

THE REAL DEAL

NEW YORK CITY REAL ESTATE NEWS

Acuity to sell loft office building near Penn Station for \$50M

Buyer Lucia Chen financing deal with loan from Madison Realty Capital

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By Katherine Clarke

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335 West 35th Street (inset: Lucia Chen)

The Chen Foundation is in contract to purchase a 12-story loft office building at 335 West 35th Street for \$50 million, sources told *The Real Deal*.

Lucia Chen of the Chen Foundation, a landlord affiliated with nonprofit arts education center the T.F. Chen Cultural Center, is also set to secure a [\\$50 million loan](#) from Madison Realty Capital to finance the acquisition. The loan is cross-collateralized by another of Chen's buildings, a 20,000-square-foot, block-through structure at 250 Lafayette Street in Soho.

The building purchase and the loan are both slated to close in the next day or two, sources said.

[Acuity Capital Partners](#) is the seller of the building, which is located just one block from New York Penn Station. In 2014, the firm initially agreed to sell the 95,000-square-foot building to an entity tied to Chinese developer Bo Jin Zhu, but that deal fell through when the developer failed to raise enough money to close on the asset.

The buyer later sued in a bid to enforce his contract and keep his deposit, thereby tying the building up in litigation. The case was later settled out of court.

His contract valued the building at \$42.5 million.

Chen plans to renovate the Garment District building, which is completely vacant, and re-tenant it, sources said.

A spokesperson for Madison declined to comment. Chen could not be reached.

Aaron Appel and Jonathan Schwartz of [JLL](#) arranged the financing, which came together in less than a week, after another lender could not pony up the funds in time, Schwartz said.

"Not a lot of lenders are capable of doing that. It's pretty impressive," Schwartz said.

Matthew DeRose and James Tamborlane of MHP Real Estate Services assisted on the deal and will manage and lease the building on Chen's behalf, they said.

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