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Greater Washington's Real Estate Quarterly

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Who is the *real* Joe Robert?

Go ahead. Try to label him. We dare you.

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Not your average Joe

By Lee Michael Katz

Categorizing Joe Robert is a perpetual exercise in futility. The description changes by the week or day, sometimes even by the hour: College dropout. Jet-setting tycoon. Boxing promoter. Hollywood player. Dad.

When not at his Tysons Corner office — which, frankly, is much of the time — he's traversing the globe in his own jet, meeting with world leaders both famous and infamous. When not policy wonking at global-affairs seminars with Henry Kissinger and Richard Holbrooke, he's partying with Oprah Winfrey and Quincy Jones.

When he's not making money, he's giving it away.

Even Robert himself acknowledges most people don't know what to call him. He's often erroneously referred to as a "local developer."

"The truth is, in my 34 years in the real estate business, I have never developed a piece of property," he says. "Yet it's interesting that people call me a real estate developer. The closest I've come to being a developer is building my [vacation] home in Colorado — and I did a miserable job on that."

His personal office doesn't provide a clear definition either, only more things that define him. Bloomberg terminals flank his computer monitor, positioned to take advantage of the 16th floor view that stretches to the Washington Monument. Framed below a photo of Robert with President Bush is a letter from former Senate Majority Leader Bill Frist praising Robert's efforts on tuition vouchers. "You are an inspiration," Frist penned in thick black ink.

There are foreign policy magazines, books on terrorism and Bob Woodward's latest tome. Also laid out on a table: more Oprah, in biographical and magazine form.

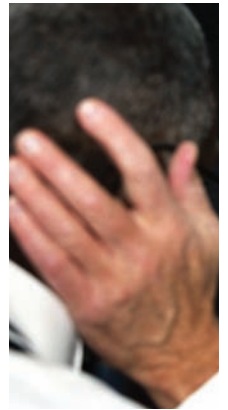
Since taking his company global in the 1990s and reaching multimillionaire status, Robert has leveraged his well-documented real estate success to create a composite identity of the rarest kind, especially in Washington.

He's a true business celebrity.

Friends in high places » Joseph Edward Robert Jr., who turns 55 this year, commands a global real estate empire including a private equity investment management firm and a publicly traded finance company. J.E. Robert Cos. has made \$17.5 billion in investments around the world and owns more than 150,000 apartment units, tens of thousands of hotel rooms and more than 100 million square feet of office space.

While he is open to almost any question about his life, from his family and failed marriages to his difficult relationship with his father, Robert guards details of his per-

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sonal wealth and business dealings. He does not appear on Forbes' list of 400 richest Americans but is certainly one of the region's richest.

"I have never answered the question of how much I am worth in monetary terms and I never will," he says. "I have never given a range, confirmed a guess, etc."

Robert uses his wealth and determination to open doors, bouncing back and forth between business, charitable and social endeavors without any clear demarcation. Even though he has paid a roughly 14-hour visit to Fidel Castro, lunched with former Spanish President Jose Aznar, visited post-war Iraq twice and got caught in a sticky situation with guerillas in the jungles of Colombia, his recent trip for the highly publicized opening of pal Oprah's South African school reduced the normally matter-of-fact Robert to superlatives. "The trip was so incredible it defies description," he enthuses. "Simply overwhelming in every way."

One thing that keeps Robert traveling is access at the top. In a recent Latin America tour, Robert met with the presidents of Argentina, Peru and Chile. "My argument to all of these people, ministers of finance and presidents, is they need to understand, if they don't

already, that capital no longer has a flag," Robert says. "It's loyal only to the highest adjusted risk return it can get when held in the hands of large institutional investors."

He counts both music superstar Quincy Jones, whom he met on a flight to London, and America Online co-founder James Kimsey, who went to the same Washington Catholic high school, as close friends.

Although Kimsey and Robert have shared many experiences en route to self-made wealth and power — neither is a household name outside of the local business and charitable world — Jones is a different matter. A 75-year-old music, Hollywood and Broadway legend, Jones was performing with Ray Charles while Robert was in diapers. Yet they are so close that Jones is godfather to Robert's 6-year-old son. "He's like a brother from a different mother," Jones says in an interview.

