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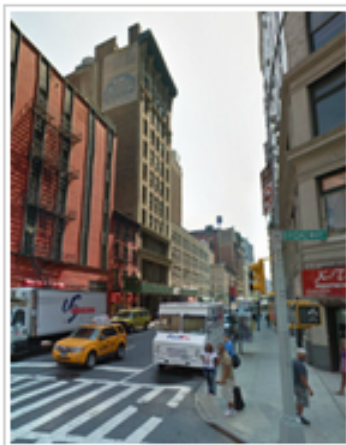
Kaufman spending millions bringing midtown portfolio back into play

By REW Staff

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The Kaufman Organization and Principal Real Estate Investors announced the joint venture acquisition of four former Ring buildings in the NoMad and Flatiron districts from Extell Development Company.



13-15 West 27th Street

The properties, which total 341,441 s/f, are located at 13-15 West 27th Street, 45 West 27th Street, 19 West 24th Street and 119-125 West 24th Street. Fred Leffel, Grant Greenspan, and Michael Kazmierski of the Kaufman Organization and Kyle Elfers of Principal Real Estate Investors led the efforts in securing a 99-Year net lease for the properties; all of which are slated for extensive capital improvements.

Investment sales “matchmaker”, David E. Ash of Prince Realty Advisors represented Kaufman and Principal. Thomas D. Kearns of Olshan Frome and Wolosky served as their counsel.

“These buildings represent one of the largest blocks of vacant space in what is perhaps the tightest office submarket market in the US,” said Fred Leffel. “The turnaround opportunity they represent perfectly complements our core competencies as a pro-active, value-add owner-operator of older Manhattan office stock.”

Kaufman’s marketing team, led by Jessica Kosaric, will rebrand the properties by launching an interactive website for the portfolio in conjunction with advertising and social media campaigns. Capitalizing on the success of previous marketing campaigns for past acquisitions such as 100-104 Fifth Avenue and 27 West 24th Street, the team will utilize similar innovative techniques to market the buildings to specific high growth office tenants including tech, media and marketing firms.

The joint venture's business plan is to renovate and rebrand the buildings over the next two years. The estimated investment is approximately \$100-per-square-foot on tenant renovations and a capital improvement program that includes renovating the lobbies and retail frontage with a signature look, installing state-of-the-art elevators and upgrading boilers, adding new plumbing, and secure telecommunications risers that will ultimately turn these properties into a mecca for tech and creative tenants.



GRANT GREENSPAN

“The Kaufman Organization has a proven track record of repositioning and renovating properties to make them attractive to HGI (High-growth industries) tenants. We are putting approximately 340,000 square feet of office space back into one of the tightest office markets of Midtown South,” said Grant Greenspan. “We look forward to combining Kaufman’s extensive market knowledge, with that of Principal Real Estate Investors in order to convert these buildings into vibrant 100-percent occupied structures.”