



# New York City CRE Snapshot

## 2<sup>ND</sup> QUARTER 2025 REPORT

OFFICE | RETAIL | DEVELOPMENT



Pictured: 1001 Avenue of the Americas





Brooklyn Heights Area - Brooklyn Bridge Park July 4th

## Quarterly News Highlights\*

### General News

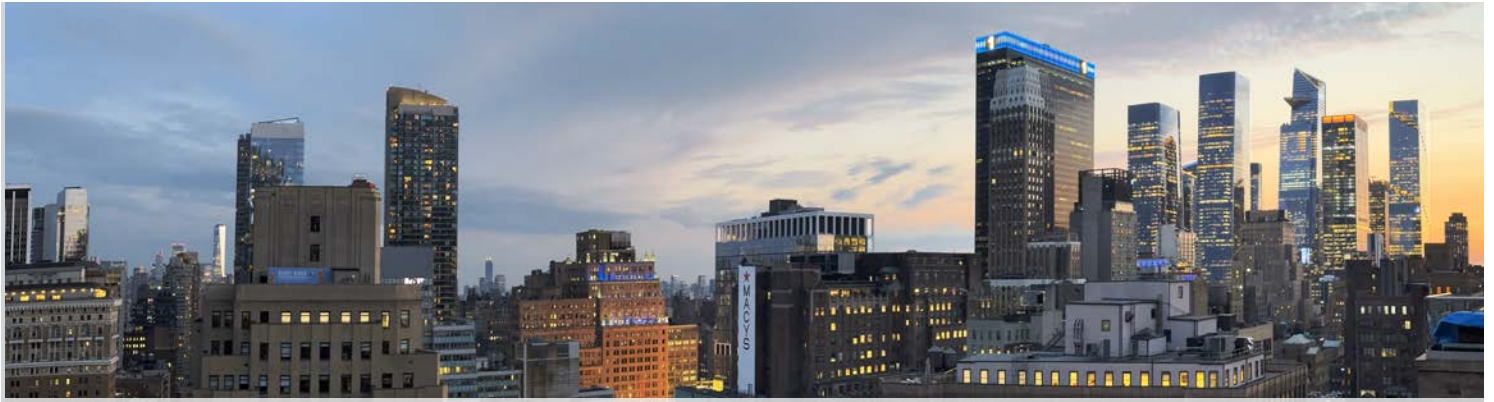
#### **Tariff Concerns Continue to Flood Press Headlines | April 7, 2025**

It has been expressed that “no American president has disrupted so many aspects of the nation’s daily life as President Trump has in less than three months in office,” while raising the question as to “whether his disruption is helping him achieve his ambitions to end foreign wars, slash government and strip liberals of their power in American culture, or whether he has engendered a pushback that will undermine his plans.” Swelling concerns over the yet-to-be determined long-term impact of the “Liberty Day” tariff program launched last week by the White House have given rise to numerous headlines following turbulent market activity last week, that reportedly “wiped trillions of dollars off global stock markets.” In response to the current state of affairs, Jamie Dimon, CEO and chairman of JPMorgan Chase, stated in an April 7 letter to shareholders, “The economy is facing considerable turbulence (including geopolitics), with the potential positives of tax reform and deregulation and the potential negatives of tariffs and “trade wars,” ongoing sticky inflation, high fiscal deficits and still rather high asset prices and volatility.”

The concern of a potential impact on America’s long-term economic alliances was also expressed by Dimon as well as fund manager Bill Ackman, while Kori Schake, a National Security Council official under former President George W. Bush who now directs foreign-policy studies at the American Enterprise Institute, a right-of-center think tank stated, “Now we see two of America’s closest allies in Asia—Japan and South Korea—entering into trade talks with China as a way to create a nontariff zone that could exclude the United States.” The AP Votecast survey of 139,938 registered voters that cast ballots in the 2024 general election was conducted in all 50 states by NORC at the University of Chicago. Interview responses compiled between October 28 and November 5, 2024, reportedly indicated that “some 83% wanted significant change in how the country is run, including 27% who said they would like to see “complete and total upheaval.” However, now that “the effect of those changes are being felt, Americans are divided.

