

# COMMERCIAL OBSERVER

## The Power 100

### #1 Stephen Ross, Jeff Blau and Bruce Beal

*Last Year's Rank: 2*

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When you're building a small city on the Far West Side of Manhattan, that endeavor tends to outshine all the others.

But Related Companies has many projects underway. Little things like, say, a modest \$1.6 billion redevelopment project for which Related, along with Vornado Realty Trust, won the bid in September 2016 to mold the James A. Farley Post Office, also on the Far West Side, into the Moynihan Train Hall Station. Or the construction Related commenced on the 80,000-square-foot boutique office and retail building in the toniest part of Soho at 300 Lafayette in May. Or completed leasing at the 230-unit rental building called The Easton at 205 East 92nd Street on the Upper East Side and the 84-unit building at 456 Washington Street in Tribeca.

For its 47-unit Tribeca condominium 70 Vestry Street, Related managed to snag Robert A.M. Stern to design it. (Penthouse units are asking upward of \$50 million). Oh, yeah, and Related acquired the 450-apartment Marine Terrace portfolio in Astoria, Queens, for \$115 million last June, which they'll redevelop with new units for veterans.

But we still haven't talked about the 18-million-square-foot elephant in the room: Hudson Yards.

On just that complex alone, Related and its partner Oxford Properties Group closed more than \$7 billion in financing last year, Jeff Blau said.

The company opened 10 Hudson Yards in May, a nearly 2-million-square-foot office building—the first completed tower at the Yards. It is now 100 percent leased with blue chip tenants such as Coach, L'Oréal and VaynerMedia.

At 15 Hudson Yards, the first residential condo building on the site, sales began in September and more than 30 percent of the 285 units have sold for a collective \$500 million. In December, Black-Rock was announced as an anchor tenant with about 1 million square feet at the planned 2.3-million-square-foot building at 50 Hudson Yards.

And the Shops and Restaurants at Hudson Yards, a planned 1-million-square-foot property retail property at 20 Hudson Yards that will be anchored by Neiman Marcus, is already 60 percent leased and should be open in 2018.

“Really the ability to execute and build and deliver on all of that at the same time is something that no one has ever done before,” Blau said about its activities.

Of course the size and scope of Hudson Yards alone is historic. But what really stands out about the project is that the city's attention has undeniably shifted from prime Midtown to the west.

“When we started Hudson Yards it was about price point,” Blau said. “But we no longer have to compete by being the less expensive alternative. We are achieving some of the highest price points in the city. I think Hudson Yards has shifted the future growth of New York City to the west, where people want to live and work.”—L.L.G.