



SL Green Realty to sell The News Building for \$815 million

October 15, 2019 - Front Section

Manhattan, NY According to SL Green Realty Corp., it has entered into a contract to sell 220 East 42nd St. in Midtown for total consideration of \$815 million, or \$715 per s/f. The transaction is expected to close in the first quarter of 2020, subject to customary closing conditions.

Adam Spies and Doug Harmon of Cushman & Wakefield along with Robert Verrone of Iron Hound Management facilitated the transaction.

Located on the corner of 42nd St. and Second Ave., 220 East 42nd St., also known as The News Building, is a 37-story Art-Deco skyscraper that was originally the headquarters for The New York Daily News. SL Green purchased the property in February 2003 for \$265 million. Current occupancy is 97% following its initial \$53.5 million preferred equity investment in September 2001. The company then commenced a multi-year repositioning and retensing of the property.

Since SL Green's acquisition, the building's tenant roster includes the Visiting Nurse Service of New York, Omnicom Group, local television station WPIX and the United Nations.

SL Green's co-chief investment officer, Isaac Zion, said, "The sale of the historic News Building demonstrates the continued demand, both international and domestic, for large, fully-stabilized assets in East Midtown, Manhattan's preeminent business district. This sale also furthers our strategy of selling assets into a healthy investment market and using the proceeds from these sales to repurchase deeply discounted shares of our stock while maintaining a low leverage profile."

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