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## REAL ESTATE WATCH

### GRAMERCY PORTFOLIO

▼ Beth Israel Medical Center sold three six-story walk-up apartment buildings near Gramercy Park for \$7.5 million in an all-cash deal.

An investor group led by Steven Croman bought 336, 340 and 348 E. 18th St., a 60,000-square-foot portfolio, for \$125 a square foot. Mr. Croman and his partners own numerous residential rentals below 23rd Street, concentrated in the Village.

Because 31 of the 73 apartments in the package are vacant and in need of rehab, Beth Israel needed to find a patient, hands-on developer.

"The buildings need a lot of renovation; it will be very capital- and time-intensive," says Robert A. Knakal, chairman of Massey Knakal Realty Services Inc., which brokered the sale.

Despite the dough required for rehab, the portfolio drew 37 bidders because of its usually large size. "These don't come along very often," says Mr. Croman. "The economies of scale are there."