



**November 05, 2009**

Written by Sasha M Pardy (spardy@costar.com)

---

## \$117M Buys Prestigious Fifth Ave. Retail Address at St. Regis New York Hotel

*Starwood Sells Retail Portion of St. Regis to Crown Acquisitions, Goldman Properties and The Feil Organization*

An investment group comprised of Crown Acquisitions, Goldman Properties and The Feil Organization acquired the retail portion of the historic St. Regis New York hotel, located at 2 East 55th Street at a prominent Fifth Avenue corner in Manhattan.

Acting as GFC Fifth Avenue LLC, the private investment group agreed to pay \$117 million for the 24,700-square-foot retail space, or approximately \$4,736.84 per square foot. At that price, the sale qualifies as the most expensive retail asset acquisition in New York City since November of 2008, according to CoStar COMPS data. According to various sources, this area of Fifth Avenue commands the highest retail asking rents in the City.

Built in 1904, the St. Regis New York is considered an Parisian-style architectural gem in the city. Luxury retailers, including Bottega Veneta, Pucci and De Beers, occupy the retail space at the site. The seller, Starwood Hotels & Resorts Worldwide (NYSE:HOT), was represented by Darcy Stacom and Bill Shanahan of CB Richard Ellis. According to media reports, Starwood hired CB Richard Ellis in June 2009 after it was approached with an unsolicited offer from an investment group. The property went under contract in September.

Starwood said this sale is part of an ongoing effort to streamline its business and the hotel chain plans to use proceeds from this transaction to pay down debt.

GFC said that Centurion Realty, the Braka Family, and U.S. Realty were also included in the purchasing group. In addition to the St. Regis New York retail asset, the GFC partners own six other Midtown properties, including 590 Fifth Avenue, 717 Fifth Avenue, 1 East 57th Street, 551 Fifth Avenue, 666 Fifth Avenue Retail Property, and 743 Fifth Avenue.