Sources: <https://www.reuters.com/markets/us/jpmorgan-ceo-dimon-warns-tariffs-could-slow-us-growth-fuel-inflation-2025-04-07/>

\* Access to some articles may require a login and/or subscription.



Midtown - View from 25th Floor Terrace at 1001 Avenue of the Americas

## News Highlights (cont'd)

### **NYC Comptroller Report: Spotlight on the Potential Fiscal and Economic Impact for NYC | April 16, 2025**

While recognizing that “forecasting is a difficult proposition in the best of times,” the recently released “Spotlight —Taking Trump’s Tariffs Seriously: the Fiscal and Economic Impact for NYC” report by the New York City Comptroller’s Office presents a range of scenarios — no recession, a mild recession, and a severe recession, which were formulated by Moody’s Analytics in March for the U.S. economy and their implications for the New York City economy and the City’s tax revenues.” The “reciprocal” tariffs announced by the White House on April 2nd lifted the U.S. effective tariff rate from 2% to well above 20%. All scenarios in the report assume that the effective U.S. tariff rate settles at 12.7%, but they “differ in the length of time the tariffs remain in place.” Although FY 2025 tax revenues in all three scenarios are expected to be above current budget expectations, and for the “city to therefore end its fiscal year on June 30th with larger current-year surplus (before adjusting for pre-payments).” However, the “clear and cogent implication is that the city should make a sizable deposit in its rainy-day fund this year.” So that the city is better prepared for the impacts of an economic downturn, a deposit to the rainy-day fund in the range of \$966 million and \$1.15 billion has been suggested by the Comptroller’s office based on more recent estimates; and in addition, the recommendation that the General Reserve be increased by \$1 billion to protect New Yorkers from looming federal funding cuts. Although the scenarios presented within the NYC Comptroller’s report focus on the economic implications of trade policy, further acknowledgement was noted that the fiscal and immigration policies of the Trump administration bring additional risks; and that “these policies and gyrations are sinking consumer and business confidence, raising inflation expectations, and damaging the safe haven status of the U.S. dollar and U.S. government debt.”

Sources: <https://comptroller.nyc.gov/wp-content/uploads/documents/April-2025-Spotlight-1.pdf>

### **NYC’s Economic Benefits from Canadian Tourists Expected to Significantly Decline | April 21, 2025**

In 2024, Canadian tourists reportedly contributed an estimated \$600 million to New York City’s local economy, a volume exceeded only by the United Kingdom. However, as the summer travel season quickly approaches, increasing signs of a pullback by Canadians are sparking concerns. While a “weakening of the exchange rate for the Canadian dollar is also factoring into their pullback on city spending, concerns of the way some foreign visitors have been detained at the border and an uneasiness about the White House administration are also coming into play. City tour operators that Crain’s New York reached out to are “seeing drops between 20% and 40% in business largely from Canadian tourists this year,” while hotels are seeing a decline in bookings from Canadians of between 5% to 15%. The surrounding airports are similarly experiencing a decline in flights arriving from Canada — 31% at John F. Kennedy International Airport, 22% at LaGuardia Airport, and 15% at Newark Liberty International Airport. Bookings for cross-border trips to New York City, which have been typically popular among Canadians “because the 8-hour distance makes it ideal for weekend trips for sightseeing, shopping, to see a Broadway show or catch a sporting event,” have all but stopped. Michelle Tupman, Vice President of Great Canadian Holiday and Coaches, Ontario’s largest motorcoach operator stated that such bookings “are nothing more than a trickle,” declining roughly 90%, when “typically they would represent about 50% of the company’s business.” Tupman further indicated that “while Canadians are still wanting to travel, they just don’t want to go over the border; and a lot of the sentiment I’m hearing is, well, in four years we’ll come back.” The ripple effect has raised concerns among the Hotel Association of whether there will be any softness in the summer season, its members already reporting a 5% and 15% slump in bookings by Canadian travelers over the last 30 days; while Andrew Rigie, executive director of the NYC Hospitality Alliance stated that a “dip in hotel bookings also does not bode well for the city’s nightlife.”

