

Columbia Property Trust buying stake in 114 Fifth

In new JV, Allianz taking interest in 2 California office buildings worth \$1B

By [Mark Maurer](#) | July 06, 2017 04:15PM



From left: 114 Fifth Avenue, Columbia Property Trust's Nelson Mills and Allianz's Christoph Donner

Columbia Property Trust is set to close Thursday on the purchase of a 49 percent stake in the leasehold for Allianz SE and L&L Holding Company's 114 Fifth Avenue, sources told *The Real Deal*.

The recapitalization values the 18-story, 352,000-square-foot Flatiron District office building, located at the corner of West 17th Street, at \$220 million, sources said.

Less than two years after Allianz took a 95-percent stake in the leasehold for [\\$209 million](#), the German insurer is selling a 49-percent stake to Columbia, an Atlanta-based real estate investment trust. L&L will continue to operate the building and retain a small interest, sources said.

The deal is part of a newly formed partnership between Columbia and Allianz for investing in Class-A office assets in the U.S. As part of the joint venture, Allianz is acquiring a stake of undisclosed size in two of Columbia's Northern California office properties – 333 Market Street in San Francisco and University Circle at 1900 University Avenue in Palo Alto, sources said. Those recapitalizations collectively value the two properties at north of \$1 billion, sources added.

The San Francisco building spans 657,000 square feet and is anchored by Wells Fargo. The Palo Alto property spans 451,000 square feet and is home to law firm DLA Piper and Amazon Web Services.

Tenants at 114 Fifth include Capital One, Mastercard, and Univision, which took a 60,000-square-foot lease over from Gawker Media. Asking rents are in the \$70s and \$80s per square foot.

Allianz had bought its stake in 2015 from the private equity firm Lubert-Adler and L&L, which collectively paid \$165 million for the then-distressed property in 2013.

Cushman & Wakefield's Doug Harmon and Adam Spies represented Allianz in the 114 Fifth deal, and HFF's Graham Stephens represented Columbia in the California deals. Christoph Donner and Gary Phillips led the deals at Allianz, and Nelson Mills and Adam Popper led the deals at Columbia.

A Columbia spokesperson declined to comment, and Allianz and the brokers could not be immediately reached.



beneath 149 Madison Avenue in NoMad [for nearly \\$88 million.](#)

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