



Broad Street Development sells 55 Broadway to HGI for \$157 million; JLL's Latham and Caplan reps seller; Proskauer's Weinberger reps buyer

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Broad Street Development (www.bsdr.com), a real estate investor, manager and developer, and its partner a real estate fund advised by Crow Holdings Capital Partners, a Dallas-based global asset fund manager, has sold 55 Broadway to Harbor Group International, LLC (HGI), for \$157 million. The disposition of the asset was part of the ownership's overall business plan to maximize value as they look to tackle new investments, both in the commercial and residential arenas. HGI's investment partners in 55 Broadway include Image Capital, LLC.

Built in 1983, the 32-story, 358,637 s/f office tower located on the southwest corner of Broadway and Exchange Place was acquired in 2006 for \$82 million, and the owners dedicated a decade to the enhancement of the asset. Broad Street Development and Crow Holdings directed a capital improvement campaign to upgrade all the building systems and common areas. A hands-on leasing campaign brought the building to 95% occupancy, and transformed the tenancy to include companies in the insurance, publishing, finance, media and technology industries, creating a better reflection of the renaissance of Lower Manhattan.

"We are proud to have been strong stewards for 55 Broadway while it was in our portfolio," said Raymond Chalme, principal of Broad Street Development. "We have taken the asset to a new level of quality and potential - potential that we know will be realized by the new owners."

The repositioning campaign for the building included the design and land use review approvals for the redevelopment of the property's ground-floor retail component to create a glass enclosed jewel box of space. This plan will add another 11,000 s/f of retail to the property, to take advantage of the increase in foot traffic that will come from the new Fulton St. transportation hub.

"We got our start as owners in Lower Manhattan and believed in the market in the face of real challenges," said Daniel Blanco, principal of Broad Street Development, which also owns the neighboring office tower at 61 Broadway. "We poured a tremendous amount of energy, innovation, hard work and capital into 55 Broadway to bring it to a standard that would elevate the property and the market."

The JLL team of Scott Latham and John Caplan represented Broad Street Development and Crow Holdings Capital in the sale. Eli Dweck of Wachtel Missry was legal counsel for the seller. Harbor Group International was represented by David Weinberger of Proskauer.

"55 Broadway is a unique, modern class A property in the thriving Financial District near the World Trade Center development, the soon-to-be-completed Fulton St. Transit Center and numerous high-end residential developments," said Jordan Slone, chairman & CEO of HGI. "Downtown Manhattan is undergoing a renaissance as creative, media and technology tenants increasingly relocate to the market, creating a new, dynamic and desirable downtown."

"HGI plans to implement an aggressive leasing strategy to take advantage of improving Downtown market fundamentals," said Slone. "Also, HGI intends to reposition the street level retail and mezzanine space to capitalize on the surging downtown retail market."

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