

Billionaire cuts \$10M deal to build new residential building on Harlem church site

The sale needs court approval

By [Kathryn Brenzel](#) | May 15, 2017 03:20PM



58 West 135th Street

After struggling to keep up with mounting expenses, a Harlem church is seeking to sell its property to billionaire Moujan Vahdat in a deal valued at \$10.2 million.

Vahdat, who heads Elmo Realty and Empire Development Fund, plans to take over and demolish the Metropolitan African Methodist Episcopal Church at 58 West 135th Street to make way for a new 30,000-square-foot residential building, court documents indicate. The ground floor and cellar of the building — totaling 11,000 square feet— will be a new church space, while the remaining space will be dedicated to rentals or condos. About 1,100 square feet on the first floor will be set aside as an apartment for the pastor. The Harlem church, a two-story building originally built as a theater in 1915, has required a number of repairs over the years. The church decided to cut a deal with Vahdat because it couldn't keep up with the cost of maintaining the building, according to court documents filed with the state Supreme Court on Friday.

In addition to building a new space for the church, Vahdat agreed to pay off the remaining \$400,000 on the church's mortgage, as well as \$4,000 per month for 20 years once construction is complete. Vahdat will also pay up to \$5,000 per month to help the church pay for a temporary location during construction, which is expected to take roughly 2.5 years.

The church filed a petition in court on Friday seeking approval of the sale, as is required by religious corporations under state law.

The application doesn't specify whether the remaining residential portion of the project will be condos or rentals, nor if they will all be market rate. The church states in court documents that Vahdat's proposal was selected, in part, because it contained the possibility for affordable housing units — though they are not required. In the proposed sale agreement, Vahdat indicates that he may include affordable units if the project receives 421a and isn't required to pay prevailing wages to construction workers.

The new version of the tax exemption, [Affordable New York](#), requires certain average wages for projects that are larger than 300 units and south of 96th Street in Manhattan — meaning the project wouldn't be subject to the wage requirements. Still, it's not clear if Vahdat will opt to include any affordable units.

A call to Elmo Realty was not immediately returned. An attorney for the church, Matthew Maline, declined to comment.

Vahdat has purchased at least six other buildings in Manhattan and the Bronx over the years, including an eight-unit, low-income residential building at 3047 Hull Avenue and a five-story rental building at [1870 Pelham Parkway South](#).
