

# Ares Management's Real Estate Group and Douglaston Development Announce Joint Venture to Develop 58-Story, 931-Unit Hudson Yards Mixed-Use Residential Tower

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*Joint Venture Also Closes Construction Financing for the Development Located at 601 W. 29th Street*

NEW YORK & LOS ANGELES--(BUSINESS WIRE)-- Real estate private equity funds managed by affiliates of Ares Management Corporation (NYSE:ARES) and Douglaston Development announced today that they have established a joint venture to develop 601 W. 29th Street (a/k/a 311 Eleventh Avenue), a 931-unit luxury mixed-use residential development located at the intersection of Manhattan's West Chelsea and Hudson Yards neighborhoods.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20190606005800/en/>

The joint venture also announced today that it has received construction financing for the project from a syndicate of banks led by HSBC, with co-lenders Bank of China and Landesbank Hessen-Thüringen ("Helaba") with participation in the loan facility from Santander Bank and Raymond James Bank. The joint venture also closed upon the acquisition of approximately 120,000 square feet of air rights from Hudson River Park, with the proceeds going towards funding significant park improvements in the neighborhood.

"Douglaston is thrilled to kick-off our new partnership with Ares on this ground-breaking development," said Jeffrey Levine, Chairman of Douglaston Development. "I am very proud of my team for how far along we have come with this project. It took multiple years to get this very complicated nearly 1-million-square-foot site rezoned and assembled."

Added Douglaston Development President Steven Charno: "Structuring a project of this scale requires a sophisticated team and we're proud to work with such an esteemed partner and group of lenders. Upon completion, 601 W. 29th Street will sit on the High Line at the crossroads of Hudson Yards and West Chelsea and will be a great addition to a changing landscape."

"On behalf of our investors, Ares is excited to continue its investment in high-growth urban areas with the construction of this premier project," said Andrew Holm, Partner in the Ares Real Estate Group. "Ares has consistently focused on the development of core, high-quality real estate in gateway markets. With a prime location in a rapidly transforming neighborhood, this project exemplifies many attributes of our investment criteria. We look forward to bringing this project to fruition and building upon a strong relationship with Douglaston, an established New York developer that recognized the potential of this site early on and spent years bringing the project to where we are today."

Spanning a full block on 11th Avenue between 29th and 30th Streets, 601 W. 29th Street will rise 58 stories, providing residents with unobstructed views in all directions, ease of access to the cultural amenities of Hudson River Park and the Chelsea neighborhood, as well as direct access to the heart

of Hudson Yards, Manhattan's preeminent mixed-use neighborhood. The project is being designed by FXCollaborative (formerly FXFowle Architects) with a vision of bringing together distinctive architecture and efficient units with an expansive suite of lifestyle-oriented amenities. The market-leading, 50,000-plus-square-foot amenity package will include an expansive fitness center, multiple outdoor terraces, a pool, private cabanas, resident lounges, and pet daycare. 601 W. 29th Street will be comprised of 931 residential units (697 market rate and 234 affordable units), 186 parking spaces and 15,000 square feet of Class-A retail space. Demolition and site work are already underway, and the project is expected to open in late 2022.

Greystone Bassuk served as exclusive adviser to the joint venture on the debt and equity raises.

### **About Ares Management Corporation**

Ares Management Corporation is a publicly traded, leading global alternative asset manager with approximately \$137 billion of assets under management as of March 31, 2019 and 18 offices in the United States, Europe, Asia and Australia. Since its inception in 1997, Ares has adhered to a disciplined investment philosophy that focuses on delivering strong risk-adjusted investment returns throughout market cycles. Ares believes each of its three distinct but complementary investment groups in Credit, Private Equity and Real Estate is a market leader based on assets under management and investment performance. Ares was built upon the fundamental principle that each group benefits from being part of the greater whole. For more information, visit [www.aresmgmt.com](http://www.aresmgmt.com).

### **About Douglaston Development**

Douglaston Development is a vertically-integrated private development firm. The New York based company was founded 40 years ago by Jeffrey E. Levine, the company's chairman. Douglaston has built its business by identifying transformative, large-scale development opportunities, often in emerging and pioneering neighborhoods, and championing forward thinking design. Douglaston is one of New York City's most highly regarded private developers and has grown to over 200 employees and completed over \$2 billion of ground-up development. The seamless integration among its development, construction and property management businesses—Douglaston Development, Levine Builders, and Clinton Management—gives the firm a unique competitive advantage.

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