

# Palm Beach Daily News



## Seasonal Palm Beacher among investors who bought Tiffany building on Worth Ave.

By Darrell Hofheinz

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## Buyers plan to develop 'five-star' office space on the upper level

More information has emerged about the buyer's side of last week's \$20 million sale of 259 Worth Ave., the home of **Tiffany & Co.** since 1991.

And one of the buyers has a strong Palm Beach connection.

"We are absolutely delighted to retain such a world-class address and classic building," seasonal Palm Beacher **John C. Kean**, president and CEO of **Kean Development Co.**, said in a statement released by his company.

Kean Development and **Hyde Retail Partners** bought the building in a "joint venture with their partner, funds managed by an affiliate of (New York City-based) **Fortress Investment Group**," according the statement. The seller was an entity controlled by the **Madden family**, the building's longtime owners.

Kean's company is headquartered in Cold Spring Harbor, N.Y., but has a presence in Palm Beach, the Hamptons and New York City, he said. **Hyde Retail Partners** is based in Ponte Vedra Beach near Jacksonville.

The buyers plan to develop “five-star” office space on the upper level of the two-story building, which for years has been part of Tiffany & Co.’s retail space, Kean said.

Kean’s company has built ultra-luxury homes and higher-end multi-family communities — including a project on 160 acres of the old Ogden Phipps estate on Long Island — and apartments. The firm also develops and manages upscale retail and commercial space, according to its website.

With his primary residence on Long island, Kean has had a winter home in Palm Beach for about 20 years, he said in a phone interview. Before the Great Recession hit in late 2008, his company had developed houses on speculation and custom homes on the island and in Lost Tree Village in North Palm Beach. He and his wife, Susan, have a condominium in the 400 Building on South Ocean Boulevard.

Kean also was behind a plan in 2012 to revive a redevelopment proposal for the oceanside Briny Breezes mobile-home community near Boynton Beach. His project would have included building condominiums and a hotel on the land, but residents there voted not to sell their properties.

Tiffany & Co. has a long-term lease at the 16,374-square-foot building on Worth Avenue, according to a spokesman for **Franklin Street**, the Tampa-based commercial brokerage that handled both sides of the transaction. The building has two ground-floor storefronts on either side of the jewelry store. The store plans to expand into one those spaces, according to several sources familiar with the transaction.

The price paid for the building works out to about \$1,221 per square foot.

Hyde Retail Partners, meanwhile, is headed by CEO and retail real estate specialist **Paisley Boney IV**. The Jacksonville native is the former head of **Ben Carter Properties**, a developer of retail projects that include The Mall of Georgia northeast of Atlanta and St. Johns Town Center in Jacksonville.

The deed recorded Oct. 2 identified the buyer as a Delaware limited liability company, **FRO II 259 Worth Owner LLC**, with an address in care of **Fortress Investment Group**' New York office. **James M. Madden** and **Daniel S. Madden** transferred ownership on behalf of the seller, **Madden Family Associates Ltd.**

Fortress' credit real estate division was instrumental in the sale, according to the statement released last week.

Fortress is contracted to manage and advise **New Media Investments Inc.**, which owns **GateHouse Media**, the parent company of the *Palm Beach Daily News*.

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