

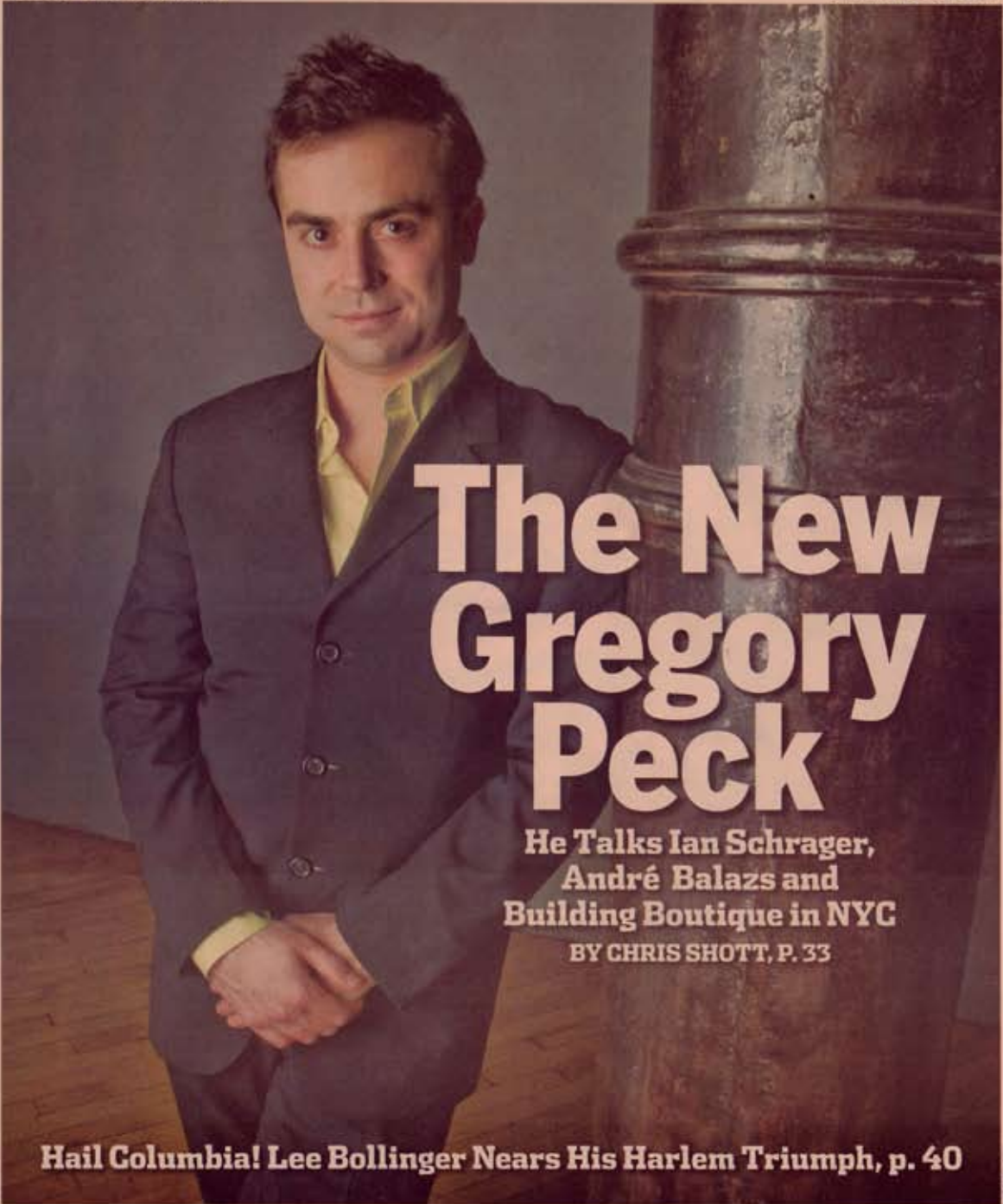
THE NEW YORK OBSERVER
Location



SILVERSTEIN INKS ANOTHER LEASE FOR 7 WTC, P. 38

NEW YORK, THE REAL ESTATE

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The New Gregory Peck

He Talks Ian Schrager, André Balazs and Building Boutique in NYC
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Hail Columbia! Lee Bollinger Nears His Harlem Triumph, p. 40

Gregory Peck in To Build a Boutique Hotel

BY CHRIS SHOTT

Location: So, Gregory Peck, is that your real name?

Mr. Peck: It is indeed my real name. My parents made a horrible assumption, which was that, when I got older, people would not remember or recognize the name.

Any relation to the movie star?
No relation.

Now, you've had the privilege of working for some of the hotel world's heavy hitters. Before starting on your own, you worked with André Balazs.

I did. I worked with André for a couple of years, doing acquisitions, mainly focused on the two properties in Miami, the Raleigh and the Standard Miami.

And you also worked for Morgans Hotel Group?

Actually, at the time, I worked for North Star, which bankrolled them. So I worked with Ian Schrager and with a number of people in the company. At the time, there was a lot of growth. We developed the Hudson Hotel, two hotels in London and one in San Francisco.

