

January 6, 2011

## **Fast sale for half-empty building**

A corporate trio is buying part of 15 E. 26th St. for about \$33 million.

A partnership of three firms, including Angelo Gordon & Co., recently purchased the office portion of 15 E. 26th St.—which is roughly 45% vacant—for about \$33 million.

The deal signals a strengthening sales market in two ways, said Douglas Harmon, the senior managing director at Eastdil Secured who sold the property on behalf of Deutsche Bank's RREEF Alternative Investments.

First, the partnership—which also includes Belvedere Capital and Metropolitan Realty Associates—made a pre-emptive bid before marketing officially started, rather than waiting to gauge others' interest. Second, the space will require time and money to fill up, strongly suggesting that the buyers believe that the leasing market is improving.

“Not only are properties with significant vacancies now trading, but they are doing so swiftly and at times pre-emptively,” Mr. Harmon said.

The 150,000-square-foot office portion of the 20-story building, which is located between Madison and Fifth avenues and overlooks Madison Square Park, takes up the first eight floors.

Correction: Metropolitan Realty Associates is one of the buyers of 15 E. 26th St. That fact was