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## **Dynasties: Andrea Olshan Is Making a Big Mark on Her Family's Company, Olshan Properties; Daughter Describes Herself as 'an Unemotional Seller,' Is Disciplined Decision-Maker**

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Just two years after taking over her family's real estate empire, Andrea Olshan is making a big mark.

Her father, Morton Olshan, now in his 80s, typically used his own capital when he made an acquisition. The 34-year-old Ms. Olshan is more open to doing deals with partners, such as Normandy Real Estate Partners and Malkin Holdings.

Like many New York real-estate developers of his generation, Mr. Olshan rarely sold any of the buildings he purchased. Today, Olshan Properties, known until early this year as Mall Properties, owns and manages 29 million square feet of stores, hotels, apartment buildings and other commercial property across 11 states.

Since taking over, Ms. Olshan has sold five properties—taking advantage of the surge in commercial property values in many parts of the country.

"The properties we've sold, he was dead set against selling. By nature he's not a seller," she said. "My dad falls in love with buildings. I am an unemotional seller."

Ms. Olshan holds the title of chief executive and Mr. Olshan is still the company's chairman. And though their philosophies differ on selling and partnerships, the family's basic strategy of buying and upgrading undervalued property hasn't changed.

"We've always been a value-add player," Ms. Olshan said.

Ms. Olshan's approach reflects a shift taking place at many of New York's family-owned real-estate companies these days. While their fathers made many decisions based on gut instincts, the new generation is bringing modern business methods to their real estate empires.

"You've got these guys, first generation, who are very, very emotional," said Ms. Olshan. "Versus the second generation who can step back and say, 'Let's take a more analytical approach.'"

Ms. Olshan has implemented regular Skype calls and Google Hangouts with her corporate employees, emphasizing cohesiveness and communication.

"I'm obsessed with process," Ms. Olshan said. "I really believe when it comes to operations, it's extremely important to be disciplined about decision making. It's really a game of inches. You have to make sure you

have a really strong process, because one person can overlook something."

The combination of the old money and new approaches could position some of the families well in the future, especially if currently high-flying markets take a tumble. Ms. Olshan said she sees acquisition opportunities given what she believes are inflated prices that some investors are paying.

"We think the world is going to get a lot more interesting," she said.

The son of a Russian immigrant, Mr. Olshan started as an accountant but quickly developed a sharp eye for property values. He made his first purchase in 1954, paying about \$100,000 for the 56-unit apartment building at 60 W. 76th St. Today, the property is worth at least \$10 million, according to experts.

Over the years, Mr. Olshan accumulated an enormous portfolio of properties in the New York region including the 89-unit apartment building at 173 W. 78th St. and the Parkchester, a 171-building complex in the Bronx.

In the 1970s, Mr. Olshan also began to look outside New York. As he traveled the country for the technical information company he had started, Volt Information Sciences Inc., he noticed the opportunity for retail development around the developing highway systems.

Ms. Olshan said her father would go to transportation departments and look at maps, searching for intersections. He then would buy land around the intersections, betting that traffic and people would follow. He expanded the company's portfolio with shopping malls, office space and hotels nationwide.

Not all the times have been good for the Olshans. Like all real estate owners, they faced stressful years during the financial crisis and the company gave back two shopping malls to creditors—one in Baton Rouge, La., the other in Hampton, Va.

Ms. Olshan, a graduate of Harvard University and Columbia Business School, originally wanted to work in private-equity real estate. When she worked in the field though, she found she missed being close to the properties.

"That is what's fun," she said. "The real value of owning real estate is being able to operate it."

Her 32-year-old brother, Michael Olshan, had less of an interest in real estate and today is a hedge-fund executive.

Ms. Olshan said her opportunistic approach to real estate means focusing much of her time on properties outside New York. Prices here have been bid up so high that buying now makes no sense. Still, she said she is unlikely to sell any of the 10 residential buildings in the company's New York portfolio.

"Never say never, but I can't imagine us selling our New York holdings," she said. "The caliber of what they are, our basis in them, the nature of the deals, they are really good investments."

Most of the company's purchases are in smaller, less frothy markets such as Columbus, Ohio, where 40 of the company's corporate employees are located. Olshan's most recent purchase was a more than 351,000 square-foot retail center in Snellville, Ga.

"I still love the city so much," she said of New York. "It was just a less sophisticated market back then. You had a better chance of finding a good deal."

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