

Real Estate Daily News Buzz October 15, 2015



Real Estate Daily News Buzz is designed to give news snippets to readers that our (yet to be award winning) editors thought you could use to start your day. They come from various **business perspectives, real estate, government, the Fed, local news, and the stock markets** to save you time. Here you will find the headlines and what the news buzz of the day will be.

Wednesday, the Dow Jones industrial average fell 157.14 points, or 0.9%, to 16,924.75. The Standard & Poor's 500 index closed down 9.45 points, or 0.5%, to 1,994.24. The NASDAQ composite declined 13.76 points, or 0.3%, to 4,782.85.

Benchmark U.S. crude fell 2 cents to close at \$46.64 a barrel on the New York Mercantile Exchange. Brent crude, used to price international oils, declined 9 cents to \$49.15 a barrel in London. Wholesale gasoline fell 0.6 cents to close at \$1.308 a gallon. Heating oil rose 1.3 cents to close at \$1.483 a gallon. Natural gas rose 2 cents to close at \$2.518 per 1,000 cubic feet.

[Swanky New York Condo Project Exploits Aid Program](#) "If developer Steven Witkoff's ambitions are realized, he will complete by 2020 a soaring 900-foot condominium tower that would be the latest addition to the "Billionaires' Row" of ultraluxury skyscrapers on the southern edge of New York's Central Park. Aiding Mr. Witkoff and his partners: more than \$200 million in low-cost financing from aspiring immigrants, in increments of \$500,000, through a provision of a federal visa program designed to help economically ailing neighborhoods." (*Wall Street Journal*)

[How Banks Help Rich Clients Invest in Vegas Hotel, NYC Tower](#)

“What does Manhattan’s tallest residential tower have in common with the Hooters hotel-casino in Las Vegas? They’re investments for rich families. JPMorgan Chase & Co., Citigroup Inc. and HSBC Holdings Plc are among banks presenting elite customers with offerings once confined to big institutional investors: access to real estate projects such as Manhattan’s 432 Park Ave., Las Vegas’s Hooters hotel and \$100 million Los Angeles mansions.” (*Bloomberg*)

[Julien Studley, Founder of Studley, Dies at 88](#) “Julien Studley, legendary real estate broker and founder of the eponymous commercial brokerage, died Monday night at the age of 88, a spokesperson confirmed. In conversations with *The Real Deal*, friends and colleagues remembered him as a visionary who changed New York’s commercial real estate industry, all with a pleasant and unpretentious demeanor.” (*The Real Deal*)

[Plaza of the Americas Set to Trade Hands During Hot Real Estate Market](#) “The Plaza of the Americas – a 1.2 million-square-foot Class A office complex – is set to trade hands next month in the midst of a wave of real estate investment landing in downtown Dallas this year. Dallas-based Pillar Commercial is expected to close on the two, 25-story office towers connected with a 13-story atrium in the Dallas Arts District by mid-November from Houston-based M-M Properties and Dallas-based Invesco Real Estate.” (*Dallas Business Journal*)

[Trick or Treat, a Cell Tower REIT](#) “AMT announced its intentions to become a REIT in 2010, and after obtaining a private ruling letter from the IRS, the company officially converted to a REIT in January 2012. A few weeks ago, S&P affirmed AMT’s ratings, including its corporate credit rating at BBB-. AMT is a monster REIT, and the global growth opportunities make this cell tower aggregator an attractive growth play.” (*Seeking Alpha*)

[Neiman Marcus Delays IPO](#) “Luxury retailer Neiman Marcus Group

Inc. has delayed its planned initial public offering until early next year at the earliest following the recent bout of stock-market volatility. Neiman had filed for a U.S. listing in early August and been considering a debut ahead of the conclusion of the 2015 holiday shopping season, people familiar with the matter said. But recent market declines and a slump in stocks of other luxury-goods purveyors have prompted the company to wait, they said.” (*Nasdaq*)

SL Green and Ivanhoe Cambridge Hope to Fetch \$700M-Plus for Large Office Space

“SL Green Realty Corp. and Ivanhoe Cambridge are putting the office space they jointly own at 1745 Broadway up for sale. They expect to fetch well north of \$700 million. The pair owns floors two through 25, totaling about 685,000 square feet, in the 930,000-square-foot tower. Book publisher Random House leases the entire space. SL Green, which owns a 56.9% majority share in the office space at the property, has hired a JLL brokerage team led by Richard Baxter to handle the sale.” (*Crain’s New York Business*)

Charter-School Movement Grows—for Real Estate Investors

“Real-estate investors are showing an increasing interest in charter school development as the demand grows for classroom seats and some state and local governments become more willing to help finance charter-school projects. Almost all charter schools are operated by nonprofit organizations. But these groups often rent and buy their buildings from private real-estate developers, and that is creating a new niche asset for some investors.” (*Wall Street Journal*)

Irvine Goes Where No CRE Company Has Gone Before

“Just in time for Christmas, batteries will be included with some Southern California office buildings. Before the end of this year, the Irvine Co., one of the leading owners of real estate in coastal California, will start to install energy-storage systems in up to 24 office buildings totaling about 6 million square feet in Irvine and Newport Beach, Calif., the company announced Monday.” (*Commercial Property Executive*)

Lower Manhattan Office Market Leasing Spikes in September

“CBRE is reporting this week that Manhattan’s office leasing activity totaled 2.26 million square feet in September 2015, 2% above its five-year monthly average of 2.20 million sq. ft. The availability rate decreased 30 basis points (bps) over the past month and 60 bps from one year ago Year-to-date net absorption remains negative, but improved by 813,000 sq. ft. in September.” (*World Property Journal*)