



Taconic Investment Partners and Square Mile Capital purchase 1.05 million s/f for \$172.5m

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Taconic Investment Partners and Square Mile Capital have closed on the acquisition of a commercial condominium interest encompassing 1.05 million s/f of space at the 32-story, 1.15 million s/f office building, 375 Pearl Street, from Verizon. The price was \$172.5 million.

The joint venture plans an extensive re-development of the building into a modern, multi-tenant office tower. The renovations will include a new facade to open up the spectacular views, a new lobby, a new HVAC system, new bathrooms and a reconfiguration of the core to include the addition of up to six new elevators, according to Ari Shalam, senior vice president and director of acquisitions for Taconic.

The new owners have engaged a notable leasing and development team, including: CB Richard Ellis, led by Robert Alexander, Robert Stillman and Brian Gell, for leasing; Cook + Fox, as project architect; Severud Associates as structural engineer; Jaros Baum & Bolles as mechanical engineer; Tishman Interiors Corporation, as general contractor; and Israel Berger & Associates, Inc., as curtain wall consultant.

"375 Pearl Street is an extraordinary offering for large tenants seeking big efficient floorplates in a class A tower," said CBRE's Alexander. "Taconic's and Square Mile's dynamic plans for the building will transform it into one of the largest blocks of contiguous available office space in a class A building in Manhattan, with floorplates of more than 37,000 s/f, slab heights averaging 15 feet high, all new systems, and spectacular city views."

The acquisition will give Taconic and Square Mile ownership of 29 out of the 32 floors in the building. Verizon will retain a condominium interest in three floors for its use.

The building stands taller than 540 ft., and its 360-degree views of the city will be opened up upon completion of the proposed renovation. It is conveniently located at Pearl St., in the City Hall submarket near the base of the Brooklyn Bridge. The building is easily accessible via public transportation, including: the 4, 5, 6, J, M, Z, R and W subway lines; many MTA buses; the PATH train; ferry; heliport; and the FDR Drive.

The 375 Pearl St. building was developed in the 1970s as part of a development agreement between New York Telephone Company (now Verizon), The New York City Educational Construction Fund, and the Board of Education, which provided for the development in conjunction with Bergtraum High School for Business Careers.

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