



Robinson Brog represents Penn South Capital in \$27.25 million sale; Greene of Robinson Brog and Dabah of Stein Adler collaborate in acquisition

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Manhattan, NY Penn South Capital, a subsidiary of RAP Equities, has acquired a 40,000 s/f property at 39 Clarkson St. in the Hudson Sq. tech and media corridor. Represented by Adam Greene, partner at law firm Robinson Brog Leinwand Greene Genovese & Gluck P.C., and Mike Dabah of Stein Adler Dabah & Zelkowitz LLP, the \$27.25 million purchase follows a four-year track record of acquisitions for Penn South Capital. During that time, the firm, headed by Parag Sawhney and Raymond Chera, has acquired over a dozen mixed use/multifamily assets in the borough.

The move follows the rent law changes that took place in 2019. At that time, RAP Equities launched a new vertical to diversify into the boutique office market which is strengthened by the increased demand from tech companies. 39 Clarkson St. is slated to be reconfigured from manufacturing space into boutique office space. It is close to Google's new campus and Disney's new headquarters. The team has already secured a high-end restaurant tenant for the retail portion of the building.

"With a track record of success, our team's deep understanding of the Manhattan market, and favorable market conditions, we're poised for continued growth moving forward," said Sawhney, managing partner of Penn South Capital. "We're seeing prices that are starting to make sense again. While cap rates have widened, interest rates remain at historical lows which are creating a very favorable cash flow play without having to drive any buyouts. We are confident that these projects will create value for the community, the business ecosystem, and for our partners."

Additionally, RAP Equities has received a fresh allocation from a major investment firm to capitalize on the repricing of the multifamily market in light of the rent regulations. Its team plans to double its multifamily portfolio over the next two years and will be aggressively seeking investment opportunities for the same. Its next two purchases will include 155 Rivington St. and 116 Suffolk St.

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