

MEET THE LANDLORD

VITAL STATS

NAME: Jordan Vogel

AGE: 31

TITLE AND COMPANY:

Co-founder,
Benchmark Real Estate

HOMETOWN: Upper East Side

CURRENTLY LIVING IN:

Upper West
Side

BUILDING BLOCKS

How many buildings does Benchmark own?

We own 17 buildings in total. The smallest building is 10 Fifth Avenue, which has 14 apartments. The largest is 425 Third Avenue. It has 101 apartments and three retail stores.

How did you get into the business?

I studied finance, but when I graduated from college in 2001, I couldn't see sitting in front of a computer all day. I took a job doing property management — I managed about 1,000 apartments in Manhattan. It wasn't glamorous. It was collecting rent, kicking the bricks in the basement and yelling at supers, but it was good experience. Actually, that's one of the reasons I was able to start my own company: You make money in this business by pinching pennies and understanding how to operate these buildings.

What came next?

I got a job working for [CBRE Chairman of Global Brokerage] Steve Siegel. He started a residential acquisition company called SG2 Properties. That's where I met Aaron [Feldman, Benchmark's co-founder.] We shared an office for five years, and knew we worked well together.

How did the recession impact the launch of your business?

The recession was the best thing that could have ever happened to our business. I will always remember it as something that enabled us to start Benchmark. We were buying buildings in super-prime locations at \$300 to \$400 a foot and true 6 [percent] cap rates. In retrospect, I should have bought every property I toured.

How does your relationship with Feldman work?

He's my daytime wife. Aaron is much more conservative than I am. He keeps me in check. Without him, I would overpay on many more properties.

Are you married for real?

I have been married for seven years and have a three-year-old daughter named Hayden.

LANDLORD LIFE

What's your tenant horror story?

We did a buyout and when I arrived at the apartment to give the tenant a check for the keys, I encountered a stench. About 40 years ago, she put down a piece of paper for her dog to go to the bathroom. Instead of picking it up, she laid another piece of paper on top of it. She did that for 40 straight years. We spent about \$15,000 cleaning it. It was an environmental hazard.

Do you encounter a lot of strange tenants?

One rent-stabilized tenant was illegally subletting his apartment and we brought an action against him. The day after he was served, we got a letter from his lawyer saying that the tenant, a 75-year-old man, had married the subtenant, a 25-year-old girl, in court that day. If you're married, your spouse is allowed to keep legal possession of your rent-stabilized apartment. The marriage certificate is dated the day after he was served. It was wild.



THE BOTTOM LINE

What are the biggest challenges of your job?

Finding deals. When we started in 2009, it seemed like we were the only people buying. Now, debt's cheap and there's a lot of money chasing very few deals.

What kind of acquisitions are you looking to make?

We're in the business of buying rent-stabilized buildings. ... We only buy in the most prime locations of Manhattan. Our business plan works best in the highest-rent districts. Unless the rental market for high-end luxury product is above \$70 per square foot in any given sub-market, we're not interested in buying there.

Where does your capital come from?

We syndicate our deals. I am against raising capital from institutional sources. We have a group of about 150 high-net-worth individuals who invest in our deals. We're friends with a lot of them. I used to joke that a third of our equity came from sources we'd see across the table at Thanksgiving dinner. Now, as we've grown, it's friends and friends of friends.

You recently purchased a Gramercy Park rental building from Maurice Mann for \$39 million. Is that more than you normally spend on a building?

We're transitioning now to doing larger deals. We have the ability to raise up to about \$60 million in equity for any given deal. ... Maurice Mann's building was a true value-add play; 93 of the 94 apartments are fair-market. The tenants are paying \$50 a foot. We could get \$70 a foot.

What's in your pipeline for 2013?

We're at the stage of getting contracts on two properties right now. One is a \$20 million project in Chelsea. The other is a \$70 million project in the Village. **By Katherine Clarke**

