



## **Maidman of Townhouse Management addresses B'nai B'rith; Believes in the future of real estate in New York**

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Mitchel Maidman, president of Townhouse Management, a developer and owner, said he believes in the future of real estate in New York and urges the industry "to persevere, despite the economy and fears of a double dip recession."

Addressing the B'nai B'rith Real Estate group at The Cornell Club, Maidman encouraged real estate developers, owners, lenders and others in the real estate business to "have patience and sustain the ability to take whatever hand you are dealt and create value from your assets."

"We all plan, design, invest and commit - knowing full well that we may not see the results of our decisions for some years or in some cases a decade or more," said Maidman, whose company acquires, develops and manages residential, commercial, retail and mixed-use properties throughout the New York metropolitan area. Townhouse Management currently owns and manages over 2,500 units in over 75 buildings. Richard Maidman, Mitchel's father, is chairman of the family business, founded in the 1933 by William Maidman, Mitchel's grandfather.

Taking a lesson from his own company's recent path, he told others who engage in the business that in tough times, they should weather the inevitable ups and downs inherent in the capitalist system - and also be creative and go back to basics as "opposed to looking for the big kill."

Maidman pointed to his own third-generation family-owned company which in today's precarious real estate landscape has adapted its focus and made some important decisions to create value from their assets. In recent years Townhouse, has gone back to its roots to grow the company's portfolio by investing in smaller apartment buildings in Northern Manhattan and the Bronx.

Today, the company that built luxury corporate apartments at the Chelsea, (high rise on West 24th St), and the Aurora, (a multi-use luxury condominium on East 37th and Third), as well as a 30,000 s/f townhouse on East 63rd, are partners with finance powerhouse Area Property Partners in a private REIT, Amsterdam Realty Inc. Together they have acquired more than 40 multifamily residential buildings worth well over \$100 million in upper Manhattan, and the Bronx.

"In 1998 I had no grey hair," said Maidman, who has also recently partnered with Wilder Realty to acquire non performing debt on multi-family assets in N.Y.C. "I did not know that I would go into the corporate apartment business or would have a private REIT or buy non performing loans from banks."

Over the last 18 months, Townhouse Management and Wilder have acquired more than \$25 million in debt on 11 buildings containing more than 350 units in Manhattan, Brooklyn and the Bronx and successfully persuaded the courts to allow them to become "mortgagee in possession" to capitalize on Townhouse's management capabilities.

Maidman ended his speech on a high note announcing that the company's 60-ft. wide townhouse at 35-37-39 East 63rd St. has been a surprising success of another kind.

Recently the Garden House School purchased the lower three floors and Townhouse is renting the remaining floors as high end apartments with monthly rates of \$10,000 to \$55,000 a month --- among the highest residential rents in the city.

"This is a project that has taken 13 years to complete and it epitomizes why patience and long term vision are a must for anybody who wants to be in the real estate business," added Maidman.

"We will continue to invest in these kind of properties," said Maidman, who said his belief in the future vitality of New York is what gave him the confidence to persevere and do what was required to maximize the long term value of each investment.

Shown (from left) are: Gerald Morganstern, Hofheimer Gartlir & Gross; Maidman; Jeff Mitzner, First American Title Insurance Co.; and Harry Zlokower, Zlokower Company Public Relations.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540