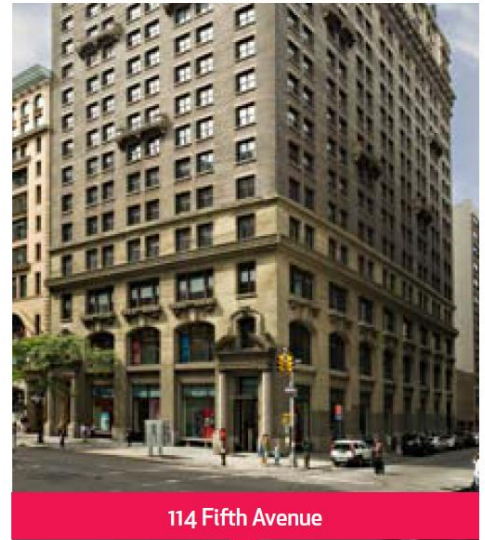


MORTGAGE OBSERVER

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L&L Acquires Leasehold Interest at 114 Fifth Avenue

In a highly complex real estate transaction that took over a year to complete and required the modification of an existing loan, a joint venture between **L&L Holding Company** and private equity firm **Lubert-Adler** has acquired a 99-year leasehold interest in 114 Fifth Avenue, a century-old 18-story office tower at the southwest corner of 17th Street, for \$165 million.



The approximately 340,000-square-foot Midtown South building is held by an anonymous family owner, which was provided a \$98.8 million loan by **American General Life Insurance Company**. “The loan was modified to allow [us] to acquire the leases,” L&L Senior Managing Director **Yong Cho** confirmed to *Mortgage Observer Weekly*. He declined to provide further information, stating that L&L is not the borrower in this transaction.

Mr. Cho added that L&L plans to upgrade and reposition 114 Fifth Avenue, as it has previously done with redevelopments at **200** and **150 Fifth Avenue**. Work will include all new infrastructure systems, a new lobby, elevators and a host of green spaces, including a landscaped roof that will serve as an elite tenant amenity.

“We’re delighted we were able to acquire this distinctive office building and continue to build our portfolio along the resurgent lower Fifth Avenue corridor,” said L&L Managing Director Simon Wasserberger.

L&L Chairman and CEO David Levinson said that the company will carry out a “200 Fifth Avenue-style” renovation at 114 Fifth Avenue while bringing to market 330,000 square feet of prime vacant office space.

The building’s ground-floor retail space is occupied by longtime tenants Banana Republic and Bank of America.