

MARCH 12, 2013 - **IRSA** – Inversiones y Representaciones Sociedad Anónima IN THE NEWS - By Rayna Katz

## IRSA Ends JV on 183 Madison Ave.

NEW YORK CITY—Dissolving its joint venture on the ownership of a Midtown South office building, majority owner **IRSA—Inversiones y Representaciones Sociedad Anónima**

announced Monday it has purchased the remaining shares in its investment property, at 183 Madison Ave.—from its minority partner, **Rigby Asset Management**.

Valued at \$75 million, the partnership was a successful one for IRSA.

When the firm invested in the building, located at the southeast corner of Madison Avenue and 34th Street, in 2011 when it was 50 percent vacant. Today, the building is 95 percent leased, according to the announcement. An IRSA spokeswoman was unable to report how much IRSA paid Rigby for its shares at press time.

The transition will include the original **Cushman & Wakefield** leasing team of **Harry Blair**, senior director, and **Sean Kerns**, associate director. In addition, **Herald Square Properties'** principals Gerard Nocera, Michael Reid and John Monaco have been retained as co-asset managers, along with the IRSA International management team.

IRSA's officials touted their own success. "IRSA's commitment to elevating the value of this asset has produced tangible results quickly," boasts Daniel Elzstain, director, in the announcement. "Not only is the building well-tenanted, our restoration program achieved a landmark designation for the lobby and façade, and our infrastructure upgrades made it more desirable for a variety of businesses."

Styled in the Beaux Arts tradition, the 250,000-square-foot, circa 1925 office building has a wide range of tenants that include traditional apparel companies, such as

Everlast and Charles Komar & Sons; technology and software firms like Rubicon Software and Destination Media; and the New York offices of Grand Marnier. The building stands tall at 19-stories.

Adds Blair in the announcement, "The speed of the leasing campaign exceeded all expectations, especially going from nearly vacant to almost fully occupied in under two years."

In fact, he adds, tenants have been known to give the building good press. "The irony that one of our tenants publishes 'Great Places to Work' kind of says it all."

IRSA's other commercial asset in New York City is the famed Lipstick Building at 885 Third Ave, between 53rd and 54th Streets. The world-renowned Philip Johnson-designed office tower is 95 percent occupied and its largest tenant is Latham & Watkins, an international law firm.

Since 2009, IRSA's activity in the U.S. has also included investments in two publicly-traded hospitality REITs, comprising SuperTel Hospitality, Inc., a group of approximately 94 hotels primarily in the Midwest; and Hersha Hospitality Trust, which owns over 50 hotels in gateway cities, including 20 in the greater New York metro area.

