

Children's Investment Fund Provides \$290M Construction Loan for UES Development

BY [LAUREN ELKIES SCHRAM](#) APRIL 3, 2017, 6 A.M.



RENDERING OF 151 EAST 86TH STREET.

Last Friday night, a joint venture of [Ceruzzi Properties](#) and [Kuafu Properties](#) secured a \$290 million construction loan from [The Children's Investment Fund](#) for a project on the Upper East Side, Commercial Observer has learned.

[HFF](#)'s [Dave Nackoul](#), [Christopher Peck](#) and [Scott Findlay](#) represented the developers in the deal, a company spokeswoman said. Peck would only say it was a floating-rate loan.

Commercial Observer – April 3, 2017

The \$415 million development, at **151 East 86th Street** at Lexington Avenue, will soar 18 stories up with a mix of residences (61 condominium units spread over 151,500 square feet) and 36,000 square feet of ground-floor retail, according to a spokeswoman for Ceruzzi. The apartments will average 2,485 square feet. Demolition has commenced and the project is slated for completion in late 2018 or early 2019.

Plans call for a 6,500-square-foot amenity space with a concierge service, a rooftop terrace, a fitness facility, a lounge and a children's playroom.

The project has been designed by **HOK**, with interiors by **SheltonMindel**.

As CO previously reported, on Dec. 23, 2013, the developers along with **Stillman Development International** secured a \$33.1 million 99-year ground-lease at **147 East 86th Street** from the heirs of Sol Goldman, property records indicate (it wasn't immediately clear when or why Stillman pulled out of the project). The developers then bought neighboring 151 East 86th Street from **Town Sports International Holdings**, the owner and operator of gym chain New York Sports Clubs, for \$85.5 million on Sept. 12, 2014. According to city records, they also received \$68 million in financing from **Huntington National Bank** between September and December that year; a \$38 million acquisition loan, a \$24 million project loan and a \$6 million gap mortgage.

The Children's Investment Fund didn't immediately respond to requests for comment.

With additional reporting provided by [Cathy Cunningham](#).