

# ***REAL ESTATE WEEKLY***

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## Ascend wins bidding for East Side site; plans luxury condo

Ascend Group LLC won a heated auction for a prime Upper East Side development site recently and closed on the sale last week.

The company has just acquired a 6,300 s/f parcel for \$42.25 million, located at 305 East 85th Street, aka 1644-46 Second Avenue, occupied by three five-story walk-up apartment buildings that are currently going under demolition.

A 105,000 s/f, 21-story full-service luxury residential condominium will be erected on the site with a retail store fronting 50 feet on Second Avenue. The residential entrance will be on the tree-lined side street at 305 East 85th Street.

Eastern Consolidated's senior director and principal, Alan P. Miller, exclusively represented the seller, a joint venture comprised of The Lincoln Property Company, a Dallas, Texas-based international developer, and Equity Residential, the largest apartment owner in the nation. Miller also procured the buyer,

Ascend Group LLC, a New York City development firm led by Robert Kaliner.

"This opportunity drew a lot of attention because the site was delivered vacant and nearly entitled, had a 421-a Tax Certificate benefit as well as Inclusionary Bonus Air Rights in place at the time of sale" said Miller.

"In addition, when the owners, including Martin Piazzola, an EVP and partner at Lincoln Property Co., decided to bring this exciting opportunity to the market, it was the only available Upper East Side development site on the block.

"Mr. Piazzola had purchased the buildings several years ago with many residential and several commercial tenants in the property with a plan to vacate the entire premises for development.

"He was successful in negotiating numerous buyouts and had it primed and readied for a luxury project to be constructed. However, with a dearth

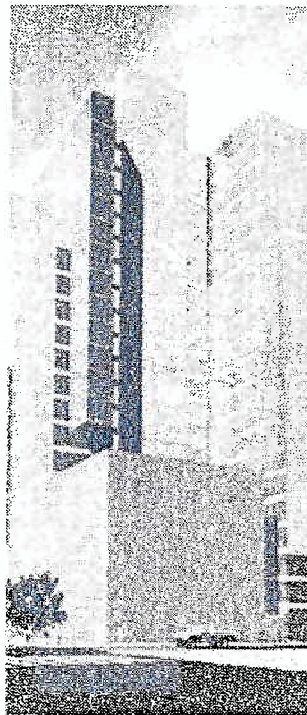
of good sites available in Manhattan's constrained market with very high barriers to entry, he and his partners decided to take advantage of an unprecedented seller's market and hired Eastern Consolidated to test the waters. It was excellent timing which resulted in a heated bidding war that produced benchmark pricing in excess of \$400 psf buildable for this type of site."

According to Miller, "The competition was fierce and the bid deadline we established needed to go to a second round as several groups were vying for this Upper East Side corner at a level we hoped to achieve for the sellers.

"All of the final suitors were quite capable as Eastern Consolidated had previously done business with them, but Ascend Group LLC really pushed hard and diligently in getting a contract executed in a timely fashion and emerged the winner."

Ronald D. Sernau of the law offices of Proskauer Rose LLP, represented the sellers, while Wayne Heicklen, Esq. of Pryor Cashman LLP acted on behalf of Ascend Group and is also an investor in the deal

Ascend Group LLC is currently developing two luxury residential condo projects, The A Building in the East Village, which is almost sold out, and another in the red hot Chelsea District, at 133 West 22nd Street.



The buyer plans to build luxury condo.