

Redefining Luxury Living

An Interview with Scott J. Avram,
Senior Vice President, Development, Lightstone

EDITORS' NOTE Scott Avram is responsible for all aspects of operational oversight of Lightstone's development platform. Before joining Lightstone, he was responsible for the operational oversight of Toll Brothers' City Living Division. Avram joined Toll Brothers in 2004 as a manager of large scale suburban single-family developments in New Jersey. Before transferring to the New York Division of Toll Brothers, he also managed high-rise urban development, including condo conversions, adaptive reuse, parking garage, and new high-rise development in Hoboken and Jersey City, New Jersey. Avram graduated with honors from the University of Maryland Robert H. Smith School of Business Honors Program and from New York University with an MS in Real Estate.



Scott J. Avram

COMPANY BRIEF Lightstone (lightstonegroup.com), founded by David Lichtenstein, is one of the largest and most diversified privately held real estate companies in the United States. Lightstone is active in 25 states across the country – developing, managing and investing in all sectors of the real estate market, including residential, hospitality, commercial and retail. With 142 existing properties, Lightstone's over \$6.5 billion portfolio currently includes over 5 million square feet of industrial, retail and office properties, more than 15,850 residential units, and over 4,300 hotel keys. Lightstone also owns more than 10,000 land lots across the

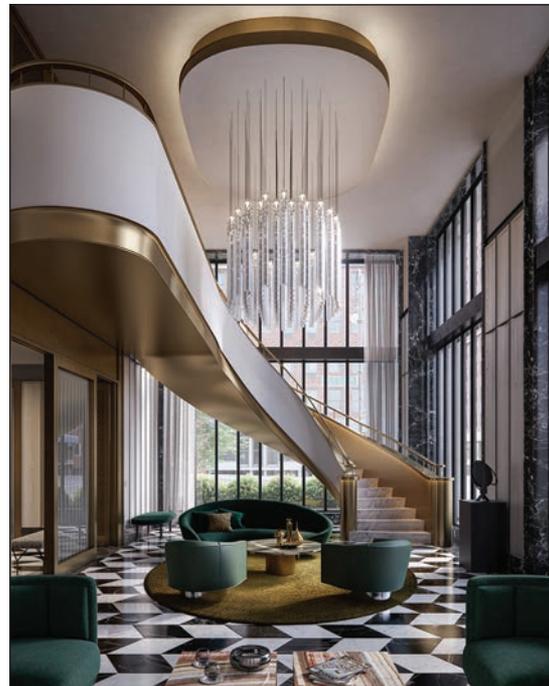


country. Headquartered in New York City, Lightstone continues to grow its development portfolio with over \$3.5 billion currently under development in the residential and hospitality sectors spread across New York City, Los Angeles and Miami.

Will you discuss your role and key areas of focus?

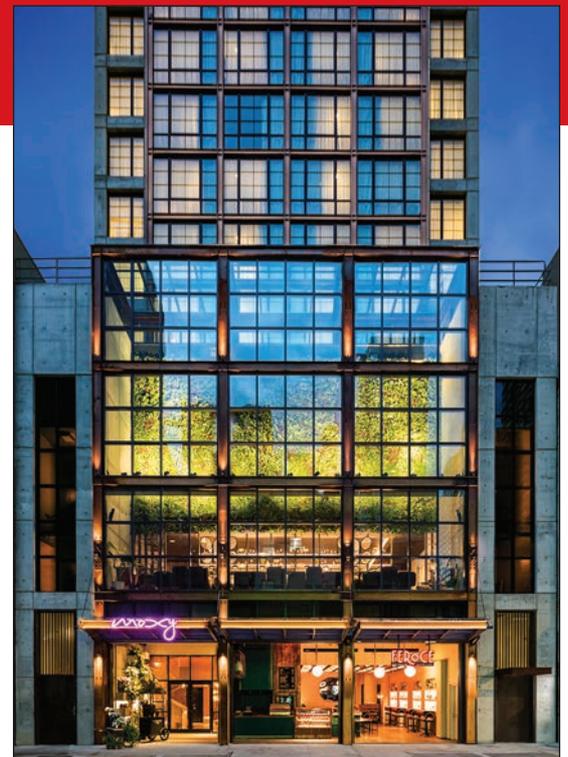
As the Senior Vice President of Development at Lightstone, I am on a mission to redefine luxury living. My focus includes the acquisition

and development of urban sites, overseeing all aspects of the process from the ground up, including zoning and approvals, assembling the design teams, sales/leasing, marketing, construction, operations, and financial management.



Will you highlight the history and heritage of Lightstone and how the company has evolved?

Lightstone was founded by David Lichtenstein in 1988, beginning with a single investment in a two-family house. Our portfolio initially focused on acquiring and asset managing multifamily and retail properties around the country. Multifamily remains core to our business, and we currently own and manage 15,850 multifamily units across 13 states



Moxy Chelsea (above); 40 East End south lobby (center) and exterior (bottom left)

while continuing to grow our portfolio. We later saw an opportunity to expand into development, building a \$3.5 billion portfolio of condominiums, luxury rental properties and lifestyle hotels in New York, Miami and Los Angeles. In recent years, we have broadened our business to include industrial and life science investment as well as real estate lending. Throughout our 30-year history, we've established a reputation for combining our deep intuition with rigorous analysis to identify opportunities early, and our business is consistently evolving and expanding.

How did Lightstone adapt its business to address the challenges caused by the pandemic?

