

People-Centric

An Interview with Andrew Heiberger,
 Founder and President, Buttonwood Development



Andrew Heiberger

EDITORS' NOTE An accomplished entrepreneur in the New York real estate industry, Andrew Heiberger has founded and served as CEO of several successful companies including Citi Habitats, one of Manhattan's largest residential brokerages, and Buttonwood Development, a Manhattan-based real estate development firm. As the Founder of TOWN Residential, Heiberger was the driving force behind the company's business strategy and long-term vision. He holds a B.A. from the University of Michigan and a J.D. from the University of Miami School of Law. He is both a licensed attorney and a licensed Real Estate Broker in the State of New York. An active member of the Real Estate Board of New York (REBNY), Heiberger has been elected to and serves on REBNY's board of governors. He is also a member of the World Presidents' Organization, the University of Michigan Tri-State Leadership Committee, and the New York State Bar Association. Heiberger is dedicated to giving back to the community, and supports a multitude of charities at the local and national levels.

COMPANY BRIEF In June of 2005, Andrew Heiberger founded Buttonwood Development (bwdco.com), focusing on real estate development, investment and syndication in New York City. Under his leadership, Buttonwood successfully developed Greenwich Club Residences, a 452-unit condominium conversion located at 88 Greenwich Street. The property emerged as a successful downtown Manhattan condominium development, achieving a complete sell-out generating over \$340 million in residential sales. The partnership also repositioned and retained the building's 52,000 square feet of commercial space on the first two floors. Buttonwood has also participated in the development of additional properties throughout Manhattan, including the assemblage, planning and sale of Sundari Lofts and Tower, a proposed 26-story luxury condominium at 158 Madison Avenue, and the gut renovation, repositioning and marketing of One Rector Park, a 174-unit condominium development in Battery Park City which is now 99 percent closed.

What does it take to be a successful real estate entrepreneur in New York City?

I think you really need to be in a constant state of education, always aware of the changing landscape and the opportunities that it can create. You can do this in a variety of ways, including activities as simple as diversifying your means of travel. For example, if you take a different route to work every day, you're likely to discover something new or learn a new stretch of the city that much better. Similarly, there's nothing more valuable than

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knowing the ins and outs of the many properties that make New York special. I've literally seen tens of thousands of floor plans, views, finishes, and amenities, each as part of an ongoing educational process. To succeed in New York real estate, there is no substitute for mastery of the market, which essentially boils down to neighborhood expertise and tremendous product knowledge.

As an experienced entrepreneur, what are the key ingredients that you look for when deciding to create a business?

It's critical for the business to be scalable. You can come up with a great idea, but if it can't grow into a big opportunity, then your expectations from a financial perspective must be kept in check. Second, I think it's very important to have a multifaceted platform with at least dual exit strategies. This affords you the flexibility you need in the event of unforeseen circumstances or a change in market conditions, as you never want to be in a deal or business without alternatives. Finally, I would say you just need to enjoy what you're doing, otherwise you'll never have the drive to push through when times get tough. Your execution needs to be virtually flawless in today's competitive business environment, especially if you're in Manhattan, and being passionate about what you do enables you to execute at a higher level.

What is it about Manhattan specifically that spurs entrepreneurship and creates an environment that is conducive to taking risks?

Manhattan is the epicenter of almost everything "business." Whether its finance or real estate or fashion or even technology, in recent years, this is where the world looks to for leadership and inspiration. We've got the best and the brightest gathering on a small island, sharing ideas, and collaborating in dynamic ways that are hard to replicate elsewhere. It's basically a giant think tank. Coupled with additional factors such as unparalleled diversity and high disposable incomes, it's truly the perfect platform for proof of concept.

You are a leader in the real estate industry. What is it that you love about real estate?

Real estate is the meshing of people with lifestyle and design, and since no two properties are alike, every interaction is both unique and stimulating. Overall, I love getting to know all

the people I come across. Whether someone is looking for a new home, a new office, or a new place to serve the community's retail needs, there is a human element under-

lying every transaction and decision. In almost every instance, real estate represents a necessity in people's lives. The businesses I've started have all been very people-centric. Whether it's guiding hundreds of top brokers in their careers, helping people find their next home, conferring with developers on the next great project, or interacting with some of the world's greatest architects and designers, it is always very interactive and informative.

The New York real estate market has been extremely strong recently. Do you think the market has fully recovered after the global financial crisis and, if so, is the recovery sustainable?

It has definitely recovered and I truly believe the recovery is sustainable. In the past 15 years alone, New York City has proven to be the safest and most resilient real estate market in the world. From the dot-com bubble and 9/11 to corporate fraud, the financial crisis, and Hurricane Sandy, the city has persevered and ultimately thrived time and time again. You could argue that it has never been better, with the explosion of Brooklyn, the emergence of Long Island City, the redevelopment of the World Trade Center, and the birth of the far west side around Hudson Yards, among other positive developments. I think New York is firing on all cylinders right now and as a real estate entrepreneur, that obviously is extremely encouraging and exciting.

It seems that most of the new residential development in New York is targeted to the high-end of the market. Is a large percentage of the population being priced out of New York City and is there enough focus on the need to offer affordable housing?

Throughout my real estate career, it's become clear that there is never enough quality, affordable housing. But the laws of supply and demand are difficult to resist, and as certain parts of the city forge upwards in price, areas that are 20 or 50 blocks away in any direction are simultaneously being renovated

and improved to accommodate the expansion. In that sense, multiple areas benefit from the price increases in other neighborhoods, as both economic and population growth generate enhancements to neighborhoods previously neglected.

You have hired a significant number of people throughout your career of building companies. What are the key ingredients that you look for when attracting talent?

Above all else, I look for work ethic, local knowledge, and the ability to network. I also look for integrity and strong core values in any individual that I work with.

You also lead Buttonwood Development, a successful and innovative real estate development company. What is the focus of Buttonwood in the near term?

My current focus is to actively search for another large-scale condominium project, possibly as many as two or three depending on size and scope. I thoroughly enjoy development and look forward to utilizing my past experience in the space to build or redevelop luxury residences. Development allows for creative thinking and value-add initiatives, as well as a platform for me to tap into my networking, marketing, and management capabilities.

With the success that you have achieved in your career thus far, do you take time to appreciate your accomplishments?

I am just finally starting to stop and smell the roses. While I am grateful and proud of my accomplishments, I fully recognize that there is more to life than work. Now that my kids are approaching their teens and I am middle-aged, I cherish the time spent with family and also have managed to set aside time to take care of myself. In fact, I have recently become much more health-minded and I'm having fun while doing so. I have traveled and experienced so much already and I truly take great pleasure in sharing new experiences with my family. Family is everything. ●



Buttonwood Development