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195 B'way sale bodes well

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REALTY CHECK

DOWNTOWN is on fire. How many times have you read that?

But the boom in the district once called Wall Street far transcends lazy pronouncements that the area has “bounced back” since the dark years following 9/11.

The energy is tangible in property values, office and retail leasing and the famous residential explosion. Morale is soaring as the worst effects of Sandy are being mitigated.

The latest dramatic economic indicator is the sale of the majority interest in 195 Broadway, which I first reported on nypost.com Monday.

The landmark “wedding cake” trophy’s owners, L&L

Holding Co. and Beacon Capital partners, sold the majority stake to institutional investors advised by JPMorgan Asset Management in a deal that closed last week.

The bank declined to comment, and L&L Chairman **David Levinson**, who was traveling, could not be reached. But downtown sources briefed on the recapitalization valued it at more than \$500 million — perhaps more than twice the \$266 million Levinson and his partners paid to buy the building from **Peter Kalikow** in 2005.

L&L, which will retain a minority stake, will continue to manage and lease the building.

The 1 million square-foot landmark had hundreds of thousands of square feet vacant when Levinson and L&L co-founder **Robert T. Lapidus** took it over. But they soon lured Omnicom Group, which took nearly 200,000

square feet. Later, HarperCollins signed for 185,000 feet and will move there from Midtown next year. The office floors are now fully leased.

Along the way, asking rents rose from the low \$30s to nearly \$50 a square foot. The building’s value was enhanced by the near-completion of the MTA’s Fulton Transit Center across the street. In addition, L&L is spending \$50 million to create 35,000 square feet of new, prime retail space in 195 Broadway’s lobby and concourse.

Meanwhile, Cushman & Wakefield reports that Lower Manhattan recorded 523,000 square feet of positive absorption in the third quarter — the only major Manhattan submarket to show any gain at all.

Cushman Executive Vice-Chairman **Tara Stacom**, who is the leasing agent for One World Trade Center, attributed the “remarkable” result to the way the area “has

reinvented itself as a 24/7 hub” for “creative and innovative companies” full of new retail, parks and restaurants.

“For perhaps the first time in its history, downtown is increasingly being seen as a tenant’s most-desired option,” Stacom said.

As **Lois Weiss** first reported, law firm Jones Day has signed for 350,000 square feet at 4 Brookfield Place. Other firms that signed large leases to move downtown from Midtown or Midtown South included Nyack College, Droga5 and the American Arbitration Society.

While there’s still plenty of space available at One World Trade Center and Four World Trade Center, **Larry Silverstein** has a term sheet with GroupM for the media giant to be the anchor tenant at Three World Trade Center, which has been built only to the podium level.

A completed lease, possible by early next year, will allow

the tower to rise to 80 stories.

By then, construction will be well underway on Silverstein’s 30 Park Place, the **Robert A.M. Stern**-designed, 82-story luxury condo tower with a 185-room Four Seasons Hotel on its first 21 floors. The project breaks ground on Tuesday.

Residential brokers predict at least some of its 157 condos will sell for more than \$4,000 a square foot — a downtown record.

A different kind of residential project is speeding along at 70 Pine St., the landmarked former AIG headquarters that Rose Associates is converting into 664 luxury rental apartments and 132 extended-stay units.

Faith in the district’s continued role as a major office district was confirmed by Fosun International of China’s \$725 million purchase in October of One

Chase Manhattan Plaza, which Fosun intends to keep all-commercial.

While the deal has yet to close (but likely will soon), a morale-boosting development occurred at the site last week. JPMorgan Chase quietly reopened the popular, 2.5-acre plaza at the base of the tower, which it had closed for reconstruction since November 2011.

In retail, Brookfield Properties has already landed Ermenegildo Zegna, Hermes, Burberry and Michael Kors for its huge Brookfield Place retail portion.

And Howard Hughes Corp. is pursuing public approvals to reinvent the South Street Seaport as a major residential, retail and entertainment destination. The Post reported Monday it is to include a 40,000 square-foot gourmet food market.

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