

JANUARY 9, 2018 - **K PROPERTY GROUP** IN THE NEWS - By Hiten Samtani and Konrad Putzier

## **K Property, Intercontinental scoop up pair of Soho buildings for \$46M**

*Buyers plan to combine 30 and 32 Howard into pre-built offices*



From left: 30-32 Howard Street, Greg Kraut and Rod Kritsberg



**Greg Kraut** and **Rod Kritsberg's K Property Group** and Boston-based Intercontinental Real Estate Corporation bought two adjoining commercial buildings in Soho for \$46 million. The firms plan on renovating and combining the properties, according to sources.

The deal for 30-32 Howard Street, which closed Tuesday, is K Property Group's second major acquisition following its \$31.5 million buy of the Sunshine Cinema with East End Capital last year.

Cast Iron Real Estate's David Barreto and Pulse International Realty's Rena Kliot and Alissa Marlin brokered the transaction.

The Monsees family, which operated a library-ladder manufacturing business out of the two buildings, is the seller, property records indicate. The redevelopment plan calls for 42,000 square feet of office space, which includes pre-built suites ranging from 3,800 to 7,200 square feet on floors two through four and a duplex office penthouse with a rooftop terrace on floors five and six, the buyers said in a

statement. K Property plans to start construction in a few weeks and complete the project in a year.

Designer Rick Owens' U.S. headquarters and flagship store is located at 30 Howard and will stay in its retail space.

The office component "is sort of driving the bus here," Kritsberg said. He argued that Howard Street has been insulated from Soho's vacancy epidemic as designers shifted towards lower Soho.

"This corner still has this feel that Soho used to have," he said. "You can just walk the streets and see how well Howard Street is doing." K Property hired Spector Group to design floor plans for the new office spaces. The buildings will get a new facade, among other changes. The available retail space next to Rick Owens will be a 2,500-square-foot, column-free rectangle, Kritsberg said.

Kritsberg, formerly of Midtown Equities, launched K Property in 2014. Avison Young veteran Kraut joined him a year ago.