Sources: <https://www.crainnewyork.com/hospitality-tourism/nyc-tours-hotels-nightlife-take-hit-drop-canadian-visitors>

# News Highlights (cont'd)

## The Major Reform of City-Assigned Trash Haulers for NYC Businesses Slowly Moves Forward | April 23,2025

The plan approved in 2019 by the Adams administration brings a major reform to the current “free-for-all” method that New York City’s businesses use for the hiring of private trash carting companies, but implementation has been slow. However, the city’s Department of Sanitation (DSNY) recently released a timeline for the program. As part of the plan, the city was divided into 20 commercial waste zones, with Central Queens the first zone to start, followed by two zones covering the entire Bronx borough that will begin implementation between October 1st and November 30th of this year. Based on the latest schedule, full implementation for the remaining zones will extend through the end of 2027.

PHASE	ZONES	NOTES
1	Queens Central	Fully implemented 1/3/25
2	Bronx East, Bronx West	Customer sign-up period to begin 10/1/25, fully implemented 11/30/25
3	Brooklyn South, Queens Northeast	
4	Lower Manhattan, Queens West	
5	Midtown South, Staten Island	
6	Brooklyn North, Midtown North	
7	Brooklyn East, Manhattan Southwest	
8	Manhattan Southeast, Manhattan West	
9	Queens Southeast, Brooklyn West	
10	Brooklyn Southwest, Manhattan Northeast, Upper Manhattan	Citywide implementation complete by 12/31/27

Sanitation Department  
A Sanitation Department timeline shared with Crain's shows when the city plans to implement all 20 commercial waste zones, finishing in 2027.

The lack of a system over the years has created what has been described as a chaotic and dangerous commercial waste industry – resulting in a high volume of crashes and injuries and overlapping routes that worsen carbon emissions. Under the city approved plan, there will be no more than three carting companies allowed to operate in each zone, which is significantly less than the more than 50 carters that sometimes serve a single neighborhood under the existing rules. Upon full implementation of the plan, the “so-called vehicle miles traveled by private waste trucks” is expected to be greatly reduced from “a current high of 23 million miles per year citywide down to 5 million.” Although as of March, “zero of the 11,000 businesses in the Queens pilot zone that includes Jackson Heights, Corona and Elmhurst had submitted any service or billing complaints with their new assigned carter, the city has had to fine carters about 200 times during the pilot for safety problems, and the implementation of the pilot was labor intensive.” As a result, the DSNY will reportedly need a bigger budget to carry out the full implementation of all 20 zones; and in response, \$1.9 billion in DSNY funding has been included in the next fiscal year under Mayor Adams’ preliminary budget.



Sources: <https://www.crainnewyork.com/politics-policy/nyc-complete-commercial-waste-zones-2027-after-decades-chaos>

## Subway Cars to Feature Newly Designed Subway Maps | April 2, 2025

The subway maps installed in New York City’s subway cars will soon be replaced. The Metropolitan Transportation Authority (MTA) recently unveiled a reimagined subway map designed by the MTA’s Creative Services Mapping Department — the first full redesign since 1979. According to the agency’s press release, the new maps will provide “the most essential travel information in an easily readable, bright, bold, and orderly manner.” Enhancements to the map legend include accessibility, transfer, and safety information, as well as a QR code that leads users to the MTA website. In addition, several modernizations made to the subway system will also be reflected on the new maps and will not only utilize the dedicated space in every subway car, but the thousands of digital screens in the transit system to provide customers with detailed and up-to-date service information. While the new maps for weekdays, late nights, and weekends are already displayed on the digital screens in the stations, they will soon be available on the new R211 cars, while the replacement of physical maps in the remaining subway cars will be done in phases throughout 2025. A further improvement that customers are already seeing is the increased frequency of real-time train arrival data updating on the digital subway station screens to every 5 seconds to better match countdown clocks with real-time train arrivals.

