

Hidrock Realty Sells 53 West 36th Street for \$54M

BY LAUREN ELKIES SCRAM NOVEMBER 3, 2016 3:45 PM

REPRINTS



53 WEST 36TH STREET. PHOTO: COSTAR GROUP



A group of investors has purchased a Garment District office building from **Hidrock Realty** for \$54 million, according to public records. The deal for the 12-story building, which is at **53 West 36th Street** between Fifth Avenue and Avenue of the Americas, closed on Oct. 27 and was recorded with the city yesterday.

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The investor group is led by **Fatollah “Effy” Hematian**, the diamond ring designer behind **Effy Jewelry**, as *The Real Deal* reported at the end of August after the deal went into contract. **J.P Morgan Chase** originated a \$27 million loan for the acquisition through its Commercial Term Lending platform. Given the sale price, the financing carries a 50 percent loan-to-value ratio.

Daniel Lolai of **LSL Advisors** represented the buyers. He didn’t respond to a request for comment. **JLL’s Jason Gold, Glenn Tolchin, Richard Baxter, Jon Caplan, Scott Latham** and **Yoron Cohen** brokered the deal for the sellers.

“I think they wanted to realize the gain and their debt was maturing. They’d held it for 10 years,” Gold said.

Hidrock bought the 78,426-square-foot office property along with **Assurant** in May 2007 for \$29.5 million, according to property records. They conducted a building-wide renovation, spending in excess of \$5 million, Gold said. Current average office rents in the building are \$45 per square foot, according to JLL marketing materials, with floor plates of 6,815 square feet.

The entire retail space—4,600 square feet at grade plus 2,800 square feet in the basement—is leased through 2032 to Irish-American sports bar, **The Keg Room**. The building is 98 or 99 percent occupied. Gold said. to “a true mix of tech. architectural