

July 26, 2021

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L&L Holding Co., Columbia Property Trust secure \$1.25 billion loan for Terminal Warehouse redevelopment



A rendering of the rooftop amenity space at Terminal Warehouse.

RENDERING BY GENSLER / TMRW

By [Liz Young](#)

L&L Holding Co. and Columbia Property Trust have closed on \$1.25 billion in construction financing for their redevelopment of the Terminal Warehouse in the West Chelsea neighborhood.

Terminal Warehouse is a 1.2 million-square-foot office, retail and self-storage building that's being converted into an office and retail property.

Blackstone, Goldman Sachs and KKR led the \$974 million senior loan and senior mezzanine loan financing, while Oaktree Capital Management LP and Paramount Group led the \$274 million junior mezzanine financing.

The loan package is the largest construction financing to date in New York City this year. Now, with this in hand, L&L and Columbia are ready to begin major construction.



A rendering of a work café and terrace inside Terminal Warehouse.

RENDERING BY GENSLER / TMRW

"The closing of this loan kicks off a new project phase for us," said L&L Principal [Andrew Staniforth](#), who oversees the Terminal Warehouse redevelopment, in a statement. "The last three years have been one of the most exciting explorations into the history and possibility of this amazing Chelsea landmark, and in the coming months we are going to start seeing it all come to life."

CBRE arranged the construction financing package on behalf of L&L and Columbia. Terms were not disclosed.

Cookfox of New York is the architecture firm on the project.

As part of the redevelopment, the building's 550,000 square feet of self-storage space will become Class A office space. The ground-floor retail and common areas will be reimaged. And floor area will be removed to create space for a courtyard, a series of double-height interior spaces, and six office floors with floor-to-ceiling windows overlooking the Hudson River.

The project is expected to be completed in 2023.

Terminal Warehouse, built in 1891, occupies a full block from 11th to 12th avenues and from 27th to 28th streets. It was initially a transfer point for goods into and out of the city. It has a tunnel with a twin set of rail tracks that runs through the center of the property. In the 1980s and 1990s, it was home to the famous Tunnel nightclub.



A rendering of the cascading terraces and interior courtyard at Terminal Warehouse.

RENDERING BY GENSLER / TMRW

The 670-foot-long train tunnel will be restored as part of this redevelopment project, and shops, restaurants and other amenities will be placed along it.

L&L Holding Co., based in New York, has acquired or developed more than 10 million square feet of commercial and residential space in New York and Florida. Its portfolio includes 425 Park Ave., a 47-story office tower [it's developing in Midtown](#); TSX Broadway in Times Square; and 222 Broadway in lower Manhattan.

Columbia Property Trust (NYSE: CXP) owns, operates and develops office buildings primarily in New York, San Francisco, Boston and Washington, D.C. Its New York area portfolio includes the former *New York Times* building at 229 W. 43rd St., [149 Madison Ave. in Midtown South](#), and [95 Columbus in Jersey City](#).