

[Search \(/search/\)](#)

[_ \(https://www.facebook.com/Globestcom\)](https://www.facebook.com/Globestcom)

[_ \(https://twitter.com/GlobeStcom\)](https://twitter.com/GlobeStcom)

[\(https://www.linkedin.com/company/globest-com/\)](https://www.linkedin.com/company/globest-com/) [_ \(/rss/\)](#)



[street%2F%3Fkw%3DSilverstein%252C%2520Arde
REGIS
STREET%2F%3FKW%3DSILVERSTEIN%252C%252](#)

[MARKETS \(/MARKETS/\)](#) [SECTORS \(/SECTORS/\)](#) [TECHNOLOGY \(/TECHNOLOGY/\)](#) [BEST PRACTICES \(/BEST-PRACTICES/\)](#) [REAL ESTATE FORUM \(/REAL-ESTATE-FO](#)

[News \(/news/\)](#)

Silverstein, Arden and Migdal Partner To Acquire 1735 Market Street

By [Steve Lubetkin \(/author/profile/Steve-Lubetkin/\)](#) | March 28, 2019 at 04:00 AM

f

in

🐦

📄 (http)



[\(https://images.globest.com/contrib/content/uploads/sites/308/2019/03/1735Market-TwoViews616x372.jpg\)](https://images.globest.com/contrib/content/uploads/sites/308/2019/03/1735Market-TwoViews616x372.jpg) 1735 Market Street, Philadelphia, PA (Greg Benson Photos)

PHILADELPHIA, PA—Silverstein Properties, Arden Group, and Migdal Insurance, have entered into a partnership to purchase and manage **1735 Market Street**, a 1.3 million square-foot, 54-story, trophy class A office building in Philadelphia, PA.

Arden Group, Silverstein Properties and **Migdal** purchased the building, located on 18th Street between Market Street and JFK Boulevard, for \$451.6 million from **Equity Commonwealth**, which previously announced the sale of the building in January, without identifying the buyers. **Silverstein** is a full-service real estate development, investment and management company based in New York City, **Arden** is a privately held real estate fund manager, investor, and operator based in Philadelphia, and **Migdal Insurance** is an Israel-based insurance company and pension and provident fund manager.

Trending Stories

- 1 [Cousins Properties, TIER REIT Merge in \\$7.8B Deal \(https://www.globest.com/properties-tier-reit-merge-in-8b-deal/\)](#)
- 2 [DC is the Most Attractive Opportunity Zone on the East Coast \(https://www.globest.com/dc-is-the-most-attractive-opportunity-zone-on-the-east-coast/\)](#)
- 3 [The Best Markets For Opportunity Zone Investors \(https://www.globest.com/best-markets-for-opportunity-zone-investors/\)](#)
- 4 [CBRE Loan Services Forms New Third-Party Commercial Loan Advisory Platform \(https://www.globest.com/loan-services-forms-new-third-party-commercial-loan-advisory-platform/\)](#)
- 5 [Will Rent Control Stall Inglewood Investment? \(https://www.globest.com/rent-control-stall-inglewood-investment/\)](#)

Holliday, Fenoglio Fowler marketed the property on behalf of the seller and procured the buyer. **Skadden Arps** and **Cozen O'Connor** acted as purchaser's legal counsel, and **Locke Lord** acted as seller's legal counsel with **Jones Lang LaSalle** arranging the debt financing.

"I am thrilled to begin the year with the addition of this great building in one of my favorite cities," says **Larry Silverstein**, chairman of **Silverstein Properties**. "I hope that through our investment in the building, we can continue to attract top-tier companies to Philadelphia and drive Center City forward as a major business hub in the United States."

The tower, Philadelphia's fifth-tallest building, is currently 92%-leased to tenants including **Bank of New York Mellon Corp.**, **Goldman Sachs Group**, **Boston Consulting Group**, **JP Morgan Chase & Co.**, **Willis Towers Watson**, and law firms **Ballard Spahr** and **Montgomery McCracken Walker & Rhoads**.

"The building's impressive roster of tenants, and prime location in the heart of Philadelphia attracted us to this opportunity," says **Marty Burger**, CEO of **Silverstein Properties**. "The city is a global destination that continues to attract businesses. This acquisition marks our company's expansion to a global destination and transit-oriented market outside of New York City. We look forward to working closely with **Craig Spencer** and the greater **Arden** organization. With more companies locating in Philadelphia and the tower's reputation and strategic positioning, this investment offers great potential for long-term growth."

"We are pleased to have acquired this premier investment in a robust market. Philadelphia's dynamic job growth, millennial population growth and residential migration into Center City has created an exciting investment environment," says **Craig A. Spencer**, CEO of **Arden Group**. "Having developed the **Ritz Carlton Hotel** and the **Residences at the Ritz Carlton**, the acquisition of **1735 Market Street** marks another trophy investment in our hometown of Philadelphia. The purchase is consistent with our strategy of investing in opportunities for value creation. **Silverstein** and **Arden's** combined strategic asset management oversight will allow us to achieve our operational goals as well as enhance appreciation of the asset over time."

