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## Arabs, Europeans taking over NYC skyline?

By Matthew Sweeney

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Now that the keys to the Flatiron Building are held in Italy and the Chrysler Building may soon be owned by investment from Abu Dhabi, New York's iconic skyline seems to be increasingly under the ownership of foreign investors.

"We get the impression that the whole city is being sold off to foreigners," said Daniel Campbell, 45, of Mill Basin, Brooklyn. "The world is becoming a village, but it still becomes a feeling of gosh what happening here?"

Over the past few years, as the dollar has weakened and both oil prices and the euro have risen, overseas investors have bought large swathes of commercial and residential real estate in the city.

- Israeli investment companies last year bought the Lipstick Building at 53rd Street and Third Avenue.

- The ruler of Dubai, Sheik Mohammed bin Rashid al-Maktoum, purchased the Essex House in 2005 and renamed it the Jumeirah Essex House.

- The Plaza Hotel is owned by a combination of Saudi and Israeli investors since 2004.

- Boston Properties teamed up with investment from Qatar and Kuwait last month to buy the GM Building for \$2.8 billion.

And on a much smaller scale, European shoppers have snatched up numerous condos. The purchases have helped spare New York's real estate market some the downturn that affected other cities, some analysts have said.

Foreign buyers tend to come in economic cycles when the dollar is down. But for some reason many New Yorkers - for reasons that they have trouble explaining - are unnerved when a landmark is no longer in local hands.

"There's always going to be people who confuse ownership with identity," said Mitchell Moss, professor of urban policy and planning at New York University. "They don't realize that the building isn't going to be moved."

There was an outcry in the 1980s, when the strong Yen and the whiff of the declining dollar led Japanese investors to a feeding frenzy of Manhattan properties. Rockefeller

Center was the most famous purchase but many of the Japanese investors have since let go of their holdings when their economy slumped.

"For a while there, everything was the British and the Germans, then the Japanese, now the Arabs," said Steven Spinola, president of the Real Estate Board of New York.

In fact, Abu Dhabi Investment Council is negotiating with a German company for a 75 percent ownership of the Chrysler Building.

"There's no reason to react," Spinola said. "This has been happening since the Dutch bought the island from the Indians." Spinola and Moss both said the rush to invest in New York real estate is a positive sign for the city.

"This is a statement of the world's confidence in New York," Moss said.

Standing in the shadow of the Chrysler Building yesterday, Alex Harper, 38, of Prospect Heights, said he saw long view.

"I'm not sure the Arabs will be on top always," Harper said. "It's possible that they would have to turn around and sell it again. There are American buyers out there too."