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## L&L Becomes Equity Partner In \$2B Times Square Project

By John Jordan



*A rendering of the \$2-billion 1568 Broadway development.*

NEW YORK CITY—The partnership behind the \$2-billion redevelopment of 1568 Broadway in Times Square has added a new partner—New York City-based real estate investment firm L&L Holding Co.

L&L announced it has become an equity partner in the project that involves the restoration and elevation of the historic Palace Theatre, a new 700-room hotel as well as retail space. L&L will also serve as developer for the project that will feature prime street front retail and entertainment space and a 17,000 square-foot super-high-resolution new LED screen. Other partners in the venture include MaeField Development, Fortress Investment Group and the Nederlander Organization. No financial terms of L&L's equity interest in the project were released.

The partnership has acquired all of the necessary project components, including the land, hotel and signage rights. As part of the redevelopment plan, the Palace Theatre will be lifted 29 feet, have its historic interior restored to its original 1913 grandeur, and will have renovations and expansion of its lobby, backstage operations and other public facilities. The project will also fund important neighborhood improvements including an enhanced subway entrance at the Southeast corner of 47th Street and 7th Avenue.

The Nederlander Organization will continue to own the historic Palace Theatre once all work is completed. Construction on the project is expected to begin in 2018.

Previous reports have calculated the project calls for approximately 66,000 square feet of retail space and 40,000 square feet of entertainment space that could include fine dining, bars and a nightclub. The city's Landmarks Preservation Commission has already authorized the addition of 10,000 square feet of space to the Palace Theatre.

In late 2015, Maefield Development closed on its \$540-million purchase of the leasehold interest in the 468-room DoubleTree Suites by Hilton Hotel New York City-Times Square at 1568 Broadway from Sunstone Hotel Investors.

L&L Holding chairman and CEO David W. Levinson says of its acquired interest in the project, "We look forward to working with Fortress, Maefield, the Nederlander Organization and the local community to produce an incredible new mecca for the arts, entertainment, cuisine and lodging in the heart of Times Square."

"The redevelopment of 1568 Broadway is a perfect match for L&L Holding's ability to tackle the most complex and intricate development projects and to do so in a way that creates enduring value for the residents and visitors of New York," adds L&L Holding president and chief investment officer Robert Lapidus,

L&L Holding is currently building 425 Park Ave., which will be the first full-block office development on the boulevard in half a century, and is undertaking an ambitious re-massing of an office building at 390 Madison. Earlier this year, L&L completed the redevelopment at 195 Broadway, which included the preservation and adaptive re-use of the lobby of the original AT&T building, which is now home to Nobu and Anthropologie.