Whom do you most style yourself after? Are you more of an Ian guy? Or an André guy?

Prefacing this by saying that they're both extremely talented and successful and I have tremendous respect for both of them, I'm probably more like Ian. I think he's a fantastic businessman. I ultimately view myself as being a businessman. He understands popular culture. He understands what people want. And I've heard him say that he feels lucky that things he personally likes happen to also be the things that mainstream culture likes. That's kind of the way I view my approach, which is ultimately I try to think of things from a business perspective, but it's also what I like and they happen to overlap.

Ian has done a fantastic job of sort of capturing what mass culture is seeking at the time. He's a tremendous genius and I think he's done a great job with the Gramercy Park Hotel. I think what André has done very well is understand certainly Hollywood and downtown New York City. He's absolutely nailed two of the most quintessential hotels in each of those locations.

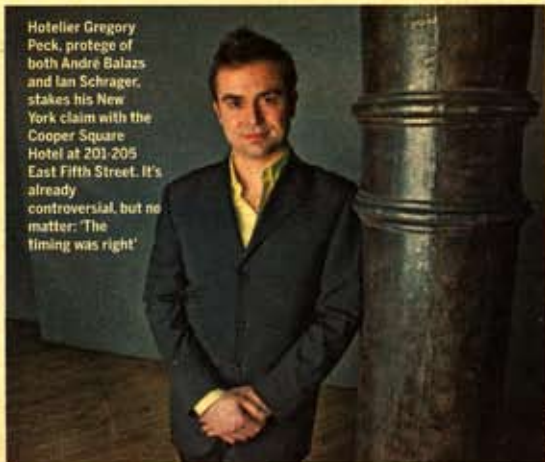
What convinced you to go out on your own?

Well, I had a property that I acquired in California called the Crescent. It just sort of fell into my lap. It was a property that was being sold by an investment bank here in New York in a large portfolio of five properties, or rather six. Five of them were in New York and one was in Los Angeles. I was able to talk them into selling the one in Los Angeles separately. And I was able to convince them that I could [buy] it myself, which at the time was a bit of a stretch. I definitely had to pull in a group of friends and family and we eventually pulled it off.

What convinced you the time was right to come back to New York?

In my business, you're always trying to find the right opportunity in New York City, and it's not an easy

Hotelier Gregory Peck, protégé of both André Balazs and Ian Schrager, stakes his New York claim with the Cooper Square Hotel at 201-205 East Fifth Street. It's already controversial, but no matter: The timing was right.



place to find good opportunities. ... There's a lot more luck, and the stars have to align. When we found the opportunity here in Cooper Square, it made sense, the timing was right. We're very excited about it.

Your partner is Matt Moss.

We've known each other since high school. His primary experience was as a retail developer. He had developed a retail mall in Riverhead, Long Island, which had

'As a general statement, I will say I think people, in New York and other places, resist change.'

been completed and sold. So he was looking for his next opportunity. This was something that we found. It made a lot of sense to us.

What is your overall vision for this place? What kind of statement do you want to make?

Matt and I have sort of agreed that we're going to refrain from talking about it until it's ready.

There have been rumors that you've had a falling-out. Any truth to that?

Peck/Moss is still together and will be together through the opening of Cooper Square.... I generally am very excited about doing hotels in many different cities in this country, just not the big international 24-hour cities. Philadelphia, Boston, Houston, Dallas, Scottsdale—in all these cities, I think, there are tremendous opportunities to do innovative hotels. In particular, I think, mid-priced, well-located, well-designed properties could have an impact and be very successful.

With boutiques like Cooper Square, uniqueness is the aim. But with so many people building in that vein now, is it harder to make something pop, to make it seem unique?

Like a good movie, like a good restaurant, to make a great product requires skills. The talented will

succeed in doing that. I don't think everybody can. I believe guys like Ian and André would have liked to do many, many more hotels, and they could have except that for them to achieve the level of execution that I know they demand requires a lot of their personal time. For guys like me, accessing institutional capital is important. Years ago, it was more difficult to get guys on Wall Street to accept the [boutique] industry.

It's sexier now?

I don't know if 'sexier' is the right word. It's more accepted as a mainstream aspect of the hotel business as opposed to this little rogue sector where a few guys are chasing deals. A challenge has always been convincing people that the food and beverage aspect of what we do is a normal part of it. Certain institutional lenders and investors, they see a lot of projected cash flow coming from food and beverage, they get a little scared away by it.

Just because of the risk involved?

It's perceived as being a different business. From my point of view, it's all one business. They live together, feed off each other.

Obviously, there's been a lot of buzz about this project. In recent weeks, there have been public protests over the hotel's liquor licenses. As I understand it, the hotel will have at least three bars-licenses, a restaurant and a live music component—so you're talking, what, three to five licenses? Again, I don't want to get into specifics about the hotel program.

As a New York guy, does it surprise you how strong the anti-bar-sprawl sentiment is?

As a general statement, I will say I think people, in New York and other places, resist change. My point of view on development, in general, cities should not be museums; they're evolving environments and so they're going to change over time. The buildings will change. Culturally, sometimes the change will be welcome and sometimes it won't be exactly what people want.

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