

NY REAL ESTATE COMMERCIAL | June 9, 2013, 10:06 p.m. ET

Mainetti Family's Building Blocks in Manhattan

Veronica Mainetti Leads Company's U.S. Operation

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Veronica Mainetti moved to the U.S. from Rome in 2004 to study architecture. But the lure of real-estate development proved too strong.

Her family specializes in investing in historic property and, at the time, it was making a push into New York. The family company, Sorgente Group, purchased a 25% stake in the Chrysler Building around that time and it later went on to buy a major stake in the Flatiron building.



Ramsay de Givie for The Wall Street Journal
Sorgente Group's Veronica Mainetti, in Madison Square Park.

Ms. Mainetti, who recalls first seeing the Flatiron building in a photograph when she was eight years old, says getting hands-on experience proved to be more appealing than school. "People ask me why I chose real estate," says Ms. Mainetti, 34-years-old. "I almost feel like it chose me. It was part of my DNA."

Today Ms. Mainetti is in charge of Sorgente's U.S. operation and may one

day go on to run the entire company, which controls \$6 billion worth of real estate world-wide. Sorgente's properties include architectural gems such as Chateau de Mirambeau, a 16th-century Renaissance-style castle in the wine region near Bourdeaux, France, and Via Cordusio, a Milan office building that was originally built in the 1800s.

New York's Three-Sided Skyscraper



Veronica Mainetti, whose family has a major stake in the Flatiron Building, discusses her passion for the New York icon.

Ms. Mainetti's latest moves include expanding the company into California. Earlier this year, Sorgente purchased the Clock Tower, a 12-story historic building in Los Angeles that was designed by architectural firm Walker & Eisen, for \$34.3 million.

In New York, Sorgente is planning to break ground in July on an \$18 million renovation of three five-floor cast iron buildings on White Street in TriBeCa. Two of the buildings will be converted from commercial buildings into condos.

"We have an incredible respect for the past and for tradition," Ms. Mainetti says.

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The bet on historic property also has paid off handsomely. In 2008, Sorgente sold its stake in the Chrysler Building, valued at \$800 million at that time, to the Abu Dhabi government and says it more than doubled its investment.

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Sorgente has increased its ownership of the Flatiron building and today controls a 52% stake, with the rest owned by New York real-estate families. The building is worth \$250 million to \$300 million, up 30% from 2009 thanks in part to the enormous demand for office space in the Midtown South area, according to an estimate from Dan Fasulo at Real Capital Analytics.

"We believed this type of property would hold value regardless of where the economy stands," Ms. Mainetti says.

The family's roots in real estate go back to the 1920s, when Ms. Mainetti's great grandfather Luigi Binda moved to the U.S. and started a company that built frames used in New York's skyscrapers. Mr. Binda's grandson and Ms. Mainetti's father, Valter Mainetti, took the family's real-estate investments to the next level.

Mr. Mainetti developed modern office buildings in Italy and in 1999 formed Sorgente, which started buying chateaus, former palaces and other historic buildings in Italy and France.

Ms. Mainetti is the only one of Valter's children who is active in the business. Her older brother Gabriele is an actor and director of short films in Italy, while her cousin Francesca Legnaioli is in charge of the company's French chateaus. Ms. Mainetti says it's possible that one day she may take over as head of Sorgente. But she points out she's made a life for herself in New York and might not want to move.

"We'll see what happens," says Ms. Mainetti, who lives in SoHo with her partner and 22-month-old son. "I surely wouldn't see myself right now going anywhere. My family is here."

New York real-estate executives have been speculating for years on the future of the Flatiron building. Its only office tenant is Macmillan Publishers, which has roughly 180,000 square feet and a lease that expires in 2018.

One option is to convert it into a hotel, says Jeff Gural, whose family has a 20% stake in the Flatiron building.

"Certainly we think it would be very successful as a hotel," Mr. Gural says. But he adds that the owners would also consider renewing Macmillan's lease "if we could work out the economics."

Ms. Mainetti declined to comment on specifics for future plans. Sorgente has received offers for its interest in the Flatiron building in the last five years but doesn't plan to sell.

"We're more marathon runners than sprinters," Ms. Mainetti says. "We're in for the long run on this one for sure."

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(clicca sul link se vuoi visualizzare la video intervista)