

# Building Revived

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by LAURA KUSISTO • AUG. 12, 2011

A huge downtown building that sat largely empty for more than a decade has come back to life as a rental and received strong early interest, suggesting there's hope for a number of troubled Lower Manhattan buildings.

Behemoth 25 Broad St., built more than 100 years ago as an office building, has been three times reincarnated. But its final and most promising identity is as a 305-unit rental complex.

Eighty percent of the 90 available units have been rented in just a couple of months, with applications under review for the remaining available apartments. More units are now under renovation.

Units at 25 Broad St. came on the market in late May, which turned out to be perfect timing.

Condé Nast signed a lease at 1 World Trade Center just days before, generating huge buzz about the resurgence of downtown.

"Now people realize that there are going to be four, maybe more, huge office buildings down there," said Nancy Packes, a consultant who studies the rental market for some of the city's biggest residential developers.

In addition, the Frank Gehry-designed 8 Spruce St. rental development "has a radiant effect, drawing interest, validating the area as a high-end location," said Ms. Packes.

Twenty Five Broad Street was purchased by developer Kent Swig in 2005 for \$262.5 million, according to public records. Mr. Swig did extensive renovations to transform the property into a luxury condo building.

Lehman Brothers Holdings Inc., one of Mr. Swig's lenders, is in the final stages of foreclosing on the property. The receiver has appointed LCOR Inc. and Rose Associates to turn around the building, in order to maximize the value for Lehman's creditors.

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