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## Agreement in Place to Sell 5 Madison Ave. for \$165M

By *Carl Gaines*



**5 Madison Ave.**

NEW YORK CITY-**Africa Israel USA** has signed an agreement to sell the Metropolitan Life Clock Tower Building at 5 Madison Ave. for \$165 million. The building has long been the subject of rumors—both as to future uses and future buyers. Most recently, fashion designer Tommy Hilfiger was reported to be interested in buying the building and converting it into a luxury hotel. While that deal reportedly fell through, the current buyer has not been disclosed.

AFI USA CEO **Tamir Kazaz** said in a prepared statement that the agreement was “with a very credit-worthy buyer to secure the future of this remarkable building and support the burgeoning vitality of the Madison Square Park neighborhood.”

The 41-story, 267,000-square-foot landmark Clock Tower Building was acquired by AFI USA in 2007 for \$200 million, or \$749 per square foot. According to **Laurie Golub**, general counsel and managing director of business affairs at AFI USA, the buyer made a deposit of \$5 million, of which \$2 million is non-refundable.

“We are delighted to have achieved such a strong price for this asset,” Golub said. “It speaks to the unique nature of the building and the exciting location.”

As for the future of the building—whether it be condos or a luxury hotel remains to be seen. Sources familiar with the matter tell GlobeSt.com that the building’s floorplates may not be ideal for redevelopment as a hotel.

However, if it does become one, **Dan Lesser**, president and CEO of **LW Hospitality Advisors**, thinks that it’s in an ideal location. “As far as I’m concerned,” Lesser says, “south of 96th street, river to river, all the way down to Lower Manhattan is a great hotel site.” Lesser says that with the hotel market still underserved in Manhattan and the building’s prominent location, the site itself is ideal.

AFI USA, which wouldn’t comment to GlobeSt.com on the deal, was represented by Doug Heitner and Ashley Lostritto of Kasowitz Benson Torres & Friedman. There was no broker involved in the transaction.

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