When they first met, Jones and Robert talked for two solid hours about their charitable efforts for children. "He's very involved with me on urban education issues," says Jones, who calls Robert one of his closest friends. Robert serves on the board of Jones' Listen Up foundation and Jones returns the favor for Robert's annual Fight for Children. Jones confides that they speak on the phone several times a



Smoke rings

Since starting Fight Night in 1990, Robert has turned the black-tie charity event, with its scantily clad women and cigar haze, into the most politically incorrect in town — and the largest east of the Mississippi. Robert, a former amateur boxer, attended to almost every detail at the November 2006 event, which raised \$2.4 million.

Photos by Matthew Houston

week about their lives. “His relationship has nothing to do with real estate and nothing to do with music,” he observes.

Robert even rapped some musical rhymes with Oprah at a star-studded birthday party they jointly threw for Jones. A picture in his office captures the curious scene, Oprah’s voluminous hair contrasting with Robert’s neatly trimmed locks.

“With all of that sophistication, there’s a little ghetto in him, too,” Jones says of Robert. “He’s lived a 360-degree life and that’s what I’ve tried to do all my life, too.”

Jones volunteers that they often travel together, from a business trip to Bahrain or a private garden dinner with Prince Albert of Monaco. They’ve gone to Iraq to help establish a telemedicine project with Children’s Hospital in Washington and to Jordan to meet King Abdullah and glamorous Queen Rania. “We travel like maniacs,” Jones says of his journeys with Robert. “The Middle East, anywhere in the world.”

Visit to Fallujah » For a man who didn’t even leave the country until he was 30, Robert now spends half his time traveling, logging

225,000 miles a year. It was travel, he says, that likely hastened the end of his two marriages. “Neither of my wives left me because they didn’t like me,” Robert says, adding that he remains good friends with both.

When in Washington, he often works out of his McLean mansion so he can spend time with his youngest son, 6-year-old Luke. Robert has joint custody of Luke with his second wife, a Swedish former model. Dad and son sing songs together in the car on the way to school, a sharp contrast to the situation Robert endured when his oldest son went to war in Iraq.

“It was for me the most difficult year of my life,” Robert says. Joe Robert III, now a 26-year-old ex-Marine, spent much of 2005 in Iraq. He was discharged from the service in November.

Robert met up with his son in Fallujah. “Saying goodbye to him in the pitch-black darkness of the night and walking to the waiting Black Hawk not knowing if ... I have never felt more emotion than at that moment,” he recalls. “Everything coming and going from Fallujah at night is done with no lights whatsoever. I wasn’t 10 feet away from Joe before I could no longer see him. No last op-

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portunity for a small wave goodbye.”

Robert dug into his pockets in 2005 to produce a “Rockin’ æ Corps Concert” for Marines at Camp Pendleton, Calif., in 2005. Quincy Jones helped produce, Ted Nugent sang “æ Star-Spangled Banner” and Hootie and the Blowfish, Kiss and Destiny’s Child performed.

His pride extended to Fight Night, his signature charity event, in November, when Robert made a winning \$100,000 bid on an American flag that came from Iraq.

Boxer rebellion » Fight Night is possibly the most politically incorrect major black-tie fundraiser in Washington. Scantily clad ring girls introduce the rounds, gals from Hooters hawk raffle tickets at \$100 a pop and modeling agency hostesses attend to each table for the overwhelmingly male audience. Hefty steak dinners are washed down with top shelf cocktails under a thick haze of cigar smoke. Even Quincy Jones, used to Hollywood standards, calls Fight Night “as unorthodox as it can be.”

At November’s event at the Washington Hilton, former heavyweight champ Joe Frazier autographed boxing trunks while race car legend Mario Andretti circled the VIP reception room. Sports memorabilia in a silent auction included an autographed baseball from Babe Ruth and the 1929 Yankees.

In a town where a job is often defined as a pointed sound bite, the Washington Hilton ballroom has an actual boxing card, though the fighters are a long way from Smokin’ Joe Frazier. Robert, who was a good enough amateur boxer to win a 178-pound weight class Southeast regional championship, founded Fight Night in 1990 to save the Alexandria Boxing Club and chose Children’s Hospital as his charitably correct front. The first event lost \$70,000. Against the advice of friends, Robert persevered and the fundraiser is now the cornerstone of his Fight for Children charity.

