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Owners Magazine 2019: Talking With the Top Developers and Owners of NYC



FROM LEFT: MARYANN GILMARTIN, SCOTT RECHLER, MARTY BURGER, TOMMY CRAIG AND LESLIE HIMMEL. ILLUSTRATION BY THOMAS HALLER BUCHANAN

BY [THE EDITORS](#)

Wait a second ... Ziel Feldman does transcendental meditation? Scott Rechler tears up at “This is Us”? Justin Elghanayan is pushing for Dwayne “The Rock” Johnson to make a run for the presidency?

These are the chestnuts that close readers of Commercial Observer’s Owners Magazine will glean from this year’s results.

CO always approaches our annual owners edition as a chance to find out the juiciest tidbits of personality, listen to the perspective of ownership on the big issues affecting the real estate business, and offer our own views.

Retail, for instance, is an ongoing concern. One of the bright spots on the retail landscape has been food halls — but has the trend reached its peak? This is what Nicholas Rizzi asks in his story.

Landlords — and the Real Estate Board of New York — were caught off-guard earlier this year when some of the most progressive rent laws in the country were passed and signed into law. How REBNY, the industry’s biggest lobby, [handles the new landscape](#) is the question Rebecca Baird-Remba asks in her story.

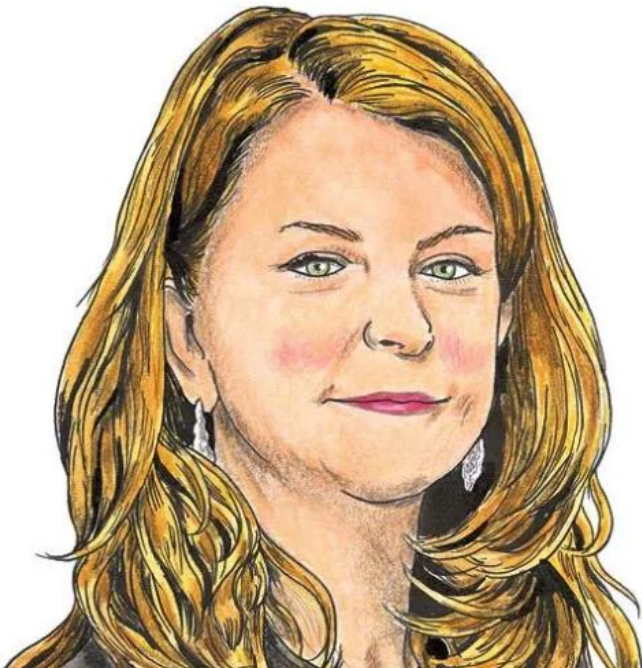
Investment sales had been puttering along since its high in 2015, but the most recent numbers haven’t looked this bleak in a very long time. Adam Bonislawski looks at the future of New York’s sales market.

One of the areas that seemed ripe for investment over the last year or two, however, has been opportunity zones. There are literally hundreds of such zones in the Big Apple (and a total of 512 in New York State). But separating the wheat from the chaff on which zones developers should focus on is just what Chava Gourarie attempts.

Finally, there is the larger mood of the country to consider. With an impeachment inquiry fully underway, it’s been decades since the national political landscape felt as fraught as it does now. The President of the United States — who hails from a real estate family — is well acquainted with a number of the names in Owners Magazine. Sarika Gangar delves into the extremely complicated relationship between Donald Trump and the CRE industry.

We hope that the love of the city, the love of the business, and the tentative hope for the future shines through in these pages.

“There is no other New York City, which is the financial, fashion, culinary, tourist and, increasingly, the tech capital of the United States, and by extension, the world,” Jason Muss said when we asked whether Gotham has lost its shine. “That doesn’t mean it’s currently a good time to buy a building here, though!” — *Max Gross*



MaryAnne Gilmartin
CEO, L&L MAG

Do you think we’re heading into a downturn? Why or why not? New York’s fundamentals are strong, but I do see a correction, if not a modest downturn, which creates big opportunities for folks like us.

What do you think the future looks like for WeWork and other coworking operators if the economy slows down? While there's plenty of culpability to go around, WeWork's troubles are largely its own doing. I think it will course correct, right-size itself, and adjust the market's expectations.

Is New York City losing its shine? Are property investors starting to look elsewhere? Political headwinds and the cost of doing business make it ever more challenging to build and operate here. New York remains the global capital of the world, but the barriers to entry keep getting higher and higher. Again, we will create opportunities due to this.

How have you adjusted your business plan since the new rent laws were passed? We will concentrate our building in neighborhoods where the majority of the market rents are already over \$2,000 per month. With this strategy, we still have a multifamily business in new construction. That said, we are borough builders too and the new rent laws are foreboding for areas outside of the urban core — hopefully time will produce a political awakening up in Albany.

Do the new rent laws present any opportunities for savvy owners? Other than producing a less cluttered field of developers, the new laws present more of a workaround than an opportunity for savvy developers.

Is REBNY in need of a revamp? A lot.

What's the biggest headache in your job that no one knows about? This job is full of headaches for all of us in this business. That's what keeps it fun and real. Telling you how I cope with them would be revealing my secret sauce.

What's more important: having the best lawyer or having the best accountant? Having the best lawyer with an accounting background.

Most underrated neighborhood in the city? Bushwick.

If you could pick the Republican and Democratic nominees for President, who would they be? I'm not foolish enough to answer that question.

