

QUESTIONS FOR | MARK SCHUSTER

CEO, THE SCHUSTER GROUP

Real estate developer Mark Schuster's new book "Lofty Pursuits: Repairing the World One Building at a Time" tells the back story behind The Schuster Group's star project, Mosler Lofts in Seattle's Belltown. The book is partly a loving tribute to his grandfather, George Mosler, who bankrolled his first business venture; partly an earnest manifesto on the importance of sustainability in families, businesses and buildings; and partly a cliffhanger, as Schuster describes his increasingly desperate struggles with construction delays at the condo project as the December 2007 deadline for repaying his loan drew closer. A pitched effort to close sales in the project's final weeks enabled Schuster to repay his loan on time.

WHAT GOT YOU INTERESTED IN WRITING A BOOK? I'm a huge reader, and when you read a lot, you ultimately start thinking about becoming an author and what you would write about. I also started thinking about what people asked me about my work as a developer... But the catalyst to write this book was Mosler Lofts becoming so nationally recognized (as a sustainable building), which gave me a viable, justifiable reason to write the book because I had a story to tell. I didn't have an agent. I just sent the first three chapters to the owner of a publishing company who does a lot of books in this genre. She and her head editor liked the first three chapters. They asked me where the book was going. I explained the concept and they said to keep it going.

CAN YOU EXPLAIN WHY SUSTAINABILITY IS SO IMPORTANT TO YOU? My father taught us to respect the outdoors and appreciate nature. When I went to start up my own business, however, it wasn't just about the environment, but holistically about building a sustainable business, too. That's when I put the idea together about the three pillars of sustainability — having a family legacy, building a business that would be sustainable through future generations and giving back to your community through charity. There's a Hebrew phrase that describes this — "tikkun olam." It means repairing the world. Essentially the idea, or commandment, is to work in our life to help make the world a better place. What I'm trying to do is to share ideas that get people thinking beyond their day-to-day activities. I coined a phrase, "Bring more meaning to your business and success to your life." It's a paradigm shift... what most people look for in a meaningful life is success. But when you are spending the majority of your time working, this (turn of phrase) points out that you can create a greater good from what you are doing.

YOU CREATED MOSLER LOFTS TO HONOR YOUR GRANDFATHER. WHAT ABOUT HIM INSPIRED YOU? My grandfather showed me you can be a serious person, a successful businessman, you can be tough, but that doesn't mean you can't be warm, sensitive and caring. They are not mu-

tually exclusive personality traits.

WHEN DO YOU THINK THE COMMERCIAL REAL ESTATE SECTOR WILL RECOVER? I don't think this will be a normal cycle. Some real estate markets will take two cycles to recover. The office market, while we are starting to see some recovery, will take a couple of cycles to get back to the rent rates we saw in 2005 to 2007. I don't mean we'll have vacancies of 20 percent over the next five years, but we will need strong demand to bring back rates of \$35 to \$40 a square foot. Housing I also think will take two cycles. Homeownership used to be such a fundamental measure of what it meant to be an American. A lot of what it meant to people was security, but I think that's changing. Some people think ownership is no longer the best option.

HAVING BUILT ONE OF THE MOST ENVIRONMENTALLY FRIENDLY CONDO TOWERS IN SEATTLE, WHAT WOULD YOU CHANGE ABOUT THE PROCESS OF BUILDING GREEN? Sometimes you can get too buried in checklists. At some point you want what you are actually doing to be compatible with the end of what you're doing. For instance, when we looked at solar power for Mosler Lofts, it did not make a lot of economic sense. The returns were so low that it made more sense to put the money toward things that mattered more (such as recycling 75 percent of the material salvaged from demolition of the prior building on the site).

WHY DO SO MANY DEVELOPERS WANT TO BUILD A HIGH RISE? I think it's the ultimate challenge and an opportunity to show your abilities and craftsmanship. It's a very long, complicated process and takes a lot of work. You've got to stick with it and inspire your team to stick with it, and not for months but for years.

WHAT'S IT LIKE LIVING IN A BUILDING YOU DEVELOPED? I've had people tell me you are crazy to live in your own building — I've had other developers tell me that. But if I can't stand behind my product, I'd be in a different business.

—Interview conducted and condensed by
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BUSINESS JOURNAL PHOTO | Dan Schlatter

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