It’s also wildly popular, claiming the largest attendance of any annual black-tie fundraising event east of the Mississippi. November’s Fight Night set a record, raising more than \$2.4 million, with about 2,000 guests and musical entertainment by æ Temptations.

Besides its proximity to the ring, one difference between Robert’s table and others at the event is a giant tin of caviar, ringed by accompaniments. Expensive champagne also flows at his table.

But Robert doesn’t really get to enjoy the atmosphere. His staff runs almost every detail by him; he personally inspects the setup the afternoon of the event. He is so involved



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James Kim

Joe Robert's Tysons Corner high-rise is a long way from the depths of his youth, when he woke up in the back seat of a car at 2 a.m. while living in a friend's basement. "I got up the next morning from my rotted mattress, hopped on my motorcycle with \$10 or \$20 to my name and left the basement life," he says.

in Fight Night that he often doesn't have time to eat.

With a boxer's lightness and wiry frame just 17 pounds over his championship weight some 30 years ago, he glides through the Fight Night crowds, dispensing pats on the back and shared male confidences. But he is also checking details. Just before the Hilton ballroom doors open, the tuxedoed Robert takes out his reading glasses and huddles with an assistant over a list of last-minute details.

His relationship with Children's Hospital grew stronger seven years ago when his now-strapping ex-Marine son, then a teenager, needed extensive chest reconstruction surgery to correct a birth abnormality. His father slept by his bedside and saw plenty of things at the hospital that needed improvement, starting with the recovery room. He kept a log of his complaints and later sat down with a team from the hospital. "I said, 'OK, how do we fix this?'"

For Kurt Newman, the surgery department head who had operated on Robert's son, it was an opportunity to upgrade an aging physical plant. Newman concedes that Robert had far greater entrée than the average parent into top hospital echelons.

"The thing that I really appreciate was that he didn't come to me in the heat of the fray [and say], 'Damn it, there's a problem here,'" Newman recalls. "After everything was over, we could just sit together and talk about the experience."

Robert says he "was hell-bent on a mission" to improve the hospital. With Robert pledging \$25 million and co-chairing a campaign to raise more than \$300 million, the money materialized. The Joseph E. Robert Jr. Center for Surgical Care now does 40 to 50 operations a day on children.

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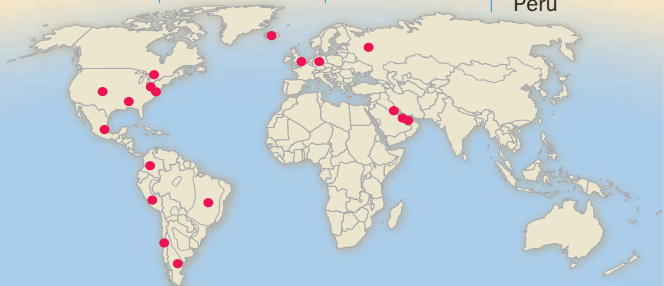
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Around the world in 60 days

A 60-day snapshot of Joe Robert's itinerary at the end of 2006. He visited 17 countries and traveled 74,193 air miles.

TRIP 1 Argentina Brazil Colombia	TRIP 2 Iceland Moscow London Germany Abu Dhabi	Dubai Bahrain Kuwait Montreal New York	TRIP 3 New York Denver
TRIP 4 Boston	TRIP 5 New York	TRIP 6 Mexico City	TRIP 7 New York
TRIP 8 Argentina Brazil Colombia	TRIP 9 New York	TRIP 10 Argentina	TRIP 11 Little Rock, Ark. Chile Peru



CAN I INTEREST YOU IN AN ENCYCLOPEDIA? » Growing up in Silver Spring, Robert says his family at one point had “in a two-bedroom apartment ... that would fit in my living room” today.

Despite his inauspicious start, Robert told his baby sister, Cindy Robert Clark, that he would be a success. She says he wrote her a check for a million dollars and told her one day she’d be able to cash it. Today she notes that cashing it would barely cause a ripple in her brother’s bank account.

