

THE WALL STREET JOURNAL.

July 29, 2011

<http://professional.wsj.com/article/SB10001424053111904888304576476083625169462.html>

Financing Near for Major New York Condo-Hotel Tower

By Craig Karmin



Extell Development Co. is on the verge of securing a \$700 million construction loan for the 1,000-foot condominium and hotel tower it is building on West 57th Street across from Carnegie Hall, according to people familiar with the matter.

Bank of America and Banco Santander are leading a lending group that is in the process of syndicating the debt. A deal could close before the end of September, say people familiar with the matter.

The developer's partner in the \$1.4 billion project is an Abu Dhabi government fund, which controls most of the equity. That fund is also supporting the loan by agreeing to buy any unsold condo units at a certain price, these people say.

Both banks and the Abu Dhabi fund declined to comment or could not be reached for comment.

Extell has already begun construction of the project which now stands 22 stories above ground. Up until this point, it has been financing work entirely with equity.

Extell's building, designed by Christian de Portzamparc and known as One57, will house a Park Hyatt hotel on the first 30 stories. The next 60 floors are for 95 luxury condominiums. Extell plans to list the units for between \$3,000 and \$8,000 a square foot, according to Extell.