



## **Executive of the Month: Diamond, CEO of Diamond Properties - Enjoys hands-on projects where he can improve a property**

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Diamond Properties, owner of a portfolio of dozens of diversified properties with a company commitment to green business practices as one of Westchester County's first Green Certified businesses, owes its success to operating with high ideals.

"Our core values go back to our having a win-win philosophy of treating our vendors, customers and employees well, and at the end of the day I'd boil it down to that as the most important thing that guides us on a day-to-day basis," Jim Diamond, CEO of Diamond Properties said.

Diamond Properties began in 1993 when brothers Jim and Bill Diamond, partners in electronics manufacturing company RDI Inc., bought a 10,000 s/f building in Mamaroneck for their offices. A few years later, they outgrew that space, purchased and re-purposed a 140,000 s/f building at 400 Columbus Ave. in Valhalla.

"We like hands-on projects where we can go in and improve the property and have always looked at our projects through that prism of turning around a business," Jim Diamond said.

Going into the project, the Diamonds knew nothing about real estate - or construction. The property had been a single-user building, and through on-the-job training the brothers turned the sprawling former IBM office building into a multi-tenant building.

"In eighteen months we brought it to full occupancy with fifteen to twenty different businesses," Jim Diamond said. "We also occupied some space ourselves, and that helped. It's a lot easier to lease a building with some activity in it, rather than just a dark shell."

Since then, Diamond Properties has acquired 54 properties including a mix of industrial, retail, residential and office buildings. While many of its properties are geographically centralized in the New York/ Connecticut area, Diamond Properties has properties in Ohio, and had previously owned properties in Philadelphia and Maryland.

"Diversification is good," Jim Diamond said. "We largely stayed within a local market but with diversified types of properties, which gives us opportunities in a broad spectrum of properties that are available. Being able to move around like that has always been a positive. Rather than just being focused on one type of property, we focus on good real estate where we can add value to the property."

"Good real estate is a building in a good location, with good bones," he said.

"You can have a building that is rundown, but it could be a fundamentally good building in a good location, or it could be a building that is functionally obsolete or not in a good location," Jim Diamond said. "It's feeling like you've got enough positives that outweigh the negatives and that you're going to be able to deliver a product that people are going to want to buy."

Since 2008 when they sold the Valhalla building, Diamond Properties has been headquartered at 333 N. Bedford Rd. The Diamonds saw an unpolished gem in the 600,000 s/f property, which had

been vacant for ten years since it served as headquarters for the supermarket chain Grand Union until 1995.

"We didn't see any reason for the space to be empty," Jim Diamond said. "Mount Kisco is a good location, and the property had high ceilings and wide column spacing. We didn't know what it would be at the time, but we were confident that we could re-tenant it with a mix of different uses. One of the nice things about industrial space is that it is flexible space."

Diamond Properties spent a year going through the approval process to get the ability to re-occupy the building and turn it into a multi-tenant property. Once they secured approval in 2006, the Diamonds started putting office and warehouse tenants in place.

"We had to come up with a way of redeveloping the property in a way that would be an asset to the community, and we worked really closely with the town to scope out a project that everyone thought would make sense," Jim Diamond said.

Today, the fully occupied building includes a mix of tenants that require big blocks of space including an indoor trampoline park, a self storage facility, a health club and racing entertainment complex Grand Prix New York.

Diamond said the company's business operations strategy evolved from the electronics business they started after college and still own today.

"We were in a tough, high-volume, low margin commodity type of manufacturing business, and you had to perform exceptionally well to maintain a competitive advantage," Jim Diamond said.

The Diamonds have their own manufacturing plants in the U.S. and China, which enables them to deliver a top quality product consistently, and with the same philosophy in real estate have always run their own construction, property management and leasing companies.

"We are vertical that way," Jim Diamond said. "Having that functionality in-house improves the quality of what we can offer our customers, and makes it easier to deliver on our win-win philosophy."

Diamond Properties is focused on energy efficiency and is now one of the first Green Certified businesses in Westchester, with a commitment to a large-scale solar power expansion project.

The company had its first solar panel installed three years ago at the N. Bedford site, and to date four different properties have solar panels on the roof. The company just got permission from Con Edison to turn on two megawatts of solar power on the 333 N. Bedford site and plans to expand its solar footprint from the current total of three megawatts of power installed to another five megawatts on current projects and, Jim Diamond hopes, to ten megawatts over the next three years.

The Diamonds' lighting company was born four years ago from the Diamonds' realization of the large impact that LED lighting would have on energy consumption in commercial buildings. Xeleum now designs, engineers and manufactures a line of LED lighting projects for commercial customers. Diamond said the company incorporates software into its light fixtures to make them "intelligent" such as having stairwell lighting in an office building get brighter as someone travels up or down the floors.

The Diamond's latest venture, Diamond Hospitality Group, was created as an umbrella entity to centralize the operations of three bowling alleys in New York, located in Carmel, Wappinger's Falls and Poughkeepsie, as well as a marina in Peekskill. Inspired by Spins Bowl at the N. Bedford property, the Diamonds are modernizing the older buildings and adding arcades and new restaurants to the bowling experience.

"We think there is an interesting business opportunity here," Jim Diamond said. "We want to keep

the bowling alleys operating but improve them. There's not a whole lot of great family activities out there especially in the winter, and I think bowling is a fun family activity."

As for the future, Jim Diamond said the company will continue to look for different types of opportunities in any of the property segments that they own, and geographically expansion is planned in a bowling alley and an industrial warehouse property, both in Florida.

Jim Diamond said the company's continued growth can be attributed back to its win-win philosophy.

"I think your company evolves around how you treat people. When you operate with high ideals I think everybody rises to that level," he said.

Shown (from left) at the Diamond Green Business Challenge Certification Ceremony at Grand Prix New York in Mount Kisco are: Jana Petrikova, Westchester Green Business Challenge; Scott Fernqvist, Westchester Green Business Challenge; Dani Glaser, Westchester Green Business Challenge; Diamond; Sarah James, The Business Council of Westchester; and Nat Mundy, Grand Prix New York Racing, LLC.

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