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REAL ESTATE TRENDS

New York Law Journal

IN AN INDUSTRY where the same property can be sold several times in just a few years for the sake of quick profits, the late Sarah Korein certainly stood out.

Ms. Korein, the owner of several prestigious Manhattan properties and well-known for resisting any temptation to sell, for years rebuffed proposals to sell 295 Madison Avenue. It was recently purchased from her heirs by the Moinian Group for \$180 million.

Samuel Ross, a partner at **Olsham Grundman Frome Rosenzweig & Wolosky**, who represented the Korein family in the transaction, said Ms. Korein, who died in 1998 at the age of 93, was a tough negotiator whose strategies were ultimately successful.

"She was not a seller, she was a long-term holder. She bought properties that she thought were prime properties," Mr. Ross said. "She didn't feel like making a quick profit. She bought the futures and it obviously paid off."

Ms. Korein had owned 295 Madison at least since the 1980s. Eastern Consolidated's Brian Ezratty was a broker when he began courting Ms. Korein to sell the property more than 12 years ago. Now the company's vice-chairman and broker for both sides in the transaction, he said the building is in need of renovations, and that was a factor for the family to sell.

"It was either spend \$20 million or take it to market. Just before we went to market we were able to get Moinian," Mr. Ezratty said. "We got the contract signed at a 3 percent return and closed a day before the credit crunch happened."



According to a press release, the Moinian Group has plans for a multi-million dollar capital improvement program including an updated lobby entrance, new windows, elevator cabs, storefronts, and common areas as well as updated mechanical systems.

Located on Madison Avenue at 41st Street, major tenants at the 300,555-square-foot, 46-floor tower built in 1929 include Katonah Capital, Links of London, and Olympic Capital.

Ms. Korein's family inherited many additional Manhattan properties, including the ground under One Penn Plaza, Lever House, the Swiss Center, 120 Broadway, 111 Broadway, 111 Wall Street, 430 Park Avenue, the Delmonico Hotel at 502 Park Avenue and the residential buildings at 220 and 240 Central Park South. None has been sold.

In late July, the Moinian Group purchased the building at 417 Fifth Avenue from Murray Hill Properties for \$250 million or \$640 per square foot. (See NYLJ, Aug. 1.)

Andrew W. Alstein, a partner, and associates **Elizabeth Smith** and **Doran Golubtchik** of Goldberg Weprin & Ustin represented the Moinian Group.

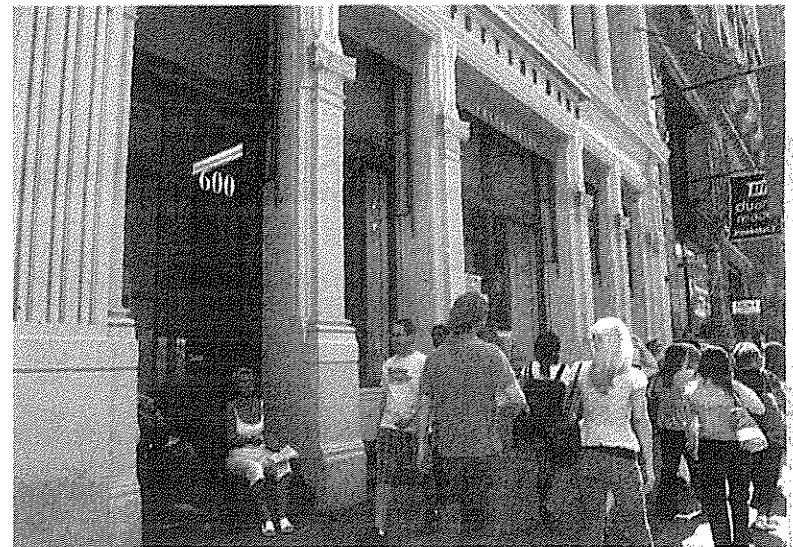
In addition to Mr. Ross, Olsham Grundman partner **Warren Gleischer** and associates **David J. Weisz** and **Nahum Palefski** represented the Korein family.



THE POTTERY BARN will close at 600 Broadway in SoHo by year's end and a window of opportunity will open in the same spot for Abercrombie & Fitch Co., which signed a 20-year lease for a new approximately 40,000-square-foot store starting in 2008.

Located between Houston and Prince streets, the clothing retailer's second Manhattan store will

MARKETPLACE



600 Broadway

NYLJ PHOTO/RICK KOPSTEIN

be operated by Hollister Company, a company affiliate, and will be the building's only retail tenant. Asking rent for ground-floor space on Broadway is about \$282 per square foot, and can go upward to \$400 according to sources familiar with the area.

The six-story, 65,000-square-foot Broadway building is in a high-status area, said **Bradley Kaufman**, a partner at **Pryor Cashman**, who represented the landlord, 600 Broadway Partners, LLC.

"That is the hottest area for retailing. There is nothing hotter than SoHo right now," Mr. Kaufman said. "Every retailer wants to be in SoHo regardless of price point or intended market."

In addition to Mr. Kaufman, **Andrea R. Gendel**, of counsel at **Pryor Cashman**, represented the landlord.

John Shubitowski handled the deal in-house for Abercrombie & Fitch.

In 2005, Abercrombie & Fitch Co. opened a 36,000-square-foot flagship store at 720 Fifth Avenue and 56th Street that reportedly generates \$55 million in annual sales.

"In New York, a lot of [retailers] are opening two stores," said **Alex Adjmi**, one of the principals of 600 Broadway. "It's more than a trend right now. It's a standard."

Laura Pomerantz, a principal of **PBS Real Estate** served as the broker for Abercrombie.