Sources: <https://www.mta.info/press-release/mta-unveils-first-fully-redesigned-subway-map-half-century>





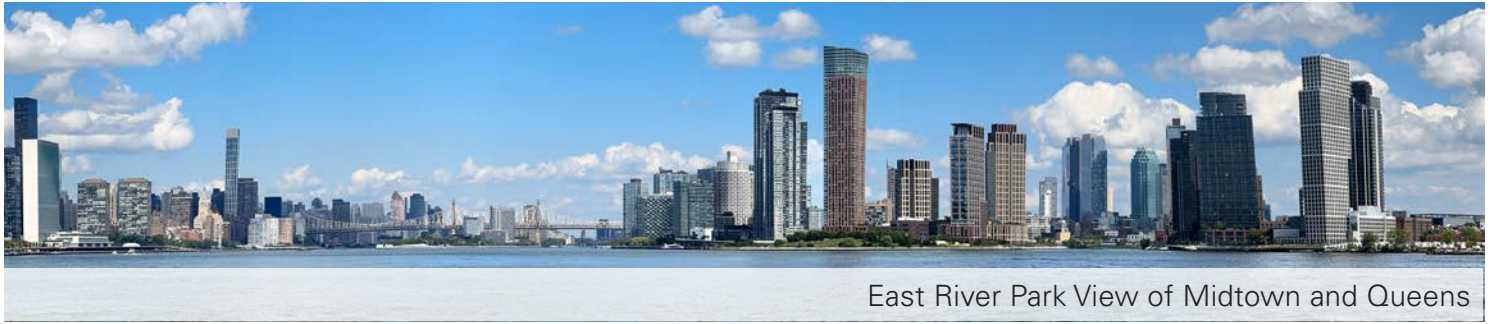
Downtown - Fulton Transit Center

## News Highlights (cont'd)

### **NYS Comptroller Report: A Review of Federal Funds to New York City | April 25, 2025**

Several federal grant programs that help cover essential services in New York City are subject to review following recent executive actions by President Trump, and those programs implicated by the order, could be subject to reduction or elimination. The New York State Comptroller's Office (OSC) recently examined the city's planned use of all federal funds by program area in its operating budgets across FY 2025 and FY 2026, the report noting that the city's FY 2026 operating budget is still relying on "\$7.4 billion from the federal government, which accounts for 6.4% of total fund spending." Essential services such as education, social services, and housing that the city provides to its most vulnerable residents rely on a higher share of federal funds; while outside of the city budget, semi-autonomous organizations such as the Metropolitan Transportation Agency (MTA), the New York City Housing Authority (NYCHA), the City University of New York (CUNY), and New York City Health + Hospital (H+H) also rely on direct support from federal funds. A funding bill was approved by the White House that extends government funding through September 30, which largely extends FY 2024 funding levels. However, due to notifications received by the city through April 8 of paused, partially or fully terminated federal awards it could have a negative operating budget impact of up to nearly \$400 million in FY 2025 and \$135 million in FY 2026 according to OSC estimates based on budgeted amounts as of the FY 2026 Preliminary budget, but the "full impact of the recent federal actions to New York City is not yet known."

Sources: <https://www.osc.ny.gov/files/reports/pdf/federal-funds-to-nyc-a-review-of-categorical-grants.pdf>



East River Park View of Midtown and Queens

## News Highlights (cont'd)

### NYC Charter Revision Commission Proposes Land-Use Rule Changes | April 30, 2025

The 13-member group of the New York City Charter Revision Commission recently released a 104-page report laying out several proposals being considered of reforms to the city's governing document. A "legally independent" group from city hall that is Chaired by Richard Buery, CFO of the charity Robin Hood and a former deputy mayor under Bill de Blasio, commission members include former City Planning directors Anita Laremont and Carl Weisbrod; Partnership for New York City President and CEO Kathryn Wylde; Tech:NYC CEO Julie Samuels; and YMCA of Greater New York President Sharon Greenberger. Preliminary proposals related to housing took aim at the Uniform Land Use Review Procedure (ULURP), a seven-month-long process that governs land-use changes. The commission's proposal considers a "fast-track" review for modest projects that would exempt small or affordable developments from ULURP. The idea of consolidating the current back-to-back two-month reviews by community boards and borough presidents into a single month, or by giving a final say to borough presidents, rather than the city council, on certain projects" is also being considered, as well as the setting of housing growth targets for each neighborhood, thereby creating a mechanism for enforcing housing goals, and charter changes could fast-track projects for those districts failing to meet the set goals.

