nypost.com - November, 4 2009

Trophy-shopping invasion By LOIS WEISS

Last Updated: 2:18 AM, November 4, 2009
Posted: 1:09 AM, November 4, 2009

Murray Hill Proper ties honcho Norman Sturner is quietly shopping around a trophy tower.
Sturner declined comment, but others confirmed that he's looking to sell.
There is virtually no product available, and the worldwide appetite for city stakes is turning frenetic.
"There is such an influx of capital from Europe, Canada, Far East and Middle East that we will see a premium paid on the perceived economic value of today -- taking into account the lack of liquidity and low rent rates," said Richard Baxter of Cushman & Wakefield's capital markets group, noting foreigners are benefiting from exchange rates.
HSBC's building at 452 Fifth Ave. is going for $400 a foot to Joseph Cayre and Israeli investors IDB Associates.
Additionally, Gilmore and Optibase, an Israeli tech company, will soon pay $560 a foot to buy 485 Lexington Avenue from SL Green Realty Corp.
The 49-percent passive interest in 299 Park Ave. being sold by UBS is going in the very high $500s a foot, likely to the Middle East-based Safra family, sources said. The Fisher family, which controls the building, still has time to match that bid.
"Everyone shows up wanting to buy trophies on the cheap and thinks they are going to steal the Empire State Building or the Chrysler Building," said Will Silverman of Studley's capital markets group.
Silverman says it helps to have specific investment criteria. The Italian Sorgente group, for instance, is going after pre-war landmarked and historical properties. Through a fund, Sorgente owned 27 percent of a 75 percent stake in the Chrysler Building that sold last year to an Abu Dhabi sovereign wealth fund.
This week, Sorgente bought another piece of the Flatiron Building, and claimed it is in talks for two or three other high- profile buildings, including the Woolworth Building.
A source familiar with their activities, however, said they may have met with the buildings' owners but not gone further.
Without a local partner, it's hard for foreigners to get dibs on properties. For the last few years, we've been in touch with the local rep for a Korean investor who can't get calls returned or due diligence information from office selling gatekeepers.
Last week we were asked for help finding a "trophy" for a wealthy Japanese family with a $500 million bank commitment. When we shared that e-mail at the RealShare conference last week, it elicited laughs. Panel member Sturner, however, raised his hand.
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Although city leasing activity remains a bright spot, commercial mortgage loans continue their deterioration across the country.
In its worst scenarios, Realpoint projects September's 3.94 percent default rate on commercial mortgages could grow to 6.1 percent by December and expand to 7 to 8 percent in the first half of 2010.
Realpoint noted that currently performing loans with balloon payments may be unable to pay off the loans because of the lack of credit, and that retail and hotel loans continue to trend higher toward default rates.
As of the end of September there were 1,877 collateralized mortgage backed securitized [CMBS] loans representing $19.8 billion in delinquency across the country, with New York State accounting for 161 loans and $1.6 billion in value.
But Realpoint projects the total delinquent amounts will rise to between $40 billion and $50 billion by the end of this year should the $3 billion Peter Cooper Village/ Stuyvesant Town loan default along with the $4 bil lion Extended Stay Hotel loan.
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Aini Assets paid $29.5 million in cash last week for the 12-story 63 W. 38th St. (aka 62 W. 39th St.).
A source says they will add six floors and turn it into a hotel with a rooftop club.

The father/son team of Marty and Eric Meyer of FirstService Williams marketed the deal.
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