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Just ingenious

Studley duo collects REBNY's Ingenious Deal of the Year award

By Linda O'Flanagan

Studley's Daniel O. Horowitz and Ira Schuman took home the first place Henry Hart Rice Award for their "Rubik's Cube" deal on East 79th Street at the Real Estate Board of New York Commercial Brokers Most Ingenious Deal of the Year Awards for 2009.

The most prestigious commercial awards of the year were presented at the Sales Broker Committee annual cocktail reception at the 101 Club last night (Tuesday).

Horowitz and Schuman won for what was a series of interdependent transactions that included the sale of Hunter College School of Social Work's outdated 127-133 East 79th Street campus and the purchase and construction of a new facility at 118th Street.

They could not sell the 79th Street campus if Hunter didn't have a new home, but Hunter could not commit to buying and building a new facility if 79th Street was not sold. Most importantly, the whole deal was dependent upon the proceeds from the sale of 79th Street, which would make the purchase and building of the new facility possible.

"It's a thrill when you successfully complete a complex transaction...particularly one that has a beneficial impact on the City; in this case the CUNY school system." said Horowitz after collecting his award.

Schuman added, "This was a complicated deal with many moving parts, but it went smoothly because we were working with great, supportive clients as well as a terrific legal team."

The Real Estate Board chose three winners from 29 real estate dealmakers who submitted 15 ingenious sale, lease or finance transactions.

The second place Robert T. Lawrence Award went to Eric Deutsch & Ken Meyerson of CB Richard Ellis, Inc. for "Closing the Gap Downtown - Finding the Perfect Fit at 60 Thomas/40 Worth Street".

And the third place Edward S. Gordon Award was presented to Michael Rotchford of Cushman & Wakefield, Inc. for "The Sale and Lease Back Financing of a Condo Interest in the New York Times Building."

For second place, Deutsch and Meyerson built a business case and negotiated lease terms that allowed their client The Gap, Inc. to justify relocation to 40 Worth Street (also known as 60 Thomas Street).

Closing in August, this deal was the third largest in 2009, the largest relocation in 2009, and the largest relocation Downtown in over five years. They were able to negotiate this deal in the midst of the worst economic climate since the Great Depression, a feat that would have been difficult even in a steady market.

The finance award was presented to Michael Rotchford who negotiated the financing for the sale and capital leaseback of approximately 750,000 square feet of leasehold condominium interest at the New York Times headquarters during the financially-challenged first quarter of 2009. This required ingenuity and creativity to create a deal that adhered to restrictive bond covenants.

"Negotiating deals in New York City's complex real estate market, made even more complex by 2009's bleak economic climate, is no small feat," said REBNY president Steven Spinola.

"This year's winners demonstrate the kind of intelligence and finesse one comes to expect when dealing with a knowledgeable REBNY broker. They are skilled real estate professionals who have the ability to navigate obstacles and challenges to get things done."

The first place Henry Hart Rice Award memorializes Mr. Rice who was a past Most Ingenious Deal of the Year Award winner and five-time Robert T. Lawrence Award recipient.

Judges for the competition were: Peter Hauspurg, Eastern Consolidated; Vincent Carrega, Grubb & Ellis New York, Inc.; Gino Martocci, M&T Bank; Jay Anderson, Feil Organization; Robert J. Ivanhoe, Esq., Greenberg Traurig, LLP.

Sponsors for the cocktail reception were Donald Zucker Company, The Durst Organization, Glenwood Management, Massey Knakal Realty Services, The Related Companies, SL Green Realty Corporation, Vornado Realty Trust and The New York Times.