



## **The Carlton Group finances \$215 million at 470 Vanderbilt Avenue**

April 07, 2014 - Front Section

The Carlton Group arranged the closing of a \$215 million transaction for the 650,000 s/f office building located at 470 Vanderbilt Ave.

470 Vanderbilt Ave. is close to Atlantic Yards the Barclays Center. Carlton was retained by American Landmark Properties out of Chicago, which had this property under a hard contract.

Carlton provided strategic advice to American Landmark on the mortgage execution which resulted in an interest-only feature which made the annual cash on cash returns appealing to investors and which facilitated the deal headlining to RXR.

The 470 Vanderbilt closing adds to the \$3 billion of 2013 Manhattan closings orchestrated by Carlton. Carlton, which is led by Carlton chairman Howard Michaels, is one of the top structured finance intermediaries in the world and also leads an active merchant banking platform which owns and manages three million s/f of assets which is exclusive of other passive investments which Carlton Strategic Ventures participates in.

According to a Carlton spokesperson, "the back story" is that even though 470 Vanderbilt is great property in a booming part of Brooklyn, the property is encumbered by a challenging ground lease which made organizing capital for this transaction difficult. They added that American Landmark hired Carlton because of its known ability to quickly organize large amounts of equity for complicated deals. Within 72 hours of being retained by American Landmark, Carlton had circled a large overseas institutional investor who virtually committed to providing \$43 million of preferred equity as well as putting up a hard deposit to satisfy the ground lease conditions.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540