LIGHTNING ROUND:

Favorite book? Elena Ferrante's Neapolitan novels

Favorite restaurant? Crown Shy

Favorite vacation spot? Maldives

Favorite TV show? "Fleabag"

Favorite movie? Too many good ones to pick

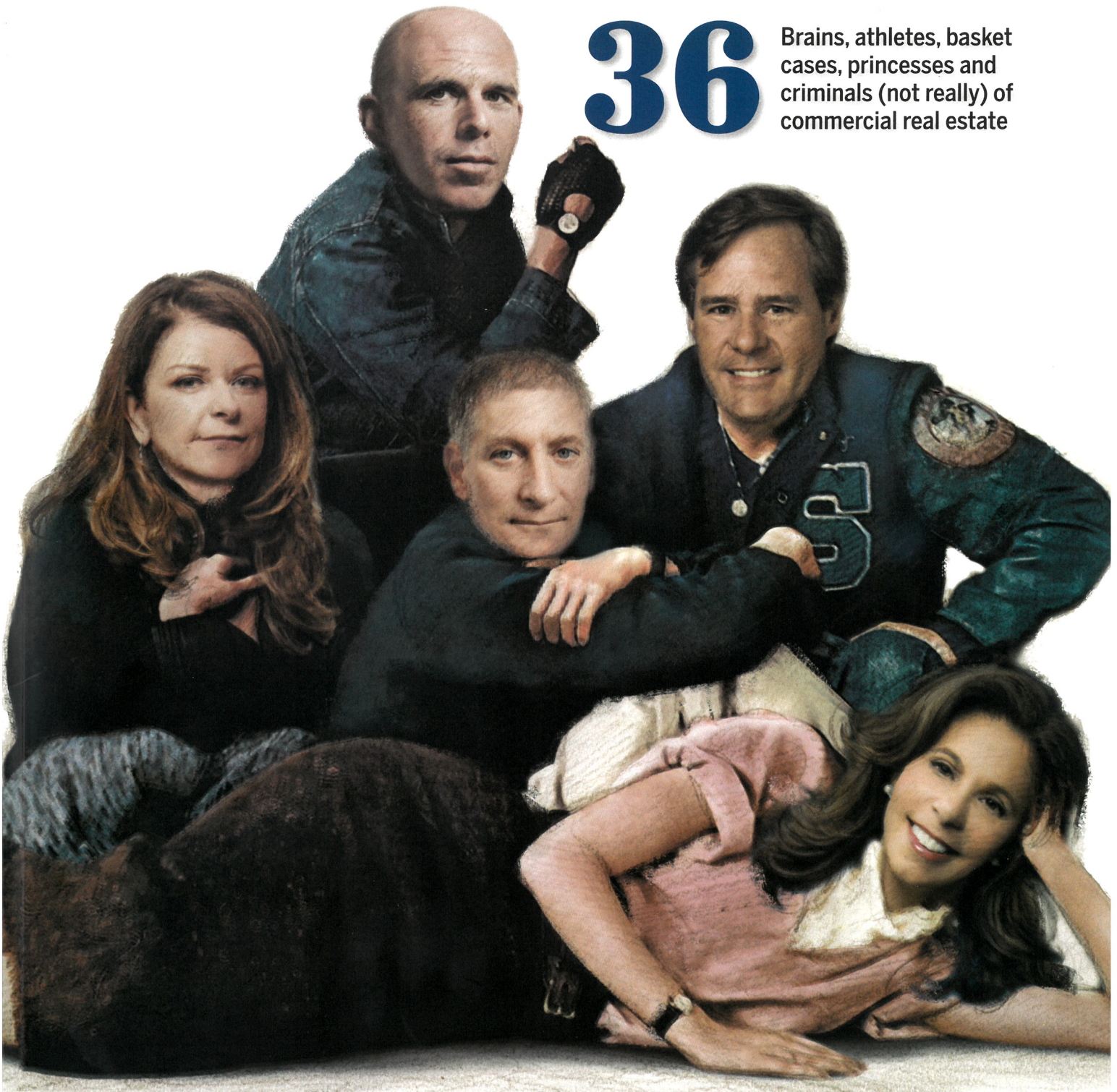
Favorite sport? 10th grade girls' volleyball

OWNERS MAGAZINE

F R O M C O M M E R C I A L O B S E R V E R

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Brains, athletes, basket cases, princesses and criminals (not really) of commercial real estate



MaryAnne Gilmartin

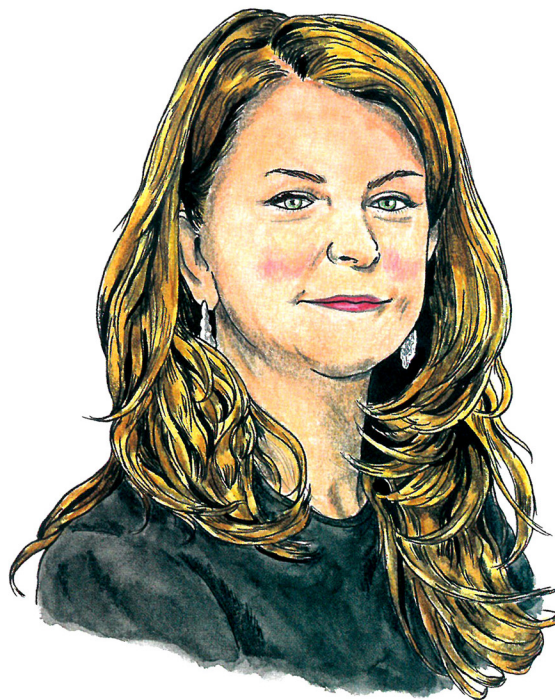
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