"**1735 Market** is another foundation stone in **Migdal's** portfolio of long term holdings, and in line with our strategy to acquire best-in-class properties together with best-in-class partners," says **Jonathan Ross**, head of international real estate for **Migdal**. "**1735 Market** is the best multi-let building in Philadelphia's CBD. It is centrally located, has a very high-quality tenant roster, and features direct underground access to mass transit. This is **Migdal's** third investment with world-class operator **Silverstein Properties**. Philadelphia-based **Arden** properties rounds out the partnership with local market expertise."

Built in 1990 and designed by **Kohn Pedersen Fox Associates**, **1735 Market Street** is widely recognized for its trademark pyramid crowned top. The tower connects the city's historical main street (Market Street) to Comcast's global headquarters campus directly across JFK Boulevard. It is Philadelphia's only trophy building with direct access to public transportation and a tenant-only, underground parking garage. The building also features a newly renovated fitness center (**Philadelphia Sports Club**)

and the recently completed **Lounge @ 1735 Market**, a tenant only amenity floor that offers a blend of shared work space, conference rooms, lounge space, entertainment areas and outdoor space.

On the 52nd floor of **1735 Market** is the **Pyramid Club**, which allows paying members, including both tenants and visitors, convenient access to one of the premier private clubs in Philadelphia. At the base of the building are two parks and a winter garden.

The property's 18th and Market Street location provides convenient access to all corners of Center City and the entire Philadelphia region. Nearly 300,000 people take public transportation into Center City every workday. The majority commute to SEPTA's **Suburban Station**, located in the concourse directly below **1735 Market**. **Suburban Station** is the only rail stop servicing the Market West office market, and ranks highest in SEPTA Regional Rail ridership.

f SHARE t SHARE

Steve Lubetkin

Steve Lubetkin is the New Jersey and Philadelphia editor for GlobeSt.com. He is currently filling in covering Chicago and Midwest markets until a new permanent editor is named. He previously filled in covering Atlanta. Steve's journalism background includes print and broadcast reporting for NJ news organizations. His



[\(/author/profile/Steve-Lubetkin/\)](/author/profile/Steve-Lubetkin/)

audio and video work for GlobeSt.com [has been honored by the Garden State Journalists Association \(http://statebroadcastnews.com/2018/04/25/sbn-garners-four-journalism-awards-for-broadcast-radio/\)](http://statebroadcastnews.com/2018/04/25/sbn-garners-four-journalism-awards-for-broadcast-radio/), and he has also been recognized for video [by the New Jersey Chapter of the Society of Professional Journalists \(http://statebroadcastnews.com/2016/06/13/sbn-wins-second-award-from-society-of-professional-journalists-nj-chapter/\)](http://statebroadcastnews.com/2016/06/13/sbn-wins-second-award-from-society-of-professional-journalists-nj-chapter/). He has produced audio podcasts on CRE topics for [the NAR Commercial Division \(https://lubetkin.net/categories/client-podcasts/nar-commercial-division/\)](https://lubetkin.net/categories/client-podcasts/nar-commercial-division/) and the CCIM Institute. Steve has also served (from August 2017 to March 2018) as national broadcast news correspondent for GEOReport.com, a news website focused on practical advice for senior executives in small- and medium-sized companies. Steve also reports on-camera and covers conferences for NJSpotlight.com, a public policy news coverage website focused on New Jersey government and industry; and for clients of [StateBroadcastNews.com \(http://www.statebroadcastnews.com/\)](http://www.statebroadcastnews.com/), a division of The Lubetkin Media Companies LLC. Steve has been the computer columnist for the [Jewish Community Voice of Southern New Jersey \(http://www.jewishvoicesnj.org\)](http://www.jewishvoicesnj.org/), since 1996. Steve is co-author, with Toronto-based podcasting pioneer Donna Papacosta, of the book, *The Business of Podcasting: How to Take Your Podcasting Passion from the Personal to the Professional* (<http://www.thebusinessofpodcasting.com/>). You can email Steve at steve@statebroadcastnews.com (<mailto:steve@statebroadcastnews.com>).

More from this author → [\(/author/profile/Steve-Lubetkin/\)](/author/profile/Steve-Lubetkin/)

Dig Deeper

[Philadelphia \(/Markets/Philadelphia/\)](/Markets/Philadelphia/) [Office \(/Sectors/Office/\)](/Sectors/Office/)

[Capital Markets \(/Capital-Markets-Globest-Topics/\)](/Capital-Markets-Globest-Topics/) [Northeast \(/Markets/Northeast/\)](/Markets/Northeast/)