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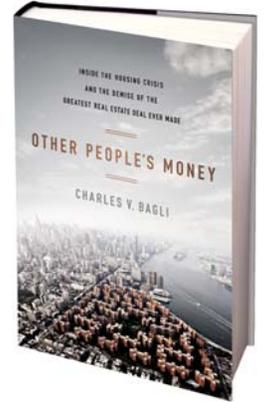
375 Hudson Street, New York, NY 10014

Dear Editor/Producer,

What do author Mary Higgins Clark, *New York Times* columnist David Brooks, political Advisor David Axelrod, actor Paul Reiser, and NPR host Robert Siegel all have in common?

They've all lived in Manhattan's famous 80-acre housing complex, Stuyvesant Town-Peter Cooper Village.

For decades, it was known as a rare and idyllic rent-regulated haven for middle class families in Manhattan. But today, Stuyvesant Town is famous for quite another reason: it's one of the most spectacular real estate failures in history—or as real estate expert Ben Thygin puts it, “the poster child for everything that was wrong with an era that we may never see again.”



*New York Times* reporter Charles Bagli takes readers to the heart of this fascinating and important story with **OTHER PEOPLE'S MONEY: *Inside the Housing Crisis and the Demise of the Greatest Real Estate Deal Ever Made* (April 4, 2013)**. Drawing on years of reporting and enthralling first-person interviews with real estate giants, tenants, politicians, and investors, Bagli explains how Stuyvesant Town-Peter Cooper Village went from a record-shattering \$5.4 billion sale in 2006, to spectacular default in 2010. Real estate giant Tishman Speyer and its partner, BlackRock, lost millions of investors' dollars—but they walked away unscathed.

In an interview, Bagli can discuss:

- How the smartest people in real estate lost billions in one single deal—at almost no cost to themselves
- Why the California public employees' pension fund, the Church of England, and the Singapore government were among those who lost up to hundreds of millions
- Why the Stuyvesant Town deal is a microcosm of the U.S. real estate crisis
- How Stuyvesant Town's original owner, MetLife, made \$3 billion selling the complex, without any repercussions from a historically racist policy of housing segregation
- How 9 middle-class Stuyvesant Town residents won the most unlikely lawsuit in the history of real estate law
- Why the real estate industry still hasn't learned its lesson, even now

**OTHER PEOPLE'S MONEY** is the *Too Big to Fail* of real estate. It's an absolute must-read, and I hope you'll consider the book for feature, review, or author interview.

All best,

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FOR IMMEDIATE RELEASE



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**“New York Times reporter Bagli provides an intriguing display of boom psychology perpetuating itself. His absorbing account... captures the spirit of the frenzied real-estate market of the first few years of the 21st century...ample material for reflection and enjoyment.” –*Publishers Weekly***

**“The account of the failure is bracing from a variety of perspectives, including those of the tenants, the politicians, the investors and various levels of government... Bagli's sourcing is impressive, and readers will welcome his ability to make arcane investment dealings comprehensible.” –*Kirkus Reviews***



## OTHER PEOPLE'S MONEY

**Inside the Housing Crisis and the  
Demise of the Greatest Real Estate  
Deal Ever Made**

CHARLES V. BAGLI

This is a story about greed, excess, the middle class, and what happens when Wall Street meets real estate.

The biggest deal in real estate history occurred in 2006 when Tishman Speyer Properties and BlackRock Realty paid \$5.4 billion for Stuyvesant Town-Peter Cooper Village, a sprawling middle class housing complex on 80 prime acres in New York City. Every single element of the two partners' business plan proved to be dead wrong. Over the course of the next three years, they created turmoil for 25,000 tenants, spent hundreds of millions of dollars, defaulted on their loans and then turned the keys over to their lenders. The sale became a metaphor for an era of easy credit, greed and highly speculative deals that defined the first great real estate bubble of the 21st century.

The *New York Times* reporter who first broke the story of the sale of Stuyvesant Town now takes readers inside the most spectacular failure in real estate history, using this single deal as a lens to see how and why the housing crisis happened. **OTHER PEOPLE'S MONEY: *Inside the Housing***

***Crisis and the Demise of the Greatest Real Estate Deal Ever Made by Charles V. Bagli (Dutton; April 4, 2013)*** is a riveting, fascinating read.

