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Massachusetts investment trust closes on Extell's UN building

By Katherine Clarke



The sale of Extell Development's 16-story, 187,060-square-foot office building at 305 East 46th Street, between First and Second avenues, closed for \$114.05 million May 27, according to public records filed last Friday. The buyer was Newton, Mass.-based Government Properties Income Trust, a real estate investment trust specializing in government tenants. This represents Government Properties' first New York City acquisition.

As was previously reported, about [700 employees of the United Nations currently occupy the building](#), and will for some time, according to Gary Barnett, president of Extell, who leased the space to the UN for \$50 per square foot in 2007. "They have a long term left on their lease," he said, "so I think they'll be there for some time."

As for the sale of the property, Barnett said: "It was more of a core asset for us. We're really in the development business."

Ken Hedrick of Stan Johnson represented the buyer, and James Gross of Williamson, Pickett, Gross represented Extell Development in the sale.

Timothy Bonang, vice president of investor relations at Government Properties, could not be immediately reached for comment.