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NEW YORK CITY REAL ESTATE NEWS

## Sitt Asset Management sells Midtown West DKNY headquarters for \$63M

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A group led by Sitt Asset Management is selling fashion label Donna Karan New York's 160,000-square-foot headquarters in Midtown West for \$63 million, *The Real Deal* has learned. The buyer is AEW Capital Management.

The building at 240 West 40th Street, between Seventh and Eighth avenues, went into contract June 30. It had been on the market for \$65 million since last fall. A Jones Lang LaSalle team of Richard Baxter, Scott Latham, Ron Cohen and Jon Caplan represented the seller. The JLL team declined to comment. There was no broker on the buyer's side.

DKNY has a lease for all of the building that expires in 2016; the property then could be repositioned as a hotel, as previously reported.

Tenants in the retail space include Guy & Gallard and Dunkin Donuts.

Neither Sitt nor a spokesperson for AEW was immediately available for comment.

AEW has been active in the tri-state area since early this year. In May, the company joined developer the Naftali Group to buy a 90,000-square-foot site in Boerum Hill at 316 Bergen Street, where they plan to build an 85-unit luxury rental. In February, AEW bought a rental building at 600 Jackson Street in Hoboken, N.J., from the Milestone Group and Dallas-based Invesco.

On the commercial side, AEW partnered with shared office space provider WeWork last year to buy the long-term leasehold at 175 Varick Street for \$33.5 million from Extell Development.



240 West 40th Street

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