



Partnership of ABS Partners, East End Capital and AEW Ink New Ground Lease on 136 East 57th Street

NEW YORK, NY – (August 6, 2019) – ABS Partners Real Estate, East End Capital and AEW have today closed on a new 99-year ground lease at 136 East 57th Street, located in Manhattan’s Plaza District, announced Gregg Schenker and Steven Hornstock, of ABS Partners Real Estate, and Jonathon Yormak of East End Capital. The property has been owned and managed since the 1980s through a partnership controlled by Richard Halpern of Silk & Halpern Realty Associates.

“We are delighted to have completed this transaction with Richard Halpern and his group of investors,” said Mr. Hornstock of ABS Partners. “Our triumvirate investment group believe the ground lease structure is ideal for the fee owners and the new investment group because both parties efficiently achieve their goals, with the responsibility for new substantial investment to modernize the property falling upon the net lessee. ABS has a long history of creating ground leases and advising major property owners regarding ground lease structures.”



The 20-story property, designed by renowned architect Ely Jacques Kahn and built in 1937, sits prominently on the southeast corner of 57th Street and Lexington Avenue and contains approximately 110,000 rentable square feet of office and retail space. The building is currently about 70% leased. Bank United is the largest tenant at the property, occupying the ground, second and lower level floors.

The partnership has retained Gensler to design over \$15 million of upgrades to reposition the building, which shall include the windows, facade, lobby, elevators and a pre-built program. Other upgrades will include an ultra-modern VRF conditioning system; sprinkler installation throughout 100% of the property; sophisticated, brand-new bathrooms; new elevators and cabs; electrical upgrades; and improvements to other core infrastructure.

The leasing effort will target full-floor space users seeking prominence in the Plaza District in order to promote their unique identity.

Charles Conwell III of ABS, who will serve as the leasing agent for the property, noted that individual floorplates range in size from 2,500 to 6,000 square feet. “In certain instances, there are setbacks in the

20-story structure, which provide for newly enhanced outdoor terrace space. The floors provide unusual light and air due to the two double-wide streets upon which the property sits, as well as excellent ceiling heights of 12-feet, coupled with new, modern installations, which include high-tech glass office fronts.” “Our firm is delighted to partner with ABS and AEW, and will oversee the major construction project,” said Mr. Yormak of East End Capital. “The work, for which the planning has already commenced, is scheduled to be completed within a year and will totally transform the property into a state-of-the-art modern efficient workplace for our new tenants.”

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About ABS Partners Real Estate

ABS Partners Real Estate is a leading New York City based real estate firm dedicated to building lasting real estate and professional partnerships. Our team maintains a focus in two areas: providing services which add value in leasing, investment sales, capital markets, property management, construction management, appraisal and advisory; and organizing opportunities for our principals and our long-term clients to participate in the ownership of real estate. ABS has a role in overseeing more than \$5 billion of US real estate assets.

About East End Capital:

East End Capital (www.eastendcap.com) is a vertically integrated owner, operator and developer of commercial, residential and retail real estate located in New York City and South Florida. East End was founded by Jonathon Yormak and David Peretz and is today managed by a team of seasoned professionals. The company has acquired over \$1.5 billion worth of property, comprised of 2.25 million square feet of office, retail, and apartments, and also developed over half a million square feet. East End seeks out off-market opportunities that are mismanaged, under-capitalized, largely vacant, undervalued or otherwise distressed.

About AEW Capital Management:

Founded in 1981, AEW Capital Management provides real estate investment management services to investors worldwide. AEW and its affiliates manage approximately \$75.9 billion of property and securities in North America, Europe, and Asia. The AEW platform incorporates the strengths and expertise of all our investment professionals in sourcing, underwriting and acquiring properties, actively managing assets, and harvesting gains through a disciplined sales approach. On behalf of clients, AEW has been an owner and operator of property, a borrower and lender of real estate capital, and a partner and shareholder of real estate companies, both public and private. Across property types and geographies, this breadth of perspective and experience is critical in the acquisition, management, and disposition of real estate assets. With over 700 employees globally, AEW and its affiliates have offices in Boston, Los Angeles, London, Paris, Düsseldorf, Hong Kong, Singapore, Sydney and Tokyo, as well as additional offices in six European cities.