

## Bluestone, Princeton Holdings buy Soho property for \$18M

*Building contract flipped by undisclosed real estate investor, sources say*

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By [Adam Pincus](#)

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From left: 158 Lafayette Street (Photo: PropertyShark), Eli Tabak, Scott Klatsky (top) and Hy Schermer

A joint venture of the Bluestone Group and Princeton Holdings closed today on the \$18.35 million purchase of an L-shaped office and retail building in Soho adjacent to the Mondrian Soho hotel, *The Real Deal* has learned.

Bluestone, headed by co-founders Marc Mendelsohn and Eli Tabak, and Princeton, headed by Tabak's brother Joseph, purchased the 19,500-square-foot building with 106 feet of frontage on Lafayette Street and 23 feet on Grand Street. The seller was an entity with an address at the development and brokerage firm Time Equities.

The sale comes as office and retail rents have surged in the area, local owners said. David Zar, a partner with the landlord Zar Property NY, which owns several Soho properties including 42 Greene Street, said office asking rents on that street are up to \$79 per square foot up from the mid-\$30s three or four years ago.

"[There is] strong interest from tech, apparel, media [as well as] tenants that aren't price conscious and appreciate the cast iron buildings and cobblestone streets," said Zar, who was not a party to this transaction.

The building is diagonal from the first New York City location for the rapidly-growing temporary office space firm, WeWork, at 154 Grand Street.

The property was marketed by Scott Klatsky and Hy Schermer of Time Equities. An undisclosed real estate investor signed a contract to buy the property, then flipped that contract to Bluestone and Princeton, according to a person familiar with the deal.

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The new owners plan to hire office and leasing brokers and reposition the current tenancy, sources familiar with the deal said. Eli Tabak, speaking for the joint venture, declined to comment.

The retail portion is currently divided into four spaces. Two of them — representing 60 percent of the space — are occupied, while the office space is partially occupied, insiders said. Retail asking rents for the area are about \$250 per foot.

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