

Investor Buys Majority Stake in Flatiron Building

Last Edited: Monday, 26 Jan 2009, 8:45 PM EST
Created On: Monday, 26 Jan 2009, 8:44 PM EST

NEW YORK (AP) - An Italian real estate investor has bought a majority stake in the triangular landmark Flatiron Building and plans to turn it into a luxury hotel.

The Sorgente Group S.p.A., which now controls just over 50 percent of the building, would not say how much it paid for its share. The value of the 22-story building, which sits on a triangular lot in Manhattan, is estimated to be \$190 million.

The Sorgente Group said it will complete payment by June and might increase its stake.

"With this acquisition, Sorgente Group has exceeded 50 percent ownership of the Flatiron property, with further possibilities offering up to 75 percent ownership," Valter Mainetti, managing director of the Sorgente Group, said in a statement.

The seller was the local real estate firm Newmark Knight Frank, which will keep a minority interest in the property and provide management services.

The Flatiron Building, which earned its name because it's shaped like an old-fashioned clothes iron, was erected in 1902 and was the world's first steel-frame skyscraper. It was named a National Historic Landmark in 1989.

Sorgente's other New York acquisitions include a stake in the Chrysler Building, an art deco skyscraper on the East Side.