



Cove Property Group and Baupost Group sell Hudson Commons for \$1.033 billion; deal arranged by CBRE

January 11, 2022 - Front Section

Manhattan, NY According to Cove Property Group and The Baupost Group, they have completed the \$1.033 billion sale of Hudson Commons, the 697,958 s/f 25-story trophy tower at 441 Ninth Ave. to Commonwealth Partners in a transaction arranged by CBRE.

Located at the nexus of Hudson Yards and Manhattan West, Hudson Commons occupies the full block-front of Ninth Ave. from 34th-35th Sts. The property is one of the city's most highly regarded redevelopments, pairing the adaptive reuse of an existing brick factory building with a modern glass overbuild to set a new bar for "the office of the future." One of only four NYC office properties to achieve LEED Platinum status, Hudson Commons is a beacon for sustainability and wellness, designed pre-pandemic to be one of the nation's healthiest office environments. Hudson Commons offers an amenity-rich environment while delivering efficient, flexible space with high (14'+) ceilings, natural light, views and technology.

A CBRE team led by Darcy Stacom and Bill Shanahan spearheaded the marketing campaign for Hudson Commons and represented Cove in the negotiations. Rounding out the CBRE team are Doug Middleton, and Alana Bassen.

"This transaction is a bellweather for the resurgence of confidence in the office sector and validation for the value created by forward-looking, sustainable redevelopment at a trailblazing location," said Kevin Hoo, managing partner of Cove Property Group. "Given the aging nature of the majority of Manhattan's office product, Hudson Commons is a model for the office of the future in this City – sustainably adapting an obsolete property into one that meets every modern standard, from environmental to operational to experiential."

"The world-class combination of an old factory warehouse with a stunning, healthy and efficient modern tower has been a beacon for tenants and a standout in the creation of a new trophy property," said Stacom, chairman and head of New York City capital markets for CBRE. "This transaction is a resounding affirmation of Cove's achievement with this renovation, the excellence of the location, and the enduring value of the finest modern office properties in Manhattan."

Cove and Baupost acquired 441 Ninth Ave. in 2016 and executed a campaign to completely renovate the eight-story warehouse building and add an 18-story modern glass-and-steel overbuild.

Hudson Commons achieves dramatic sustainability benchmarks, synthesizing brand new infrastructure with enhanced air quality and 14 separate outdoor terraces to meet LEED Platinum standard.

Designed from the inside-out to be “the office of the future,” Hudson Commons’ side core configuration maximizes efficiency, light and views and integrates touchless technology and innovative systems to create a healthy environment. Flexible floorplates of 16,000-50,000 s/f of nearly column-free space with ceiling heights of 14-ft. to 28-ft. offer intentionally democratized space for every tenant to enjoy a premier experience.

“Hudson Commons is a trailblazing property, in location, in design, in intention and in ESG. We are proud to become its steward as it achieves its full potential,” said Brett Munger, CEO and managing partner of CommonWealth Partners. “This property has been developed to enable its tenants to attract and retain the very best talent in this new work environment, a base for teams to safely come together and achieve their goals. Hudson Commons is making a real contribution to the renewal of New York City.”

Hudson Commons is 75% occupied, with 670,000 s/f of office space and 16,000 s/f of ground-floor retail available. Fitness giant Peloton and rideshare innovator Lyft anchor Hudson Commons’ office tenancy. The property is richly amenitized, offering tenant lounges, a bike room, outdoor space totaling nearly 30,000 s/f, meeting rooms and conferencing facilities designed to evoke a luxury hospitality setting.

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