At St. John’s College High School, he was embarrassed when he was not called up to receive his report card because his tuition wasn’t paid. Robert says he was acquainted with the military school’s commandant in charge of discipline “and not in a good way.” He was also a “discipline problem” at Mount St. Mary’s University, getting into

trouble. “They politely asked me not to come back,” he says. Robert hid the news from his father, burning the college dismissal letter in the trash to replace it. When his father finally found out, he threw his son out of the house.

Robert landed in Ocean City, Md., and was “essentially homeless for a month,” living in the pump room of a pool where his friend was a lifeguard. After working as a gofer for a local real estate firm, Robert upgraded his digs to a trailer park.

Bouncing between jobs and Washington and Ocean City, he sold encyclopedias, but lost his first sale when the buyer failed the credit check. One night he faced his dead-end lifestyle after waking up in the back seat of a car at 2 a.m. following an evening of partying. He was living in a friend’s basement. “I got up the next morning from my rotted mattress, hopped on my motorcycle with \$10 or \$20 to my name and led the basement life,” he noted in a speech to well-heeled donors.

Robert worked for UPS during the day and sold condos on the side

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before joining forces with his dad in 1974 to start a condo sales business. Joe Robert took over the reins of Robert Realty Exchange two years later, but his father fired him in a bitter 1981 dispute over the direction of the company.

Joe Robert would not see his father again for a dozen years. Finally, he says, after sending flowers and notes to no effect and “moving on with my life,” he tried personal reconciliation. Robert pulled up to his father’s home “with a shoe box full of my son’s photographs” and rang the doorbell. His father let him in.

On the Global Express » When Robert and his early partner, Bill Wolfe, now president of First Washington Realty, discovered an alluring investment in a Florida condominium development, they had very little to lose. Their first large-scale real estate investment was based on millions of borrowed dollars. “We were worried about how to pay for the plane flights back and forth to Florida. We didn’t have a nickel to our name really,” Wolfe recalls. “Signing our name to an \$11 million loan wasn’t really an issue because there was no way we could pay it back. We didn’t have \$11,000.”

Robert officially founded JER Cos. in 1981, and high interest rates and recession in the early 1980s actually helped pave the company’s path to success. He started doing real estate loan workouts and later worked with the Resolution Trust Corp. in taking over failed savings and loans.

Robert says he “sold everything” personally after a pivotal 1986 tax act, which insulated him from the 1987 stock market crash. He boasts that “no investor lost money” with JER during the ’80s. “We bought almost nothing between 1987 and 1991,” he recalls.

Yet he was poised for the future. Forced to acquire new skills

in dealing with mortgage-backed portfolios in managing an S&L, Robert says the experience left his company with the “best national platform to capitalize” on business opportunities. His work on failing S&Ls brought him in touch with Wall Street institutions: Goldman Sachs sent experts who spent several days “teaching me the arcane language of the derivatives market. So, I learned a new vocabulary.”

Joe Robert’s language lesson and exposure to the Wall Street giant would ultimately pay off dramatically in the McLean company’s growth, allowing Robert time to focus on his extracurricular activities.

Friends like Wolfe and others say he hasn’t changed in 30 years — only the deals have gotten bigger. He’s just a regular guy who made it big, a point punctuated by two items in his office: the bust of his Horatio Alger award for people who have succeeded in the face of adversity and three model airplanes. Two represent planes he used to own; both are dwarfed by one depicting his current wings, a Global Express XRS. Joe Robert’s ultraluxury corporate jet sells in the \$40 million range and reportedly has been sold to Oprah, Steven Spielberg and Bill Gates.

Yet Robert has translated his business success into far more than fancy wings. He legacy will likely be benefactor, not businessman.

“He’s probably as well-known for his philanthropic works as for the business,” Wolfe says

Even D.C.’s new mayor, Adrian Fenty, says he never talked to Robert about business. “I’ve only talked to him about improving the lives of children and their education,” Fenty said at Fight Night, just days before he was elected. “Joe Robert and the region owe him a lot for his tremendous work on the behalf of kids and schools.”

Now that’s an identity. ■

Lee Michael Katz is a freelance writer based in Falls Church.

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