

# THE REAL DEAL

NEW YORK CITY REAL ESTATE NEWS

## Greystar buys three NYC rental buildings for \$336M

*Deals in Chelsea, Williamsburg come in wake of \$2B portfolio sale*

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By [Konrad Putzier](#)

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From left: Bob Faith, 160 West 24th Street in Chelsea and a rendering of 247 North 7th Street in Williamsburg

Greystar Real Estate Partners snapped up three New York City rental buildings for \$336.3 million, in another sign that investors remain bullish on multifamily properties.

The Charleston-based fund manager paid \$211.3 million for the 204-unit rental building 160 West 24th Street in Chelsea from Chicago-based LaSalle Investment Management. In a separate deal, it bought two new rental developments in Williamsburg – 247 North 7th Street and 248 North 8th Street – from Adam America Real Estate for \$125 million. The firm is buying the properties through its fund Greystar Equity Partners VIII.

In December, Greystar [sold a 10,399-unit urban multifamily portfolio](#) including properties in the New York area to the Blackstone Group for \$2 billion, but the latest acquisition indicates the company remains bullish on Manhattan rentals.

“What’s not to like about the fact that you’re in New York, one of the great cities in the world,” Greystar CEO Bob Faith told *The Real Deal*.

The acquisition of 160 West 24th Street was brokered by BlueGate Partners, while the Williamsburg deal was brokered by GFI Realty and Voda Bauer Real Estate. Both deals were off-market transactions.

Faith explained that he sees the three acquisitions as value-add investments. In the case of 160 West 24th Street, [Greystar](#) will look to increase its rent roll by upgrading kitchens, floors and common areas.

In the case of the two adjacent newly-developed Williamsburg buildings, Faith said the firm is looking to make a profit by taking a patient approach to leasing in an effort to achieve higher rents.

“When leasing up a new property there’s always a balance between velocity and maximizing your rent,” Faith said. “Oftentimes, we found that developers are backed by fast money or high-IRR money and are really focused on velocity.”

As investors’ confidence in the real estate market wanes amid global financial turbulence, [multifamily remains popular](#) as a perceived stable asset. 2015 saw several large multifamily deals in Manhattan, such as Blackstone’s acquisition of the Caiola portfolio for \$700 million and of [Stuyvesant Town-Peter Cooper Village](#) in partnership with Ivanhoe Cambridge for \$5.3 billion.

Tags: [Adam America Real Estate Group](#), [Greystar Real Estate Partners](#)