

THE KNICKERBOCKER TO CLOSE AS HOTEL

Company, Headed by Vincent
Astor, to Convert It Into an
Office Building.

JAMES B. REGAN TO RETIRE

Will Serve Last Dinner on May
30—To Sell Furnishings
and Art Objects.

James B. Regan announced yesterday that the Hotel Knickerbocker, at Broadway and Forty-second Street, will be closed after dinner on May 30 and will be converted into an office building. He said he had disposed of his lease, which still had fifteen years and nine months to run, to a company headed by Vincent Astor. After thirty-eight years in the hotel business, Mr. Regan will retire.

The hotel furnishings and objects of art will be sold at private sale, beginning June 10. The hotel was erected in 1906 on land owned by the late John Jacob Astor, with money advanced by him. Mr. Regan has been the lessee and manager from the beginning, operating under a long-term lease. The building and its furnishings cost about \$4,000,000. Mr. Regan declined to state the financial consideration involved in the new transaction.

When the Knickerbocker, which is fourteen stories in height, was opened, it was the largest hotel in the Times Square section. The news that the hostelry which sheltered many important personages in the last fourteen years was to close its doors was received with surprise in hotel and real estate circles. Much speculation centered around the fact that the hotel was going out of business at a time when there was the greatest demand for hotel accommodations.

It was pointed out that the probable cause was the fact that land values in the Times Square section have reached such a high level that it is more profitable to use the space for other purposes than a hotel. Stores in the Knickerbocker, real estate men said last night, would easily rent for \$1,200 a front foot a year, so that the revenue from the street and avenue frontage would be enormous.

"I'm tired and I want a rest," was the way Mr. Regan announced the consummation of the deal which will close the hotel. "I think I've earned it," he added.

The last dinner will be served in the hotel on Sunday, May 30, said Mr. Regan, after which it will be closed. The 860 employes will report the next day in order to wind up the affairs of the hotel. The sale of furnishings is expected to last about a month, after which the work of reconstruction will begin. Plans for remodeling the building are now under way.

Mr. Regan was emphatic in the assertion that prohibition had nothing to do with his sale of the lease. It is known that he is puzzled about the problem of removing his private stock of wines and liquors without violating the law. He will consult the authorities on this matter.

The Knickerbocker bar was widely known because of the picture of "Old King Cole" which adorned the south wall. The canvas is thirty feet long and was painted in three sections by Maxfield Parrish.

Among those who will have to seek other quarters are Enrico Caruso and his family and Antonio Scotti, who have had apartments in the hotel for a number of years.

The Knickerbocker Hotel occupies an irregular plot with a frontage on Broadway of 126 feet and 185 feet on 42nd Street, with a rear line of 197.6 feet extending to 41st Street, where there is a small frontage of 16.8 feet used as a trade entrance.