

# THE REAL DEAL

NEW YORK CITY REAL ESTATE NEWS

## Bluestone buys \$18M note in Hub section of Bronx

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By [Adam Pincus](#)

*Eli Tabak, a principal with Bluestone Group, and 2952 Third Avenue*

The real estate investment firm Bluestone Group late last month purchased the defaulted \$17.5 million senior note on a 175,000-square-foot retail property owned by clothing discounter Conway Stores in the busy Hub shopping district of the South Bronx, several sources familiar with the deal said.

The Bluestone Group, based in Lower Manhattan, bought the note secured by the two-story property located at 2952 Third Avenue, between 152nd and 153rd streets from New York Community Bank, the sources said.

The current tenants in the property include Conway Stores and another discount apparel retailer Rainbow Shops.

The multi-building site, composed of three individual tax lots, also holds significant residential development rights, one source said. The site is located one block south of the Related Companies Hub Retail and Office Center at 2984 Third Avenue and north of where [Whitestone-based Triangle Equities](#) is set to develop retail locations with a projected cost of \$35 million.

Conway Stores bought the property in 2002 for an undisclosed amount, and in 2008 borrowed \$17.5 million from New York Community Bank, city property records show.

Ricky Cohen, a co-owner of the Manhattan-based Conway Stores, and Eli Tabak, a principal at Bluestone Group, did not immediately respond to requests for comment.

It was not clear what Bluestone Group plans for the site. The firm has flipped notes and properties, most notably the [distressed Ocelot portfolio](#) in the Bronx, but also could hold onto the site, in which case it would likely partner with an experienced retail player, an insider said.