

News of The Realty Trade

Rumanians Buy Hotel in Murray Hill

The Government of Rumania has acquired the Carriage House residential hotel in Murray Hill for more than \$4.5-million in a complex transaction that took two years to consummate.

The acquisition is the most recent of several by foreign governments in midtown.

The Government of Jamaica earlier this year purchased the 16-story office building at 866 Second Avenue and the Philippine Government has occupied 556 Fifth Avenue.

Iranian interests are building a major office building on the site of the former DePinna building at Fifth Avenue and 52d Street and South Korean interests last year acquired the 22-story office building at 460 Park Avenue.

The Rumanians will use the 16-story, 12-year-old hotel at 200 East 38th Street to consolidate offices and living quarters for their personnel.

The transaction involved buying out long-term leases guarantees, the establishment of an arbitration procedure and an exchange of property in Atlanta.

As a result, the Rumanians will vacate their present quarters in a large mansion at 60 East 93d Street, as well as offices at 95 Madison Avenue, 866 Second Avenue and 500 Fifth Avenue and about 20 different individual apartments throughout the city.

The property was acquired from Carriage Inn Corporation of which Martha

Sarno is a principal. The corporation had been operating the property as a hotel. One week ago, it was more than 90 percent occupied. Many of the units in the hotel were under long-term lease to corporate clients.

The operator of the hotel first had to acquire the land and the leasehold from, respectively, Frances H. Cahen, Phillis H. Rosenthal and Richard Hiller, and the 200 East 38th Street Corporation, of which Robert and Allan Stillman are principals.

The owners of the land and leasehold wanted a tax-free exchange of property, so Carriage Inn Corporation bought, through Durgum Realty Corporation, a 215,000-square-foot office park in Atlanta known as La Vista Perimeter from Glenn and Curtis Hicks.

First Federal Savings and Loan held a mortgage on the building and the Pittsburgh Realty Investment Trust held a mortgage on the hotel's furnishings.

The Rumanian Government neither wished to assume any financing nor to pay cash all at once, so it arranged for its bank in Bucharest to issue six-year letters of credit that were guaranteed by the Manufacturers Hanover Trust Company here.

All the financial transactions had to occur simultaneously.

Kenneth D. Laub, president, and Richard M. Rosen, vice president and general

counsel, of Kenneth D. Laub & Company, Inc., were the brokers.

Jersey Office Building

The Bellemead Development Corporation has begun construction of a 56,000-square-foot office building as the first of 13 buildings planned for a 98-acre site on Route 202 between Halsey Road and Route 10 in Parsippany-Troy Hills, N. J.

The \$2.5-million, three-story building is scheduled for completion in about a year. Henry Iggena is the architect.

The project will be known as the Bellemead Corporate Center and will contain about 1-million square feet of space when completed in eight years. The buildings are planned to cover less than 10 percent of the site.

Plymouth Shop Lease

The Plymouth Shop and the Innovation Luggage Shop have leased retail space in the World Trade Center Shopping Concourse for 20 years at a combined aggregate rent of \$2.5-million.

Plymouth has leased 7,200 square feet. The store, which will open late next summer, will be the 29th in the Plymouth chain.

The luggage store has taken 2,800 square feet and will open in a few weeks. It is part of a chain with nine stores.

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