

Kushners' Troubled Tower: Debt, Empty Offices and Rising Fees

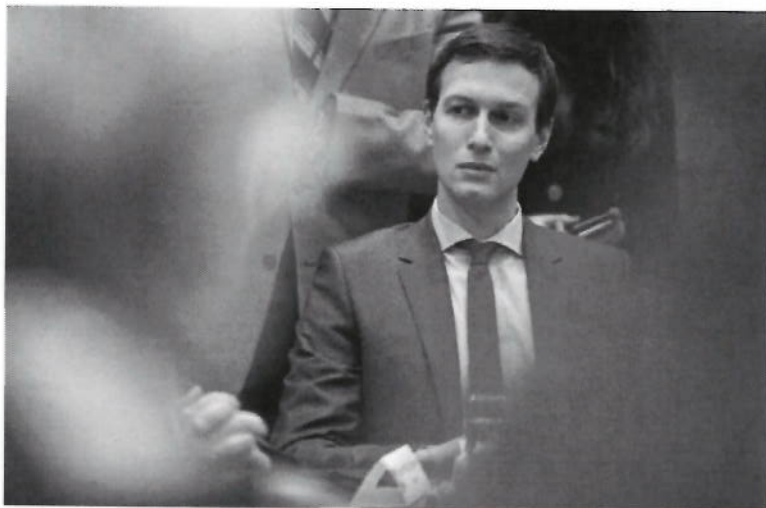
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(Bloomberg) -- The Manhattan tower co-owned by the family of Jared Kushner, President Donald Trump's son-in-law, has been losing money for three years and faces increasing loan fees in 2017, which may explain why the family has been negotiating with Chinese insurance behemoth Anbang on new financing.

The fees, at 666 Fifth Avenue, kicked in last month and escalate with each payment until the loan is repaid, a 2011 refinancing agreement shows. December brings another hurdle: Interest paid on the bulk of about \$1.1 billion of loans jumps to 6.35 percent, more than double what it was after the debt was refinanced in 2011.



Jared Kushner

Photographer: Andrew Harrer/Bloomberg

Excerpt

"It is an understatement to say this building is not doing well," said Joshua Stein, a New York real estate lawyer, after reviewing its financials and the refinancing agreement. "People forget that not all real estate investments succeed. But people also forget that failing real estate investments are sometimes successfully turned around."