



Siegel and Bren of Metropole Realty Advisors secures \$150 million fixed-rate financing; senior financing arranged by Smith of Ladder Capital Finance

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Metropole Realty Advisors has secured a new \$150 million fixed-rate loan for 681 Fifth Ave., a boutique office building. The refinancing is the latest in a string of recent successes at the building, including the first three full-floor office leases completed following extensive renovations in 2010.

The senior financing was provided by Ladder Capital Finance LLC. The capital will be used to pay off any outstanding debt and to fund additional pre-built floors in the 17-story tower, which is being marketed for lease by a Cushman & Wakefield brokerage team including Bruce Mosler, chairman of global brokerage, and Arthur Mirante, president of global business development.

Peter Smith, managing director of Ladder Capital worked together with Robert Siegel and KT Bren of Metropole Realty to complete this transaction. They had previously worked together in 2004 when Smith's firm provided the debt for Metropole's acquisition of a retail property on Rodeo Dr., which an affiliate of Metropole continues to own.

Malkin Strategic Capital provided a \$25 million mezzanine loan.

"We jumped at the opportunity because of the fantastic quality of the real estate and a very attractive position relative to asset value," said George Perry, senior vice president and director of investments for Malkin Properties.

"This is a strong, stable asset in a spectacular location," said Siegel, CEO of Metropole. "This building is representative of the kind of real estate we target-triple-A location, the highest quality infrastructure and impeccable design. We are thrilled to have worked with Peter again and Ladder Capital and Malkin Properties to lock-in long-term fixed rate financing that facilitates expansion of our successful pre-built program and continue to unlock value from this distinctive property."

Since the completion of extensive renovations in 2010, 681 Fifth Ave. has completed two full-floor leases with leading global financial services companies. In 2010, Vision Capital Americas LLC, the U.S. arm of London-based investment company Vision Capital, leased the entire 14th floor, and Global Thematic Partners, an independent investment management boutique launched in 2010 by Deutsche Asset Management, signed a lease for the entire 12th floor. In addition, Metropole leased and occupies a full floor.

According to Mosler, the pre-built units at 681 Fifth Ave. "are designed for the most discerning tenants, with no expense spared in the creation of a world-class environment."

Mosler said, "We are looking forward to the opportunity to bring these pre-builts to the market as they set the bar for quality, prestige and location and we think tenants will respond extremely favorably, as Vision Capital and Global Thematic Partners already have."

In addition to Mosler and Mirante, the Cushman & Wakefield agency team consists of Cynthia Foster, Mark Mandell, David Rosenbloom and Ethan Silverstein.

Located between 53rd and 54th Sts., 681 Fifth Ave. is a boutique office building on Fifth Ave. in the Plaza District. Notably, it was the original home of the Metropolitan Museum of Art and is located half a block from the Museum of Modern Art (MOMA). Designed by renowned architects McKim, Meade & White, the building has high 14-foot ceilings and windows more than eight-feet high (and some 15 feet wide) with views of Fifth Ave. and Central Park.

Metropole recently completed an extensive \$20 million interior and exterior office renovation, aiming to preserve and accentuate its historic pedigree and distinguishing features while integrating the most modern of design elements, including glass partitions, energy efficient windows, imported high-end finishes and fixtures. The building also offers concierge and white-glove service. "We undertook this renovation when the market was at its weakest point in 2009, with the belief that true quality will prevail even in a weak market cycle. With only 62,000 s/f available we commenced the work with the belief that there are discerning tenants that will always value quality."

Originally built in 1912, the building has been completely upgraded with an entirely new infrastructure and building systems, including modernized with a new facade, new lobby and elevators, new operable windows, new bathrooms on each floor and new mechanicals, including a new heating and ventilation system, as well as electrical, telecommunications and security systems. The architect for the base building renovation was SLCE Architects, which has designed exclusive and prominent properties including 15 Central Park West and the Bloomberg Tower. MKDA has designed the pre-built units that have been completed by Metropole.

The renovated office space, which totals 62,000 s/f, features oversized windows on three sides of the building with expansive natural light. The top three floors of the 18-story building have windows on all four sides with direct Central Park views. The signature feature of the property is a two-level penthouse, connected by a private staircase, which offers a 30-foot atrium and a large terrace overlooking Central Park and a 600 square foot garden. That space remains available exclusively for a single tenant, as do naming rights for the building.

Metropole Realty Advisors, Inc. specializes in luxury retail real estate acquisitions, development, brokerage and construction in premier markets throughout the United States, including New York, Chicago, Los Angeles, Boston, Florida, Hawaii and San Francisco. Metropole's primary focus is obtaining the most sought-after retail locations for the tenants it represents or acquisition for its own account. In addition, the principals of Metropole have worked as advisors to the world's leading retail tenants and developers for more than 30 years. Metropole's principal Mr. Siegel developed the LVMH Tower at 17-21 East 57th Street. Completed in 1999, the LVMH Tower was designed by Christian de Portzamparc and is currently tenanted by Christian Dior.