Allowing developers to appeal a no-vote by the city council on a proposed project to "some new body that would include the mayor and local borough president — or letting the City Planning Commission override council actions by a supermajority vote are other proposals being considered by the commission. Touching upon the city's elections, some ideas being considered include nonpartisan, "open" primaries, similar to systems already in place in California, Washington and many cities. It would allow voters to cast ballots for any candidate in the primary, then allow some subset of finishers to advance to the general elections. Another consideration intended to boost voter turnout in local elections is to shift elections to even years by aligning them with presidential or statewide contests — a move that would likely require a new state law in addition to the charter change. The commission's report also included proposals being considered in the areas of climate policy, payments to the city's nonprofit vendors, and changes that could ease the placement of electric vehicle chargers on streets and sidewalks. A final set of proposals will be narrowed down by the commission's staff after another set of hearings this summer, and if approved by the commission's members will appear on the November general election ballot.

Sources: <https://www.crainsnewyork.com/politics-policy/nyc-charter-commission-considers-major-housing-reforms-nonpartisan-primaries>

### New Subway Fare Gates being Tested by MTA to be installed at 20 Stations | May 2, 2025

The Metropolitan Transportation Authority (MTA) has selected four types of wider fare gates as part of a pilot program for the subway system. The agency has already decided on eight of the 20 subway stations it plans to outfit with the new fare gates better designed to eliminate fare evasion while providing ADA accessibility and making it easier for people with strollers and luggage. As part of a \$1.1 billion investment over the next five years to modernize fare gates at 150 of the city's 472 subway stations, four companies experienced in the installation of fare gates have been shortlisted by the MTA as potential vendors — New Jersey-based Conduent, San Francisco-headquartered Cubic, Germany-based Scheidt & Bachmann, and South Korean firm STTraffic. Testing will begin this fall with the installations requiring "major technology upgrades" by the MTA. Each vendor's fare gates will be installed at five locations with comparable traffic levels including Atlantic Av-Barclays Ctr, 14th St-Union Square, 42 St-Port authority Bus Terminal, Delancey St-Essex St, Nostrand Av, Crown Heights-Utica Av, Jackson Heights-Roosevelt Ave, and Forest Hills-71 Av. Other anti-fare evasion strategies already in place that have delivered some success include assigned gate guards at more than 200 stations resulting in a 36% reduction in fare evasion, gates with delayed egress currently installed at more than 70 stations have lowered fare evasion by 10%, and a 60% decrease in turnstile jumping has been achieved at stations where turnstile sleeves and fins were installed. Since 40% of the MTA's operating budget comes from fares and tolls, fare compliance directly impacts the MTA's ability to run the system according to the press release by Governor Hochul's office.

Sources: <https://www.crainsnewyork.com/transportation/mta-plans-test-four-new-styles-subway-gates-20-stations>

# News Highlights (cont'd)

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## NYC's Tech Sector Matures to Major Economic Engine Status | May 2, 2025

Over the years, New York City's technology sector has grown from a nascent industry that added "a bit of much-needed diversification to the city's finance-heavy economy" to a level of importance that has established the sector as a major economic driver. The "Sustaining NYC's Tech Edge" report recently released by the Center for an Urban Future (CUF) and Tech:NYC reveals that since the start of the pandemic, the tech sector has added jobs at a rate that is nearly ten times the city's overall economy, accounting for a "striking 14% of all employment growth citywide over the past decade." The tech industry has "also become New York's largest — and most dependable — source of middle- and high-wage jobs." Employment in the sector surged by 64 percent between 2014 and 2024 — nearly four times the 16.8% rate of overall private sector job growth; and during that time, an average of 8,000 jobs a year within the tech sector were added across the five boroughs. More importantly, the impact of the tech sector on employment has spread to other parts of the city's economy. The results of an analysis by CUF of data from labor-market analytics firm Lightcast revealed that "47.5% of all job postings in the city in 2024 sought out candidates with tech skills."

