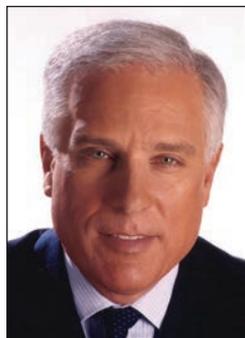


Fulfilling a Dream on Park Avenue

An Interview with
Peter S. Kalikow, Chairman, HJ Kalikow & Co.

EDITORS' NOTE Peter Kalikow is the former Chairman of the Metropolitan Transportation Authority (MTA), former Commissioner of The Port Authority of New York & New Jersey, past owner and publisher of the New York Post, and current Chairman of the Grand Central Partnership. Kalikow began his career in real estate in 1967 and became President of HJ Kalikow & Co. in 1973. Following his father's death in 1982, he assumed responsibility for the



Peter S. Kalikow

and he is the third generation to preside over his family's 86 year-old real estate company. Kalikow is an active participant in every major real estate association and serves as a Governor of the Real Estate Board of New York. In recognition of his leadership, he has received the Harry Helmsley Award, the Award for Excellence by the Building Owners and Managers Association of Greater New York for the development of 101 Park Avenue, and the Golden Circle Award. Kalikow is involved in many philanthropic causes. He is a trustee of New York-Presbyterian Hospital, a member of its executive committee, and Chairman of the real estate committee. In 1982, he was presented with the Peace Medal, Israel's highest civilian award, for his many years in aiding the nation's development, including his efforts related to Israel Bonds. Kalikow is a member of the board of trustees of Hofstra University and was awarded an honorary Doctorate of Law degree in 1986. He received Hofstra's Alumni of the Year Award in 1988. An active student of the American Presidency, Kalikow endowed the Peter S. Kalikow Chair in Presidential Studies and created the Peter S. Kalikow Center for the Study of the American Presidency. In November 2008, Kalikow was honored with the Commendatore in the Order of Merit of the Italian Republic, one of the highest honors bestowed by the Government of Italy. Kalikow received his Bachelor of Science Degree in Business Administration from Hofstra University in 1965.

COMPANY BRIEF HJ Kalikow & Company, LLC (www.hjkalikow.com) is one of New York City's leading real estate firms. Under Peter Kalikow's leadership, the company has developed millions of square feet of commercial office space as well as constructed many prominent residential apartment houses in Manhattan.

Where are we on the road to economic recovery in real estate?

The residential market is very good, but I don't know how much is homegrown and how much is international. The outer boroughs like Brooklyn and Queens are increasingly good places to live and the Bronx will soon follow.

As for the office market, as long as local companies are not hiring, we're not going to get people to fill these offices. This is what I worry about in this recovery.

Did you always feel that downtown and the boroughs would eventually become what they have today?

Yes, but a while ago, I built a hotel downtown. I went through the meatpacking district every day for two years and I didn't see its potential. The boroughs are an odd market. The rents are different from midtown.

Is downtown going to be where it's at for Manhattan?

I had a building downtown. We got an offer from an advertising agency that was a tenant in midtown. When I asked them why they wanted to come downtown, they said it's because all of their creative people live in areas like SoHo and the Meatpacking district. So, yes, I think it will be a good market.

What is so special about 101 Park for you?

For everybody whose family is in the real estate business, your dream is a Park Avenue office building. To own one is good; to build one is better.

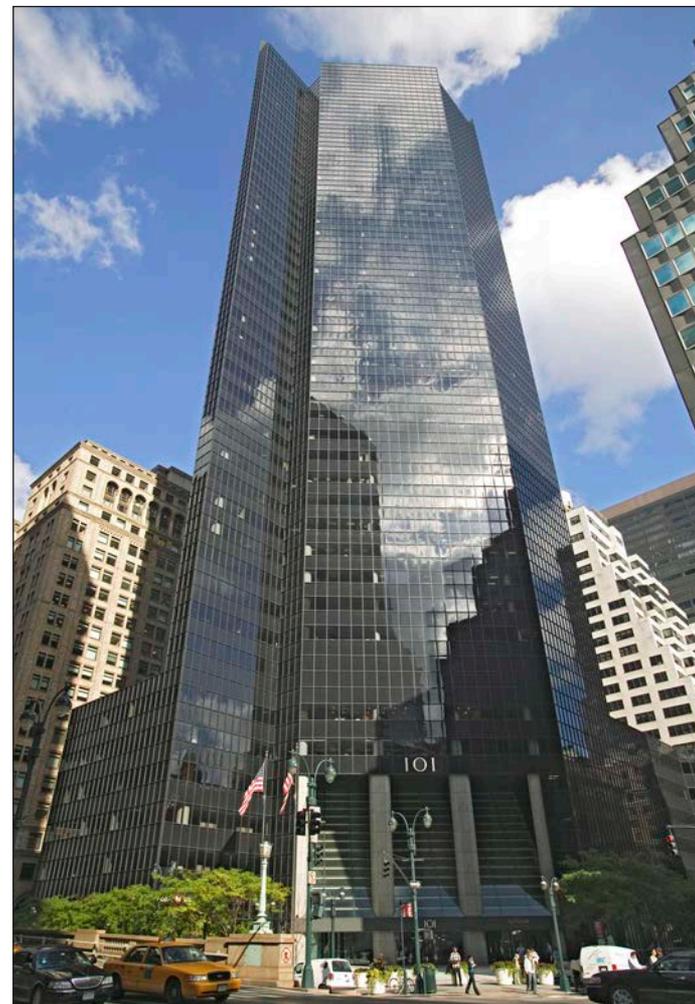
I had offices across the street from 101 Park and I decided I must build an office building there.

It is one block from Grand Central Station. It's on every subway line on 42nd Street, including the Times Square Shuttle. If you have to go downtown, this is a great place from which to leave. If you live in Westchester or on Long Island, you can either go up the FDR or out the midtown tunnel. So the location is spectacular.

What is the focus for your philanthropic work?

I am proud to have been on the board of New York-Presbyterian Hospital for nearly 30 years and they do a great job. I think we're the best hospital in the region.

The Holocaust Museum downtown is another focus for me. It may seem strange as I have no relatives I can name who were victims of the Holocaust, so I don't have blood or skin in the game. However, I got started on this subject in the



101 Park Avenue, an HJ Kalikow & Co. development

early '80s because of the Holocaust deniers – they have made it important to document.

I'm on Hofstra University's board where we endowed the Presidential Center, which has been fun.

I was also one of the early founders of the D-Day Museum in New Orleans.

My wife is a Trustee Emeritus of Columbia Prep, where my children went to school, and we are involved there.

Will prices for New York City housing reach such levels that those who work here will be priced out of the market?

What prices people out of the market are customers from outside of the universe of New Yorkers – foreigners and those from around the country create some of the high prices.

This is why Brooklyn, Long Island City, and other areas have become so popular. Those markets are completely different from Manhattan.

Are you concerned that we might not have the necessary focus on the business community with a new mayor coming in?

Yes. We have had mayors for the past 20 years that have encouraged the things we take for granted now – safe streets and reliable and efficient transportation, as well as a good education system.

Hopefully, the present candidates running for mayor will do the right things so I'm optimistic.

Is the impact that real estate has on the city well understood?

Real estate drives the city's economy but it cannot exist in and of itself. People need to rent space or buy residential properties, and businesses need to prosper.

When I was at the MTA, I saw the positive effect that a good real estate market can have on our city. We have to encourage this healthy environment. ●