

REAL ESTATE WEEKLY

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Beacon buys \$280M slice of 195 Broadway

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Beacon Capital Partners has closed on \$280 million deal for a stake in 195 Broadway, according to city records.

The transaction is part of a recapitalization of the property by New York-based L&L Holding Co., and GE Pension Trust which purchased the 29-story tower from Kalikow & Co. in 2005 for \$265.7 million.

The one-time headquarters of the American Telephone and Telegraph and Western Union, the building occupies an entire block on one side of Broadway.

L&L, which is run by developers

David Levinson and Rob Lapidus, began searching for an investment partner earlier this year. The company had reportedly been preparing to add 30,000 s/f of retail space to the lobby, which is known for its oversized marble columns. The retail space is presently occupied by Starbucks.

The Landmarks Preservation Commission has approved dividing the lobby of the building into three separate retail spaces.

According to CoStar.com, the property is 88 percent leased and commands rents of about \$44 psf. The building's major office space is occupied by Thomson Reuters, Omnicom, Media Planning Group, The Knot and the Hilton Millennium.

According to the building's Web site, a total of 178,552 square feet of the one million s/f building is vacant.