



### POST FOCUS ON COMMERCIAL REAL ESTATE

# Kensico grabs 350 Mad.



**BETWEEN THE BRICKS**  
**LOIS WEISS**

**A** quiet local investor has snatched the classy 350 Madison Ave. from Max Capital Manage-

ment Corp. for a price real estate sources claim is around \$225 million.

Real estate sources identified the buyer as the under-the-radar Kensico Properties, a private family company operated by two brothers.

The 390,000 square-foot 350 Madison was completely remodeled in the late 1990s, just in time to hit the peak market for leasing prices.

While some companies have subleased, it still attracts a well-suited crowd.

Designed by the Freedom Tower's Skidmore Owings Merrill, its lobby includes huge, plasma screen monitors spewing out stock market information.

**Anthony Westreich**, president of Max Capital Management Corp., would not confirm the identity of the buyer.

"It's under contract to a private individual who does not want to be identified," he said.

Trammell Crow acted as brokers for the buyer.

Kensico also is in contract to sell 11 E. 44th St. for \$45.5 million to DCD Capital through Cushman & Wakefield in a deal that will close in October.

In New York, the brothers also own 509 Madison Ave., the Lowell Hotel 28 E. 63rd St., and 4-6 E. 93rd St.

The brothers could not be reached. An executive at the company said he would not confirm nor deny the purchase.

Westreich says his long-term strategy for Max is to hold and manage assets and that selling is not part of his business plan.

"When someone comes along and pays a great price, it allows us to take advantage [of the capital infusion]," Westreich said.

"We can use it and reinvest in other properties, including those in our own portfolio. It's important that we have equity in the buildings."

Westreich, whose father **Stanley Westreich** is partners in a huge real estate company in Washington, D.C. said he relies on family wisdom to run his business.

"My father says, 'It's time to take the cookies when they've passed around the plate,'" he said.

"This is the best seller's market in the history of real estate and if a buyer allows us to reinvest and to hold other assets long term that we believe have greater long term value than we do it."

The Biltmore at 780 Eighth Ave. is turning into the most kid-friendly residence in town.

Gymboree just signed on for 3,200 square feet on the second floor while Starschool preschool and

nursery took 6,800 square feet on the second and third floors of the building, which is owned by Jack Parker Corp. and **Joseph Moinian**.

Star School was co-repped by **Jacob Sinai** of Valensi Real Estate and **Kevin Hu** of William B. May.

**Kim Mogull** of Mogull Realty acted as exclusive broker for the building owners and also repped Gymboree in this deal.

In other Mogull news, 20-year retail vet **Cheryl Cohen**, former vice president and head of retail at NAI DG Hart, just joined the company.

Additionally, the Japanese inspired high-end spa headed for 5,500 square feet at the Hotel Ganesvoort tanked and a spa operator is once again being sought.

**Alex Bolen**, CEO of Oscar de la Renta, advised that while the firm is subleasing the former Sergio Rossi store from Gucci Group, the aggregate rent is closer to \$16 million and not the \$20 million as we had been advised by other sources.

He added that the rent for the 2,000 square foot store and 1,000 square foot

storage basement averages out closer to the mid-\$500s a foot.

Real estate sources said the Sitt family has pre-empted the marketing of 1466 Broadway by signing a contract for the Times Square office building with SL Green Realty Trust for \$160 million.

The sale price values the 315,000 square-foot building at roughly \$507 a foot.

Investment banker **Douglas Harmon** of Eastdil orchestrated this deal for SL Green.

Coincidentally it will be the third deal the Sitts have bought from SL Green through Harmon:

They already purchased 469 Seventh Ave. and 1370 Broadway, and also recently bought 24 W. 57th St.

The deal for the former landmarked Knickerboker Hotel, a 1907 building created by Jacob Astor that once housed one of the great speakeasys, was attracting several bidders.

Wachovia officials, however, last week starting advising rejected bidders that it will be providing the debt portion of the deal.

Harmon has negotiated around \$3 billion worth of real estate this year alone, including 111 Eighth Ave. and the Sonoma residential project. Neither the Sitts, SL Green nor Harmon could be reached prior to press time.

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