

PURPOSE

Clients First

An Interview with Arthur J. Mirante II,
Principal and Tri-State President, Avison Young

EDITORS' NOTE Arthur Mirante also serves as a member of Avison Young's Executive Operating Committee. Prior to joining Avison Young, he worked at Cushman & Wakefield, where he served as the firm's CEO for 20 years.

COMPANY BRIEF Avison Young (avisonyoung.com) is the world's fastest-growing commercial real estate services firm. Headquartered in Toronto, Canada, Avison Young is a collaborative, global firm owned and operated by its principals. Founded in 1978, the company comprises 2,600 real estate professionals in 82 offices, providing value-added, client-centric investment sales, leasing, advisory, management, financing and mortgage placement services to owners and occupiers of office, retail, industrial, multi-family and hospitality properties.



Arthur J. Mirante II

Would you highlight Avison Young's growth in the Tri-State market?

I would characterize our growth as explosive yet very controlled. We will exceed \$75 million in revenue this year in the Tri-State area and we are only going into our sixth year in the business.

However, I'm not particularly happy with that. I wanted to do in excess of \$100 million in our first five years. However, as I look back, we have established operations in Westchester, Connecticut, New Jersey, and Long Island, as well as Manhattan, and established a diversified, quality product offering of not only brokerage, but capital markets, project management, property management, valuation and financial advisory services.

When I look at our list of clients together with all of that, I'm pretty happy with where we are today.

Is Avison Young's messaging consistent from region to region?

Our growth strategy, our foundation, is our culture and that culture only survives if it's consistent worldwide and if we continue to work hard at it.

Unless we're going to be unwavering in our efforts, we really can't have the type of culture that is going to enable us to build upon it and grow. We have a very defined set of core values, and we're careful about living every day in accordance with that culture.

How critical is it to attract talent that fits into the culture?

We can't make compromises in our culture. Our culture is not only our growth strategy; it has been a governor on how explosive our growth has been.

Every professional in the marketplace will not necessarily function well and be happy here. If their behaviors are not consistent with our expectations, they will not be successful at our firm.

Our culture is one that puts clients first. It also demands collaboration and that information be shared and that this happens naturally and instantaneously.

We insist on teaming and putting our very best professionals in front of appropriate client opportunities.

We also insist on being very driven and intense about identifying and satisfying our client objectives and, most importantly, producing results. Our culture cares about our people and does not tolerate bad behavior.

How challenging is differentiation in the industry?

Clients clearly recognize the difference we offer on the talent side, that we really care and are going to make the extra effort and put them ahead of our own interests.

Unfortunately, as our industry has evolved and as the major companies have become public, they often have professionals that work in silos, whereas our cultural mandate is to collaborate and share information. This, along with putting clients first and putting the best talent out there, ensure that our difference gets recognized.

There are many smart real estate professionals in the real estate service industry and many talented sales people who are eloquent and well-educated, but these differences are where we stand out.

How will office space needs change as the workforce continues to evolve?

There is no doubt that changes are taking place in the workplace of the future but working from home is not one of them. The changes that are taking place are about using technology better and providing an environment that allows people to interact with each other. Collaboration is enhanced by having a more relaxed environment, which is why open-space planning is popular today.

There are many trends in the office space, such as the popularity of businesses like WeWork and the new market entrants in that area.

All of these things are making people more productive and they're all very consistent with a macro trend, which is that people are coming back to the urban centers to live, to educate themselves, to shop and to be with other people.

If we think about it, this means that people are craving interaction with one another. They don't always want to work at home and never see other people. They want the opportunity to leverage their talents by interacting with others. This is why our healthiest markets today are the larger urban centers. They are not only experiencing population growth, but also office employment growth and brand new construction as is happening, for example, on the West Side and Hudson Yards in New York City.

I don't think any trends are negative. They may lead to less office space being occupied, but that isn't because people are working from home; it's because the interior design today is more efficient and there are more buildings being constructed without columns that allow for large open-space planning and more creative, healthier environments.

What are your views on the future of retail?

Retail has always been cyclical. A transformation is taking place driven by technology and electronic shopping. Approximately 48 percent of the businesses that formerly only had a platform online have now committed to brick-and-mortar stores.

We are going through a period where stores are being threatened by online retailers, but online retailers are also recognizing that having physical space to display their products will help attract customers and enhance their online presence.

The retail market is clearly not as healthy today as the office marketplace, but it's surviving and transforming into different uses. It will continue to be in better shape than many fear.

How important is it to build a diverse and inclusive workforce?

It's crucially important to have a diverse workforce and the real estate industry is lagging from the perspective of diversity and inclusion. I'm very proud that Avison Young is a company that has made diversity and inclusion a top priority.

We measure our progress toward that priority by what we do, not by what we say. We have laid the foundation to follow those important principles to enhance our growth. ●