hard to beat. ●