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Joseph
Simone
Building Business
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BUILT *from the* Ground Up

JOSEPH SIMONE, PRESIDENT OF SIMONE DEVELOPMENT COMPANIES, FOUNDED THE FULL-SERVICE REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY IN THE 1970S. TODAY, THE PRIVATELY HELD COMPANY OWNS AND MANAGES MORE THAN 100 PROPERTIES TOTALING MORE THAN 5 MILLION SQUARE FEET IN THE TRI-STATE AREA. BUT IN THE BEGINNING, REAL ESTATE WAS SIMONE'S BACKUP PLAN.



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Sterling National Bank understands and responds to our need for fast answers. It is relationship banking, just like it used to be in the old days.”



Joseph Simone

PRESIDENT, SIMONE DEVELOPMENT COMPANIES



Working Capital

Making the most of opportunities in real estate development requires ready money, often on the spur of the moment. As Simone Development Companies have grown and diversified over the years, Provident Bank—now Sterling National Bank—has quickly and capably responded to their needs with acquisition, bridge, transactional, and permanent loans, as well as lines of credit.

“We are a fast-moving development company that requires immediate access to capital,” says Joseph Simone, President of Simone Development Companies. “Working with the Bank gives us direct access to decision makers. We get fast answers from the Bank, which helps us make decisions quickly and efficiently.”

EARLY ON, Simone studied at Boston College to become a dentist. In 1976, unsure if dentistry was truly what he wanted to do with his life, Simone took a year off from school to explore his options and became involved in an automotive recycling business.

“We took cars apart and sold the parts and scrap metal,” Simone says. “I enjoyed it because I got to tinker with cars.”

The business venture quickly flourished, thanks to Simone’s talent for creative thinking and innovation. A number of revolutionary recycling methods were developed with his guidance, including a unique disassembly process, computerized inventory control system, and multi-state delivery program. By the 1990s, Hunts Point Auto Parts had become a nationally recognized leader in the automotive recycling industry and was later acquired by LKQ Corporation, a NASDAQ-listed company.

“I was very intrigued by and involved in that business, and it gave me the means to begin my real estate career,” says Simone. “But to this day, my mother still thinks I’m going back to dental school!”

LAYING THE FOUNDATION

When the auto recycling business began to show a profit, Simone turned his attention to real estate at the urging of his father and grandfather. When a chance to buy a dilapidated warehouse near the Hunts Point Market in the Bronx came up, Simone’s father convinced his son to seize the opportunity.

“We bought the building and fixed it up at night after work,” Simone says. “We used leftover concrete that we got from the concrete plant and employed workers moonlighting from other jobs.”

The newly renovated warehouse’s close proximity to Hunts Point Market made it an attractive location. Soon, a new tenant signed the lease—and began paying rent.

“I’ll never forget receiving that first rent check,” Simone says. “I thought it was the greatest thing I had ever experienced in my life. I knew at that moment it was something I wanted to repeat if I could.”

BRICK BY BRICK

At first, Simone regarded real estate strictly as a way to supplement his income and provide for his family in case an illness or injury prevented him from working. But Simone’s uncanny ability to recognize value and untapped potential in properties that others overlooked soon cemented his real estate success.

“We started purchasing and renovating messed up buildings in industrial areas, and then gradually moved into new property types,” Simone says. “Similar to the automotive recycling business, we repurposed these buildings for a higher and better use.”

Today, Simone Development’s capabilities cover a full spectrum of real estate services, including strategic planning, site selection, design, construction, and management for commercial, industrial, medical, residential, and retail properties. The business concentrates its efforts in the tri-state area, with all of its properties located within a 75-mile radius of New York City.

BREAKING NEW GROUND

A landmark event in Simone’s career came in 2001, when he acquired a derelict property near four major hospitals in the Bronx. Today, the site is home to the Hutchinson Metro Center, a sprawling 42-acre mixed-use development that continues to expand.

“We have created a small city at Hutchinson,” says Simone. “Hutchinson is quite unique.”

The first phase of the development, which is fully leased, includes 750,000 square feet of Class A office space, retail space, and medical facilities, as well as a transportation hub, fitness center, childcare center, and many other amenities. The Hutchinson complex will double in size in 2014, when two projects currently under construction—a 125-room Marriot Residence Inn and a custom-built tower to house Montefiore Medical Center’s new ambulatory surgical and imaging center—are completed.

In recent years, Simone Development has demonstrated an exceptional knack for conceiving and constructing state-of-the-art healthcare facilities, with a special emphasis on outpatient ambulatory facilities for large hospitals and medical groups.

“We’re bringing healthcare to areas where it doesn’t exist right now,” Simone says. “These facilities are not only convenient, but they also give people access to the most advanced medical techniques and technologies.”

JUST THE BEGINNING

In looking back over his career, Simone notes that his diverse early experiences laid the groundwork for his future success.

“In the auto recycling business, you often have to improvise; it is not an exact science,” Simone says. “Neither is the real estate business. Recycling was a great training ground for real estate.”

Like his father—who is also his friend and business partner—Simone has no plans to rest on his laurels any time soon.

“In the real estate business, it takes a long time to amass the knowledge and tools that you need to work effectively,” says Simone. “Fortunately, it’s the type of business you can do for a long time. My dad is 86 and still comes in to the office every day! In my case, I’m just getting started.”

➔ FOR MORE INFORMATION ABOUT THE HISTORY OF SIMONE DEVELOPMENT COMPANIES, ITS CURRENT PROPERTIES, AND UP-COMING PROJECTS, VISIT WWW.SIMDEV.COM.