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Manhattan Tower's Fate Resolved



A new chapter has opened for a 50-story emblem of the real-estate boom-turned-bust that changed the skyline of Manhattan.

On Tuesday, a group of creditors including Related Cos., CIM Group and HFZ Capital won control of One Madison Park, a nearly-completed glass condominium tower that had been stalled in court fights for more than two years. A federal court confirmed a Related-HFZ plan to take the building out of bankruptcy, the developers said. Sales on the 55 or so unsold units could start by the end of 2012.

The sleek tower is one of the tallest buildings between Midtown and Lower Manhattan and has attracted the attention of numerous developers since it defaulted on its debt in 2009. One Madison was the first major project for its original developers—Ira Shapiro and Marc Jacobs.

Related and HFZ, which each bought pieces of debt with the hope of taking control, initially sparred with each other in court. But in the end, they joined forces.

—Eliot Brown