

# [ LEADERS ]

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**Greg H. Smith**  
CEO, XYZ Capital



## XYZ CAPITAL

**Headquarters:** Atlanta, GA

**Employees:** 25,000

**2007 Revenue:** \$56 Billion

**2006 Revenue:** \$53 Billion

**NREI: Will office buildings 50 years from now be self-sustaining?**

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**NREI: Which energy types being developed today will be dominant in commercial real estate 50 years from now?**

**XYZ:** I think you have seen some of that. The banks don't know what to do, so they haven't accepted the keys or done workouts because they will have to reckon them on their balance sheets. That's prevented the market from absorbing this excess inventory and restoring ourselves to normalcy.

**NREI: Will office buildings of the future still be built with bricks and mortar on site, or with modular components built in manufacturing plants?**

**XYZ:** We are picking up a lot of business in Las Vegas, Washington and California. Las Vegas has probably the highest foreclosure rate in the country. Short sales and REO properties are a major factor there. It's taking down values on otherwise good assets. It will require some more time to vet out Florida before we see more business there.

**NREI: What region of the country will see the most growth 50 years from now—and why?**

**XYZ:** We took over a 1,279-unit condo conversion project in Woodland Hills, Los Angeles. We had about 600 units left to sell. We renamed it from the 'Metropolitan' to the 'Met', made it a little more hip, changed the marketing, made all the messages consistent. We also embraced the existing condo owners and worked with them every step of the way. We have been the workout department for small Wall Street lenders, negotiating with borrowers, managing legal issues for them so that they can have an off-balance-sheet workout and real estate owned (REO) department. We actually prepare business plans and execute on a plan 'B' for real estate that has been taken back by financial institutions