

THE REAL DEAL

May 24, 2012 06:30PM

JPMorgan Chase pays \$88M for long-time Soho branch location: sources

By *Adam Pincus*



From left: Woody Heller and Will Silverman of Studley and 525 Broadway (credit: PropertyShark)

JPMorgan Chase paid \$87.5 million for the eight-story Soho building where one of its most popular bank branches is located, in an effort to protect the valuable location, several industry sources said. A number of real estate investors offered to pay around \$68 million for the building, 525 Broadway, industry sources said, while others were well into the \$80s.

Chase felt it needed to buy the 45,000-square-foot building, at the corner of Spring Street, because it has so many customers at the branch, sources said. The bank feared that if a real estate investor bought it, the rent would rise too high for it to continue occupying the 5,000-square-foot space. JPMorgan declined to comment.

According to city records, the sellers were the families of longtime owners Isidor Green and Samuel Skura, both of whom are now deceased.

The sellers were represented by Alan Cohen of ABS Partners Real Estate, while Chase was represented by Studley brokers Woody Heller and Will Silverman, sources said. Cohen did not respond to a request for comment, while the Studley brokers declined to comment.

The sale closed in the past few weeks, but the exact date was not immediately available. The transaction has not yet appeared in public records.

Sources said a number of the city's top retail investors were circling the deal, including Wharton Properties' Jeff Sutton — who wanted to buy the building and had been negotiating with the bank to lease it back to them — and Joseph Sitt's Thor Equities. Crown Acquisitions made a bid in the \$67 million range, one insider said.

The Corn Exchange Bank, which later merged with Chase, began occupying the retail space in the 1920s.

Joanne Podell, an executive vice president at Cushman & Wakefield, who was not involved in the sale, said the building has a difficult layout for uses other than the bank.

"There are a limited number of tenants that can use it," she said, and it would be difficult to build it out for a multi-level space. "I think [Chase] was the best buyer."