

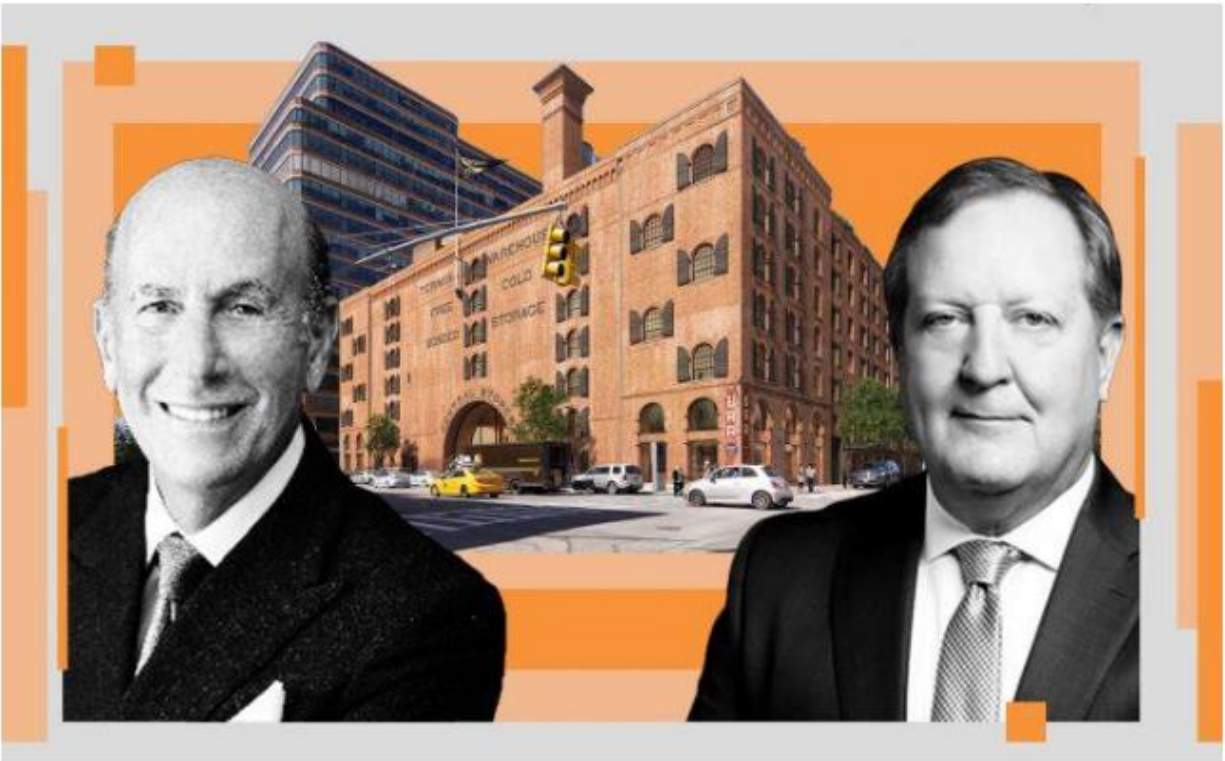
# THE REAL DEAL

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## L&L, Columbia Property Trust land \$1.3B loan for Chelsea office project

*Blackstone, Goldman, KKR lead largest construction loan of 2021 for the \$1.3M-sq ft property*



*L&L Holding's David Levinson and Columbia Property Trust's Nelson Mills with a rendering of 261 11th Avenue (L&L, Columbia Property Trust, Terminal Warehouse)*

L&L Holding Company and Columbia Property Trust secured the largest construction loan of the year (thus far) for their Terminal Warehouse project in West Chelsea.

The developer and REIT closed on a \$1.25 billion loan for the 1.3 million-square-foot property on 11th Avenue between West 27th and 28th Streets, Commercial Observer reported.

Blackstone, Goldman Sachs and KKR are leading the financing, along with Oaktree Capital Management and Paramount Group at the mezzanine level.

The project calls for the 19th century warehouse to be modernized primarily for use by office and retail tenants.

About 500,000 square feet of self-storage space will be converted into Class A office space. There will also be a new courtyard at the center of the property and outdoor terraces for a penthouse; many original architectural features will remain.

This is not the first time Blackstone has been involved in financing for the redevelopment. Blackstone Mortgage Trust financed the \$650 million acquisition loan for L&L and Normandy Real Estate's \$880 million purchase of the site in 2018.

Columbia acquired Normandy for \$100 million a year later.

At the time, L&L and Normandy were projecting a \$1.8 billion exit from the project by 2022.