The difficulty of having such a multifaceted business is that each of our business areas was confronted with unique challenges during the pandemic. In our operating hotels, we developed rigorous cleanliness standards to create a comfortable and safe environment for our guests to return to travel. At the same time, we looked for creative opportunities to serve our guests with enhanced outdoor dining and outdoor rooftop programming. In our luxury residential properties, we adjusted our robust lifestyle programming to offer virtual and socially distanced activities to connect with our residents – everything from partnering with Brooklyn's famous Roberta's to host a virtual pizza making class to bringing in a group of carolers around the holidays to perform from the building's courtyard so our residents could enjoy from their windows. In our development projects, we were fortunate to be able to proceed with construction while incorporating stringent health and safety standards. For our prospective condominium buyers, we had to innovate with virtual tours that replicated the experience of being within our residences. Our development platform overall is responsive to the desire among today's travelers and residents to create memorable experiences over material possessions, so across all of our business areas, the pandemic forced us to redefine how we connect.

Will you highlight Lightstone's portfolio and current development projects?

With 142 existing properties, our \$6.5 billion portfolio currently spans 25 states and includes over 5 million square feet of industrial, retail and commercial properties, over 15,850 residential units, and over 4,300 hotel keys. We continue to grow our development portfolio with over \$3.5 billion currently under development in the residential and hospitality sectors spread across New York, Los Angeles and Miami. Our residential developments are at the cutting-edge of the city's up-and-coming neighborhoods, from Long Island City to Gowanus to the Bronx Waterfront, and FiDi. Under my leadership, Lightstone is developing two of New York City's most celebrated and successful condominiums: 130 William, an 800-foot-tall tower designed by Sir David Adjaye, and 40 East End, a boutique condominium designed by Deborah Berke. In addition to our two new condominium developments, recent award-winning luxury rental buildings developed in the city include ARC, designed by Garner Kronick + Valcarcel Architects, and 365 Bond, the first residential development on the Gowanus Canal, designed by Hill West Architects with interiors by Mark Zeff.



Our expansive hotel development portfolio launched in 2017 with the opening of the 612-room Moxy Times Square, the flagship hotel for the brand and winner of American Lodging Investment Summit's (ALIS) Development of the Year. The portfolio includes three other open hotels – Moxy Chelsea, Moxy East Village, and Moxy South Beach, as well as two hotels under development in New York – Moxy Lower East Side and Moxy Williamsburg – and a Moxy and AC hotel in Downtown Los Angeles. Lightstone has been instrumental in launching the Moxy brand in the United States, and we were honored to be recognized as Developer of the Year at Marriott's CONNECT 2020 Awards. We are extremely proud of the strong relationship we have cultivated with Marriott and look forward to growing the Moxy brand together.

What was the vision for 40 East End and how is the building positioned in the market?

40 East End is an intimate, boutique condominium with only 28 residences. It was important to us that 40 East End be timeless with a contemporary lens – a modern interpretation of the Upper East Side's historic prewar architecture. We tapped Deborah Berke, Dean of



Views of 130 William (above and below)

the Yale School of Architecture, to design the building with Garner Kronick + Valcarcel as the architect. Deborah Berke actually lives in the East End Avenue neighborhood, so it was special to work with such a visionary right in her own backyard. With her personal understanding of the area, we designed a building that contributed to the context of the neighborhood while harnessing the tranquil, welcoming feel of East End Avenue. We wanted to create a luxurious building that felt intimate while still providing the highly sought-after amenities that enhance the lives of our residents. The result is a stately combination of classic elegance with the modern luxuries and conveniences we crave.

Will you shine a light on 130 William and how you feel this building will impact the Financial District?

The last 20 years have been monumental for bringing the Financial District back to life, and 130 William has proved to be an essential element of the neighborhood's resurgence. Rising 800 feet high, the building itself is a work of art, as the first and only residential high-rise tower in the world designed by Sir David Adjaye, the 2021 recipient of the Royal Gold Medal. 130 William was designed to be both contextual and rebellious, pushing against the conventions of tall glass towers with a textured hand cast concrete facade punctuated by beautiful bronze arched windows. Its design acknowledges and celebrates the rich history of the Financial District with a modern spin – in short, it couldn't exist anywhere else. The tremendous success of 130 William, being recognized as the best-selling condominium in New York City, has demonstrated that New York's Financial District is not just a place for work, it's now a place New Yorkers can call home.

Where do you see the greatest opportunities for growth for Lightstone?

In general, we will continue to embrace our entrepreneurial investment strategy with a commitment to identifying new opportunities across all asset classes. This means developing unique properties with a focus on great value and distinctive design, in both the residential and hospitality spaces. We will also continue to strategically expand our investment portfolio by seeking out complex opportunities that others shy away from. We see tremendous opportunities for growth in industrial and life science and look forward to investing further in those sectors.

There is much discussion about New York City's recovery and rebuilding. Are you optimistic about New York City's future and that it will remain a leading global city?

The success of Lightstone's developments today are a testament to the resilience of New York; to rise from the tragedies and challenges that shook the world such as 9/11, the Financial Crisis, Hurricane Sandy, and now the COVID-19 pandemic. Without a doubt, the pandemic has been devastating for every New Yorker, but our strength as a city has shone through. New York City has had its best quarter of residential sales in the past 35 years – our luxury residential rental portfolio is back to being fully occupied as New Yorkers return to the city, and our hotels, restaurants, and bars are seeing the vibrancy of travelers and locals eager for social interaction and new experiences. We are long-term investors in New York, and it's thrilling to witness the city's rebirth and to contribute to it in some way.



What advice do you offer to young people interested in building a career in real estate development?

Real estate is real, tangible and all around you. Sometimes you need to get up from your computer and explore what's outside your door to really understand the market and find new opportunities. It's important to understand the fabric of neighborhoods and to do that you need to experience them – walk the streets, go into stores and buildings, talk to the people who live there. Relationships are often key. Instead of sending an e-mail, pick up the phone and call someone to work things out. Lastly, find a mentor – someone who you admire as a person and who cares about your growth and development. ●