

DEALS

Rare Times Square Billboard deal demonstrates NYC transaction revival

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B6 Real Estate Advisors has arranged a rare deal to refinance debt on a billboard in New York's Times Square, an unusual transaction that demonstrates the revival of transaction activity in the city.

The transaction also highlights rising interest in non-traditional sectors, [like data centers and cell towers](#), that are gaining traction with investors. Billboards are similar to cell towers, according to **Trisha Connolly**, who handled the transaction at B6.

"It's similar to real estate from the standpoint that this is your monthly rent, these are your expenses," Connolly said. "The cap rates are much lower than a real estate deal because the collateral isn't the dirt or the improvement above the dirt. It's a licensing agreement. But like real estate, it's all about location."

The advisory company, working on behalf of **Shout Outdoor Media**, was working on the transaction prior to the outbreak of Covid-19 and the subsequent shelter-in-place orders for much of the city. **Truly Hard Seltzer** is currently features on the billboard.

The roughly \$6m deal, funded via **Metro Phoenix**, was for a billboard outside of the Hotel Novotel at 226 West 52nd Street, which Shout Media built in 2017. In addition to the fact that billboard deals are seldom seen, B6 was able to arrange the transaction in the midst of the pandemic – at the literal epicenter, Connolly noted.

"Over the past few weeks, commercial real estate assets were challenging and billboards were just as difficult," Connolly said. "The billboard initially took a little while to lease up because there was construction on the subway, immediately outside of the hotel but Shout Media was able to secure Truly Hard Seltzer. Once that happened, a lot of people became interested."

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