

Ashkenazy lists Village IHOP location for \$14M

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By [Adam Pincus](#)

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From left: Ashkenazy Acquisition Chairman and CEO Ben Ashkenazy, Robert Knakal, John Ciraulo, Craig Waggner and Jonathan Hageman of Massey Knakal Realty Associates and 235 East 14th Street

[Updated at 4:50 p.m. with quote from Bob Knakal] Just over a year after buying a bland, mixed-use building on the border of the East Village for less than \$4 million, retail-focused landlord Ashkenazy Acquisition is ramping up efforts to sell that location, which is home to a popular International House of Pancakes restaurant, for \$14.5 million.

That extraordinary, potential growth in value at 235 East 14th Street, between Second and Third avenues, is due to the long-term IHOP lease inked at the building last year, property sales marketing material shows. But that valuable lease was a bit of an inside deal, because Ashkenazy Acquisition Chairman and CEO Ben Ashkenazy is a managing member of the company that owns the IHOP franchise rights in the tri-state area.

Midtown-based Ashkenazy Acquisition [bought the seven-story building](#) for \$3.75 million in January 2011, city records show.

Just a month earlier, in December 2010, IHOP announced that it had signed an agreement with Ashkenazy's Trihop, which owns the IHOP franchise rights in the tri-state area, and planned to open 24 new restaurants in the territory.

Ashkenazy Acquisitions inked a 20-year deal for the IHOP location on East 14th Street, that includes two 10-year options, the marketing materials from exclusive listing brokerage Massey Knakal Realty Services say. The restaurant location opened in September 2011.

One tenant on the block said the rent sounded high, but others said it appeared to be a market deal.

"The deal sounds right rent-wise and use," [Faith Hope Consolo](#), chairman of retail leasing and sales at Prudential Douglas Elliman, said. "The user is right for the neighborhood."

The current rent is about \$128 per square foot, and over the year brings in about 70 percent of the buildings revenue, the Massey Knakal figures show. For the 17 rent-regulated apartments, tenants pay between \$739 and \$1,283 per month for a total of \$193,104 per year, compared with \$550,000 paid by IHOP per year, the marketing materials show.

Massey Knakal Chairman [Robert Knakal](#), along with vice chairman John Ciraulo, sales team manager Jonathan Hageman and director of sales Craig Waggner are the exclusive marketing agents for the property.

CoStar Group data shows Massey Knakal put the property on the market in December 2011. In a more recent push, the firm sent the listing out in a marketing email again last week.

"Retail investors like Ben Ashkenazy, or Jeff Sutton, or Joe Sitt or a number of others are able to create tremendous value by taking underutilized retail space and maximizing its [value]," Knakal said.

Ashkenazy Acquisition announced in October that it would be [taking space in the Limelight Building](#) in Chelsea, which it also owns. IHOP has not moved into that location, and a spokesperson for Ashkenazy Acquisition did not immediately provide an update on its plans there.

Tags: [ashkenazy acquisition](#), [massey knakal](#)