

ACORE, SL Green Lend \$73M on 163 Varick Street

By [Cathy Cunningham](#) September 6, 2017 2:39 pm

163 Varick Street.

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[CBRE Capital Markets](#) has negotiated \$73.4 million in financing for the acquisition and redevelopment of **163 Varick Street**, Commercial Observer can first report.

[ACORE Capital](#) and [SL Green Realty Corp.](#) provided the acquisition and construction loan.

The Hudson Square office property is being redeveloped into a mixed-use, boutique Class-A office building by a joint venture between [APF Properties](#) and [Drake Street Partners](#). It will be rebranded as **60 Charlton Street**.

As reported by *The Real Deal*, landlord **Michael Aryeh** sold the existing six-story, 50,000-square-foot building to APF Properties in July for \$65 million, [more than triple](#) what he paid a decade ago.

The building will undergo a gut renovation, and five new steel and glass floors will be added to the existing structure—increasing the asset's total size to 100,000 square feet.

CBRE's [Shawn Rosenthal](#), [Jason Gaccione](#), **Sunny Somaiya** and **Kyle Baldwin** secured the financing.

“Both SL Green and ACORE were attracted to the unique nature of the redevelopment—a boutique office asset located in a dynamic submarket—as well as the strong qualifications of the highly capable sponsor group of APF Properties and Drake Street,” Rosenthal said in prepared remarks. “Within a couple of years, Hudson Square will see its first best-in-class, newly constructed, boutique office building.” Construction is expected to commence in 2018. A spokesman for ACORE did not immediately respond to a request for comment. A spokesman for SL Green declined to comment.