

The Daily Dirt: RXR takes over managing landmark Midtown office building

The firm is also repositioning the 70-year-old property



RXR's William Elder and 150 East 42nd Street (Getty, RXR, Google Maps)

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By [Kathryn Brenzel](#)

RXR says it is taking over management and leasing at the landmark Socony-Mobil Building in Midtown.

The company is embarking on the next phase of recovery at 150 East 42nd Street, a nearly 70-year-old office building that is losing its largest tenant.

Last month, the building's owners, David Werner and 601W's Mark Karasick, got a three-year extension on a \$525 million CMBS loan. The partnership had defaulted on the loan in September after learning that the property's largest tenant, Wells Fargo, planned to leave before its lease ends in 2028, [Commercial Observer reported at the time](#).

Werner [bought the building](#) in 2014 from Japanese firm Hiro Real Estate Co., reportedly for more than \$900 million. At [the time](#), both Wells Fargo and Mount Sinai Hospital were considered its largest tenants, each leasing around 500,000 square feet.

RXR would not share financial details of its relationship to the building, only saying it is joining owner 601W Companies in managing and leasing the building. The company is also leading renovations of the lobby and amenity spaces. A call and email to Karasick were not returned.

In January, RXR [bought a 49 percent stake](#) in Ivanhoe Cambridge's 1211 Avenue of the Americas. The arrangement appears similar at that property: RXR is taking over management and renovating the building.

In an interview, William Elder, managing director of RXR's NYC division, pointed to the building's proximity to Grand Central and the views that a new tenant could enjoy from its top floors (the building rises 42 stories).

What we're thinking about: Our annual [New York forum](#) is coming up next week, and subscribers get a 20 percent discount on general admission passes. Make sure you [grab one!](#)

A thing we've learned: Based on closings in the first quarter of 2025, Hudson Yards is the city's [most expensive neighborhood](#), with a median home sale price of \$5.4 million, according to a new report by [PropertyShark](#). Little Italy came in second with a median sale price of \$4.6 million.

Elsewhere in New York...

— Gov. Kathy Hochul on Monday announced a handshake deal on a \$254 billion state budget. During a short speech on the agreement, the governor noted that the budget includes a proposal to bar institutional investors from bidding on single- and two-family homes for the first 90 days they are on the market. That follows the Assembly's proposal, which raised the waiting period from the 75 days originally pitched by the governor.

— The parking garage collapse in 2023 that killed one person and injured seven others was caused by workers who removed structural bricks and mortar from a load-bearing pier, [Gothamist reports](#). The Department of Buildings says workers performed unauthorized demolition work just below the third floor of the garage at 57 Ann Street, weakening the pier to the point that when a car drove on a roof above it, the weight caused the floor, and ultimately the entire garage, to collapse. DOB also says years of poor maintenance and design flaws contributed to the collapse.

— A political action committee tied to Airbnb is expected to double its spending on City Council and other races, [City & State reports](#). The PAC, Affordable New York, already has \$5 million and has spent upwards of \$600,000 on ads supporting City Council members.

Closing Time

Residential: The priciest residential sale Monday was [\\$45.9 million](#) for a condominium unit at 217 West 57th Street. The 7,000-square-foot Midtown condo at Gary Barnett's Central Park Tower is selling at a discount from its [\\$53 million asking price](#).

Commercial: The most expensive commercial closing of the day was [\\$350 million](#) for an office building at 285 Madison Avenue. Daol Asset Management nabbed the property from RFR's Aby Rosen after a [UCC foreclosure](#).

New to the Market: The highest price for a residential property hitting the market was \$14.5 million for a condo unit at 250 West Street. The Tribeca condo is 4,100 square feet and was listed by [The Corcoran Group's](#) Richard Ziegelsch.

— *Joseph Jungermann*