

The JLL Advantage

An Interview with Peter G. Riguardi,
Chairman and President-New York Region, JLL

EDITORS' NOTE Prior to joining JLL in September of 2002, Peter Riguardi was Vice Chairman and Principal of Colliers ABR Inc., a company that he helped form in 1994. He started his real estate career at GVA Williams in 1983, where he was the youngest Senior Vice President in the firm's history. During his 32-year career in commercial real estate, he has been actively involved in several of the largest and most noteworthy transactions within metropolitan New York City. Peter Riguardi is consistently ranked by the New York Observer as one of New York's most influential real estate executives.



Peter G. Riguardi

COMPANY BRIEF JLL (jll.com) is a professional services and investment management firm offering specialized real estate services to clients seeking increased value by owning, occupying, and investing in real estate. With annual fee revenue of \$5.2 billion in 2015, JLL has more than 200 corporate offices, operates in 75 countries, and has a global workforce of approximately 53,000. The firm provides management and real estate outsourcing services for a property portfolio of 3 billion square feet and completed \$99 billion in sales, acquisitions, and finance transactions in 2013. Its investment management business, LaSalle Investment Management, has \$50 billion of real estate assets under management. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated.

What is the secret to the success of JLL?

First, it has been a lot of years now that the firm has invested in its platform, technology, services, and geographic coverage, so we're all bearing the fruits of that. Second, we really hire terrific people, people that are leaders and are focused on being the best at what they do.

The final thing is that those people realize they can't do it themselves, that they're better when they partner with other people that have different skill sets that enable us to service our clients better.

These things continually put us at the top of the chart every year.

In terms of growth for JLL, do you see it organically or via acquisition?

At our scale and in the industry that still has more consolidation in it, we're going to always be at the forefront of acquiring talent and using acquisitions to grow.

We're also confident in the people we have and sure that they're going to develop – the combination is really terrific.

You'll see people continue to develop with the organization, but you'll also see us continue to find good fits along the way through acquisition.

Where does the New York market stand today from a real estate perspective? Can the market sustain itself?

Last year at this time, I thought we would have been seeing more of a correction, but the market remains healthy. There are plenty of tenants in the market and plenty of investors that still want to be here and buy real estate here.

New construction is attracting tenants and will be very successful. Also, NYC's attractiveness to millennials and to tech companies suggests that the market will continue to be a robust leader in North America for jobs. New York continues to be a leader in attracting talent across all industries. Great real estate talent, diversity, and culture all makes for a successful city. This ability will prevent us from having a substantial market correction.

Is Midtown Manhattan, where there is a lot of older product, still the place people want to be and will it remain relevant?

There is 450 million square feet of office space on Manhattan Island, so there will be many choices that are in vogue. New York has become a city where one neighborhood after another is beautiful and has been gentrified, and has different things to offer. Neighborhoods like Midtown South, the West Side, Meatpacking, and Lower Manhattan will continue to have success and attract new tenants, but Midtown Manhattan, with its concentration of office space, hotels, and restaurants will always be an option. Commercial landlords in Midtown will need to be mindful of the adjustments and physical changes they need to make to their properties to remain competitive for the millennials.

What will the impact of Hudson Yards be on the city?

Hudson Yards is like building Dallas, Texas on Manhattan Island – the scale of it is immense. We needed new modern office space and we've created another hub in the city, another destination, and the excitement has just begun there. As more of the properties and retail open up, we'll all see the benefits of adding this to our marketplace.

What skills are needed to be a successful broker today?

The skills that are required to be a successful broker in a large part are the same today as they've been for years. It's a unique person and personality that succeeds in the New York brokerage business. The person needs to be organized, enjoy meeting people and be comfortable with rejection and passionate for success. But over the years, some things have changed – the ability to partner and work with other people is essential for today's broker to be successful. Understanding the implications on businesses from an accounting standpoint and workplace strategy, as well as communicating well to decision makers to gain consensus, are now more acute skills than they ever were. The changes and the needs in the skills of the broker are attracting more highly qualified people to the business than when I started in the 1980s.

How ingrained is giving back within the culture of JLL?

As we know, there are plenty of New Yorkers not as fortunate as most of us. In a city as prosperous as New York, there are too many people who don't have a home, who go to bed hungry and are ravaged with illness and affected by addictions. Any good individual or organization recognizes this and wants to help and give back to their community. It's basic at JLL; we encourage our people to find a place where they are concerned and want to help and support those organizations, and JLL supports them and those organizations as well. This type of giving back builds character and creates a better individual and firm. We believe that our clients respect that and support us as well.

How important is it to attract the right talent?

We have brought in so many top market leaders in various sections of our service lines, and people in their prime have come to us because they feel like JLL is an opportunity to do something better and different. ●