Finance companies in the city employed 10,313 software developers in 2024, with other sectors such as legal services, construction, healthcare, and retail similarly seeing a rise in job postings where tech skills are a requirement. The pace of growth has prompted "virtually all of the big West Coast VC firms that had once shunned New York" to establish offices in the city, while "private equity firms and corporations — from Fidelity to Goldman Sachs — have greatly upped their investments in New York-based start-ups." Further sparking investment interest beyond the U.S. border is the maturation of the city's tech ecosystem — a support structure that has taken several huge steps forward and contributed to New York's ability to become the home of 8,750 funded tech start-ups. Trailing only behind the San Francisco Bay Area/Silicon Valley which has 14,574 funded startups, New York City has a more diverse tech sector than other major tech hubs, with Black and Hispanic New Yorkers making up 24.3% of the city's tech sector workforce. However, New York is facing heightened competition from other U.S. cities, particularly those that have similarly developed a critical mass of tech companies and are significantly more affordable than New York. Another challenge is what many of the interviewed tech leaders describe as a "mismatch between the tech sector's growing importance to New York and the inadequate support it gets from city and state government," acknowledging that while well-calibrated regulation is important, "the balance in New York has tipped too far — resulting in a wave new rules that are often poorly designed, burdensome to implement."

Sources: [https://www.nycfuture.org/pdf/CUF\\_TechNYC\\_5.pdf](https://www.nycfuture.org/pdf/CUF_TechNYC_5.pdf)

## AI Regulations Adopted by NYS May be Voided if Proposed Congressional Moratorium Passes | May 16, 2025

A proposal reportedly advancing in Congress includes language that could "bar states and localities from enforcing 'any law or regulation regulating artificial intelligence models, artificial intelligence systems, or automated decision systems' for 10 years after the [federal] budget passes" if included. While supporters in Congress defend the proposal "as a way to simplify the federal government's efforts to regulate AI without dealing with conflicting laws at the local level," the proposal sparked opposition. The moratorium could void multiple laws already adopted by New York City and New York State such as the Legislative Oversight of Automated Decision-making in Government (LOADInG) Act signed into law by Governor Hochul in December of 2024. The "first in the nation" legislation provides assessment, transparency and oversight of automated decision-making systems used for high stakes decisions by state agencies" according to the news release last year by Assembly Speaker Carl E. Heastie. As part of the legislation, state agencies are required to publicly disclose when software reliant on AI is used, and once in use, to regularly evaluate those tools. The growing use of AI "deepfakes" to influence elections — a "type of artificial intelligence used to create convincing fake images, videos and audio recordings has also been banned at the state level; and as part of the recently adopted FY 2026 state budget, a "law requiring the makers of AI chatbots to add disclaimers stating the bots are not human" was passed. It has also been cited in the Crain's New York article that laws barring companies from using "automated employment decision-making tools" have been adopted by both New York City and the state in recent years, with additional AI regulations being considered in the New York State Legislature that if passed, would require "AI companies to develop safety plans for new products and allow residents to seek damages against AI companies that foster 'algorithmic discrimination' against certain groups."

