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Chetrit, Stellar land $714M refi for UES luxury buildings

Loan adds to spate of development refinancings

New York

May. 13, 2022 02:43 PM

By Keith Larsen



Joseph Chetrit and Larry Gluck with the Yorkshire and Lexington Towers on the Upper East Side (UESMGMT.com, Getty, Gluck Family Foundation)

Chetrit Group and Stellar Management have scored a $714 million refinancing for two luxury buildings on the Upper East Side.

The developers secured the CMBS loan for Yorkshire Towers at 305 East 86th Street and Lexington Towers at 160 East 88th Street from a collection of lenders, including Citigroup, BMO Harris Bank and Starwood, according to a source familiar with the deal.

The financing will replace a $550 million loan (https://therealdeal.com/2017/10/12/chetrit-stellar-snag-550m-to-refi-two-ues-apartment-buildings/) provided by Natixis and UBS in 2017. That money had replaced a $425 million loan from Deutsche Bank.

Chetrit and Stellar purchased the properties in 2014 for nearly $500 million (https://therealdeal.com/2014/06/20/irving-schneider-estate-sells-ues-towers-for-500m/) from the estate of Irving Schneider, who was a business partner of Harry Helmsley, one of New York's largest commercial property owners. Schneider bought the buildings with the Helmsleys in 1964.

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Yorkshire Towers, built in 1964, rises 21 stories and has 695 apartments. Lexington Towers is a 15-story building with 137 units. The buildings also have a combined 81,300 square feet of retail space.

Henry Bodek of Galaxy Capital brokered the deal.

CoStar previously reported that Chetrit and Stellar were closing in on the refinancing.

Read more

- Chetrit, Stern go toe-to-tow in Downtown Brooklyn (https://therealdeal.com/2022/02/25/chetrit-and-stern-go-toe-to-toe-on-downtown-brooklyn-supertall/)
- Chetrit seals deal on Two Bridges site (https://therealdeal.com/2022/04/04/chetrit-seals-the-deal-on-two-bridges-site/)
- Chetrit Group sells 1231 Third Avenue (https://therealdeal.com/2022/01/06/chetrit-group-sells-1231-third-avenue/)

The deal is among a number of large commercial refinancings in New York City in recent months as developers rushed to lock in rates before the Federal Reserve pushed up borrowing costs.

Vladislav Doronin's OKO Group is close to finalizing a $820 million refinancing (https://therealdeal.com/2022/04/04/vlad-doronin-nears-massive-refi-for-condo-hotel-project-at-crown-building/) from JPMorgan for its Aman-branded condo and hotel project

at 730 Fifth Avenue. In April, Silverstein Properties closed on a $458 million refinancing (https://therealdeal.com/2022/04/07/silverstein-refis-7-world-trade-with-458m-in-green-bonds/) at 7 World Trade Center.

Chetrit, led by Joseph Chetrit, is among the most active developers in Manhattan. The group focused on investing in New York City's outer boroughs in the 1980s and 1990s. It then bought and sold larger, higher-profile properties in Manhattan including 450 West 33rd Street, the International Toy Center at 200 Fifth Avenue, and 1107 Broadway.

Chetrit recently closed on the purchase of a Two Bridges development site (https://therealdeal.com/2022/04/04/chetrit-seals-the-deal-on-two-bridges-site/) at 260 South Street from CIM Group and L+M Development Partners.

The firm has also been expanding into Miami. The company secured a $310 million construction loan (https://therealdeal.com/miami/2021/11/04/chetrit-scores-310m-construction-loan-for-miami-river-mixed-use-project/) for its $1 billion mixed-use development planned for the Miami River.

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