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REAL ESTATE

Investors Strike \$150 Million Deal for Senior Residence on NYC's Upper West Side

Northwind Group, Harrison Street Real Estate and Engel Burman to buy property

By **KEIKO MORRIS**

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An investor group has paid about \$150 million for a senior residence on New York's Upper West Side, with plans to upgrade the facility and provide assisted-living and memory-care services.

The Northwind Group, Harrison Street Real Estate Capital LLC and the Engel Burman Group bought the 239-unit, 16-story art deco building at 305 West End Ave., according to Harrison Street, a real-estate investment management firm. The building was owned by the Scharf family, which operates a senior residence there called the Esplanade.

Harrison Street and Engel Burman have long been partners, offering senior communities with assisted-living and memory care services in the surrounding New York City area. The New York market, particularly Manhattan, has limited options for seniors to age in place, said Mike Gordon, a principal at Harrison Street.

"Seniors depart to New Jersey and Westchester County," Mr. Gordon said. "This will let them stay in Manhattan."

By 2040, the city's population of residents ages 60 and older is expected to reach 1.86 million—up 22% from 2013—and make up more than 20% of the population, according to projections from the New York City Department for the Aging.

Two similar senior facilities are being planned in Manhattan: an East Midtown project by real-estate investment trust Welltower Inc. and developer Hines, and an Upper East Side project by Maplewood Senior Living and its partner, Omega Healthcare Investors Inc.

Harrison Street is aiming to present a high-quality facility before those projects open.

"By virtue of the fact that this is not a ground-up development but a heavy-duty redevelopment, we're able to offer a very compelling value proposition to our residents," Mr. Gordon said.

Write to Keiko Morris at Keiko.Morris@wsj.com

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