Sources: <https://www.crainnewyork.com/politics-policy/new-yorks-landmark-ai-regulations-jeopardized-federal-gop-moratorium>



## News Highlights (cont'd)

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### **The Roster of Development Teams Vying for a Downstate Casino License Shortens | May 19, 2025**

Major proposals submitted by development teams that could potentially be vying for one of up to three new casino licenses to be awarded by New York State Officials by the end of the year have declined in number over the last few months. An article by City & State | New York presented an overview of eleven proposals back in February. Potential contenders that have dropped out include Saks Fifth Avenue, with a proposal to convert the top three floors of its 5th Avenue flagship store into a 200,000-square-foot casino featuring an open rooftop patio overlooking Rockefeller Center that was withdrawn in February; and Las Vegas Sands withdrew its proposal in April to transform the 72-acre Nassau Coliseum site into a casino and resort complex along with RXR Realty. More recently the team of Related Companies and Wynn Resorts abandoned their proposal for a mixed-use development to be constructed on the west portion of the Hudson Yards rail yard that would include a 5-story casino within a hotel after receiving a rejection in mid-May by local Councilman Erik Bottcher who reportedly “held the power to kill the development by rejecting the [needed] zoning changes.”

Despite the proposed project’s job-creating potential, Bottcher stated that it “did not meet the high bar of community support that such a consequential project demands.” However, under a deal struck with the New York City council, development on the western half of the rail yards will move forward but instead will be a mostly residential development. As part of the agreement, the developer will realign the project more closely to the original terms of the 2009 plan for the site and reduce the height of the podiums of the [proposed] towers, which sparked strong opposition from the Friends of the High Line. The nonprofit organization that maintains and operates the elevated public park claimed the towers would overwhelm the park. In addition, a one-acre lawn next to the High Line will be constructed, the share of designated affordable units to increase from “324 to 400 if the developers can use the state’s 485-x tax break, and the former planned casino site will now be slated for an office tower, some residential units and possibly a hotel. In exchange, the city council “will approve Related’s last-minute request to make payments in lieu of taxes (PILOTS) to help pay for the \$2 billion platform it will build atop the train yard” — resembling the financing scheme used to build the eastern portion Hudson Yards.

Among the bidders continuing to move forward with their proposals, Soloviev and Silverstein Properties recently announced changes related to their proposals. The team of Soloviev and Mohegan added the offering of equity access to New York City residents as part of their Freedom Plaza proposal for the vacant seven-acre site on First Avenue between East 38th and 41st Streets, while Silverstein Properties has added a second gaming partner to the team on the Avenir proposal. According to announced details of Soloviev’s offering, “up to 12 percent of any initial public equity raised for the development will be earmarked for residents of the city, allowing those eligible to share in the financial returns of the casino. Soloviev and its partner, Mohegan, will also provide investment allocations to state and city employee-related pension funds on a preferential basis. A capital raise wouldn’t begin before 2027 and is contingent on Soloviev securing a gaming license.”

The announcement by Silverstein Properties delivered news of Rush Street Gaming joining the Avenir team that along with Silverstein includes Greenwood Gaming and Entertainment, bringing “significant national destination casino development and operations experience” to the project according to reported statements by the developer. One advantage that separates Silverstein’s proposal from some of the other casino bids is that the 92,000 square feet of undeveloped land located just north of the Jacob K. Javits Convention Center at 41st Street and 11th Avenue is “fully owned and controlled by Silverstein and is shovel-ready upon approval,” in contrast to those proposals that may involve city rezoning and other approvals that could potentially exclude them if they are unable to submit their application license to the New York gaming board by the June 27, 2025 deadline.

Additional referenced sources: Costar, New York Post, 6sqft, The Real Deal. City & State NY

Sources: <https://www.crainsnewyork.com/politics-policy/new-yorks-landmark-ai-regulations-jeopardized-federal-gop-moratorium>