An idyllic middle class enclave with a rich and dark history, Stuyvesant Town-Peter Cooper Village was originally built in the late 1940s with a sizable public investment; most of its 11,232 apartments were subject to rent control so that teachers, firefighters, and other middle class workers could afford to raise families there. Its owner, MetLife, initially did not allow African-Americans to live in the complex, and the fight to desegregate Stuyvesant Town eventually helped lead to the passage of the national Fair Housing Act of 1968. MetLife remained the complex's owner for decades, until the housing market began to reach dizzying new heights in the mid-2000s. MetLife decided to cash out.

By that time, easy credit and the real estate boom had turned a valuable urban resource—housing built with subsidies for the middle class—into a commodity no different than corn futures. Buyers were operating in a Wall Street casino. In **OTHER PEOPLE'S MONEY**, Bagli explains how MetLife negotiated a staggering sale to Tishman Speyer and its partner BlackRock Realty—one that was almost entirely financed by OPM (other people's money). The funds came from banks, pension funds, a foreign government and the Church of England. Tishman Speyer itself only put up a fraction of the money: \$56 million, or less than 1% of the winning \$5.4 billion bid. When they defaulted three years later, both Tishman Speyer and BlackRock walked away practically untouched; in fact Tishman Speyer posted a profit that year. The investors, however, watched millions of their dollars disappear in a poof of smoke.

Bagli takes readers behind the scenes with first-person interviews on all sides, including Tishman Speyer scion Rob Speyer, who competed vigorously to win the Stuyvesant Town sale; MetLife executives, who celebrated the sale by commissioning a 10lb crystal wedge “tombstone” for each of the major players involved; and local politician/Stuyvesant Town resident Dan Garodnick, who helped the tenants navigate the choppy waters of living under a new landlord whose main goal was to encourage tenant turnover so their apartments could be renovated and de-regulated.

**OTHER PEOPLE'S MONEY** illuminates not only the recession we are now experiencing in stark, clear detail, but also provides enthralling accounts of the titanic failure of the captains of the real estate industry to see that recession coming. As one banker observed, “Outside of the real estate area, nobody really understood it. I think we all talked ourselves into believing the [Stuyvesant Town] deal was going to work financially. We drank the Kool-Aid.” But Bagli shows how the deal was fatally flawed from the very beginning, with rent income nowhere near covering the mortgage debt from day one.

A microcosm of what went wrong in the entire country, **OTHER PEOPLE'S MONEY** is *the* definitive book on real estate during the bubble years—and what happened when that enormous bubble exploded.

About the Author:

**Charles V. Bagli** is a *New York Times* reporter who covers the intersection of politics and real estate. He has written about the sale of high-profile buildings, political contributions of the real estate industry, the battle to build a two-billion-dollar stadium for the Jets, bid rigging in the construction industry, payoffs at the tax assessor's office, and a Sutton Place co-op that turned public land into a private park. He has worked for *The New York Observer*, the *Daily Record* of Morristown, New Jersey, *The Tampa Tribune*, and the *Brooklyn Phoenix*. He lives with his wife in New Jersey. They have two daughters.

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## OTHER PEOPLE'S MONEY

### Inside the Housing Crisis and the Demise of the Greatest Real Estate Deal Ever Made

**CHARLES V. BAGLI**

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# OTHER PEOPLE'S MONEY

BY CHARLES V. BAGLI

A list of Equity Investors in the 2006 sale of  
Stuyvesant Town-Peter Cooper Village

CalPERS **\$500 million**

Florida State Board of Administration **\$250 million**

Government of Singapore Investment Corporation **\$189.4 million**

Welcome Trust, England **\$177.2 million**

KB Financial Group, Korea **\$155 million**

Tishman Speyer Properties **\$112.5 million**

BlackRock **\$112.5 million**

CalSTRS **\$94 million**

Church of England **\$75.7 million**

Ontario Municipal Employees Retirement System, Canada **\$75.7 million**

PKA, Denmark **\$75.7 million**

Norinchukin Bank, Japan **\$25 million**

Credit Suisse First Boston **\$15 million**

Tishman family and friends **\$12.9 million**

Daiwa, Japan **\$9.7 million**

Gen Re **\$9.3 million**