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MADISON SQUARE REALTY ARRANGES LEASE FOR CARVER BANK'S NEW OFFICES AT 1825 PARK AVENUE FOLLOWING THE \$20 MILLION SALE OF BANK'S HISTORIC 125TH STREET BUILDING

Community Bank Signs Blockbuster Deal to Relocate Within Neighborhood to Savanna's Newly Renovated Office Property

New York, NY – March 14, 2018 – Following the recent \$20 million sale of the historic headquarters building of Carver Federal Savings Bank (Carver) in Harlem, Madison Square Realty (MSR) has negotiated a new 20,000 square foot lease for Carver at Savanna's 1825 Park Avenue, also known as the Lee Building. The transaction enables Carver to maintain its historic presence in Harlem, where the bank was founded 70 years ago.

Carver has leased the top floor of the building, with sweeping views of Harlem and Manhattan, and part of the seventh floor to provide for its employees an efficient, modern space with great access to transportation. MSR Founder & CEO Eric Yarbrow, who shepherded both the building sale and the new lease on behalf of Carver, said the successful relocation was especially significant as the nation's largest African and Caribbean-owned bank not only hired MSR, a full-service Minority Business Enterprise commercial real estate firm, but also engaged one of the largest African-American-owned architectural firms to handle the design of its new office space. Savanna has engaged one of New York State's largest African-American-owned construction firms to build the space.

I am proud to help facilitate two great economic transactions that unlocked value in its long-owned property," Mr. Yarbrow noted. "It's great to not only be a broker and provide great service, but to have the transactions you work on make a significant impact."

"We're extremely pleased that Carver decided to relocate to 1825 Park," added Kerry Powers, Senior Associate at Savanna. "There has been a shortage of high-quality office space in Harlem relative to demand. Our strategy for the property is to cater to local tenants by offering a quality product at a good price, allowing them to enjoy modernized office space in the neighborhood. We believe that following Savanna's improvements to the property, we are offering the best office space in Harlem, a fitting home for a deeply rooted institution like Carver Federal Savings Bank, which has been serving the local community for 70 years."

Savanna recently completed a comprehensive capital improvement plan for the property, including façade and sidewalk repair, replacement of the sidewalk vault and retail storefront, a newly designed lobby and entrance, refurbished bathrooms, new windows throughout, and HVAC and electrical upgrades. Upgrades to tech infrastructure also resulted in 1825 Park Avenue becoming the first-ever Wired Certified Gold building in Harlem. Key features of the improvements to connectivity include multiple fiber providers, redundancy via fixed wireless connectivity from the rooftop and multiple fiber points of entry into the building, and additional riser capacity to support future ISP and tenant requirements.



1825 Park Avenue is situated in a prime location on the corner of 125th Street and Park Avenue. It is adjacent to Metro North's 125th Street stop and steps from the 4, 5, and 6 subway lines. The 12-story property has unique features, including vaulted 10- to 12-foot ceilings, unobstructed southern views of the Manhattan skyline, and 11,500 square foot floor plates. Approximately 30,000 square feet of availability remains following steady leasing activity, including a recent 8,000 square foot lease to NADAP, a nonprofit corporation. NADAP operates a full range of programs that connect more than 35,000 disadvantaged New Yorkers per year with jobs, community supports, health care, and other resources that enable them to improve their physical, emotional, social, and economic stability and well-being.

In support of the transaction, MSR, negotiated with Savanna to provide for substantial tenant improvements, permitting Savanna to complete for Carver a buildout befitting its status as a neighborhood institution.

Carver's previous administrative offices, a meticulously maintained 125th Street property, was fully occupied by Carver since 1958, and sold for \$19.45 million, or \$924 psf, the highest price ever achieved for an office building with ground floor retail in Harlem. Carver will continue to maintain its presence on the ground floor retail space with its branch to continue to serve its customers as one of the top bank branches in the Harlem market.

Savanna was represented in the lease transaction by Mitch Arkin of Cushman & Wakefield and Ellen Israel of JRT Realty. With this major transaction completed, 1825 Park Avenue will be approximately 66% leased, with only 30,000 square feet of office space remaining available.

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About Madison Square Realty

Madison Square Realty is a full-service, Minority Business Enterprise (MBE) commercial real estate company drawing on nearly three decades of industry experience where real estate solutions are devised for large corporations, private companies, developers, landlords and not for profit entities. Offering a suite of integrated services to respond to the complex needs of our clients which include brokerage, tenant representation, capital markets, project management, investment sales and property management to name a few. The unique MBE status allows corporations and owners to receive minority procurement credits for engaging a MBE firm.

About Savanna

Savanna, formed in 1992, is a vertically-integrated real estate investment manager based in New York City and focused on strategic property investments throughout the City's five boroughs. The firm, led by Managing Partners Christopher Schlank and Nicholas Bienstock, pursues real estate equity and debt asset investments, including ground-up development and major repositioning projects. Savanna's equity investments target value add/opportunistic returns by adding value through asset management and/or property development, redevelopment, and repositioning, deploying a team of more than 30 experienced investment, asset management, construction, and leasing professionals. Savanna also selectively invests in real estate debt instruments that have the potential to generate equity-like returns, including preferred equity instruments, high yield bridge and mezzanine loans, and B-notes. Since 2006, Savanna has invested approximately \$3.6 billion in total capital across nearly 14 million square feet of real property.