View of Williamsburg from the NYC Ferry

## News Highlights (cont'd)

### **Repairs of East River Tunnel to Begin as Amtrak Kicks-Off Partial Closure | May 23, 2025**

Amtrak recently began preparations for the long-delayed much needed repairs on two of the four-tubes that make up the tunnel beneath the East River used daily by Amtrak, Long Island Rail Road, and New Jersey Transit. Although the pair of century-old tubes “remained structurally sound following Hurricane Sandy,” which hit New York City in 2012, they have since deteriorated and suffered system failures after being inundated with corrosive salt water. Due to concerns of reduced train capacity and potential project complications that could snarl commutes, both Gov. Hochul and the Metropolitan Transportation Authority (MTA) urged Amtrak to “avoid a tube outage by carrying out the work on nights and weekends” like the MTA’s repairs to the East River L-train tunnel in 2019. However, Amtrak “maintains that only a full shut down of each tube allows workers to rebuild walls so they can replace wiring and bolster the ground on which track is laid to be more resilient to flooding.” The initial Friday, May 23rd evening closure of a single tube is scheduled to last 10 days and following the shoring up of electrical infrastructure by crews, will be reopened and the second tube will be shut down for 13 months. Three months following the reopening of the fully repaired second tube, the first tube will undergo the same 13-month reconstruction. The cost of the two-and-a-half-year project is estimated to total \$1.6 billion; and “all told, the work will keep one tube of the East River Tunnel that connects riders to Penn Station out of service through 2027, at the earliest.”

Sources: <https://www.crainsnewyork.com/transportation/amtrak-close-east-river-tunnel-it-kicks-16b-repairs>

### **5th Avenue Kicks Off its 200th Anniversary with the Return of the “Fifth Avenue Blooms” Display | June 4, 2025**

Beginning June 11th and running through July 6th, a magnificent array of roses will once again beautify Manhattan’s 5th Avenue corridor between 51st and 58th Street with the return of “Fifth Avenue Blooms” for the fourth year as the Fifth Avenue Association kicks off the celebration of the iconic retail corridor’s 200th anniversary. Initially making its debut in May 2021 “as a gift to a recovering New York City,” the installation of 400 rose plants totaling roughly 2,500 to 4,000 individual stems has “grown into an annual, time-honored” display that creates positive memories and experiences for all visitors. This year’s display will be particularly special since it will include a “one-of-a-kind variety created specifically for the avenue’s birthday” called the “Fifth Avenue Rose,” which will be featured in 16 planters and framed by two grand floral arches. The new flower bred by the House of Meilland in France was introduced by Pennsylvania wholesale nursery Star Roses and Plants. The commemorative rose “produces deep magenta-purple blossoms and releases a bold fragrance with notes of cinnamon, clove and spice. Free live music on the weekends will add to the enjoyment, and many of the retailers, hotels, restaurants, and cultural institutions will be offering a variety of promotions and experiences, such as Longchamp, which will open a special sidewalk café outside its flagship store at 645 fifth Avenue.

Sources: <https://www.6sqft.com/fifth-avenue-blooms-celebrates-the-corridors-200th-anniversary-with-a-custom-rose-variety-and-floral-displays/>

## News Highlights (cont'd)

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### **On-Street Containerized Trash Pilot Program Launches in West Harlem | June 2, 2025**

Beginning June 11th and running through July 6th, a magnificent array of roses will once again beautify Manhattan's 5th Avenue corridor New York City's on-street stationary trash container pilot program officially launched in West Harlem, making it the first neighborhood in North America to fully containerize trash. The project intended to further deter rats began its first full day of service on June 2nd for over 29,000 households according to the news release by the New York City Department of Sanitation (DSNY), "marking a significant milestone in the Adams administration's efforts to clean up city streets." Approximately 1,100 on-street Empire Bin containers were installed at residential buildings with more than 30-units within Manhattan Community Board 9 (CB 9), which includes Morningside Heights, Manhattanville, and Hamilton Heights; and although buildings with 10 to 30 units had the option to use a smaller "wheelie bin," roughly half of the buildings opted for the Empire Bin. The program follows in the footsteps of Europe, however in contrast to the continent's standard of a trash bin being shared by an entire block, in New York City, each on-street bin will be assigned to a specific building.

In February 2024 the prototype was unveiled for the new automated side-loading sanitation truck needed to service the on-street bins. Specifically developed in collaboration with designers in Italy, Hicksville, and Brooklyn, there are 16 in operation on the streets of West Harlem. Madrid-based Contenur is providing the bins that hold about 794 gallons of waste, or about 25 large 32-gallon trash bags, having been awarded a \$7 million, 10-year contract by the DSNY in August 2024. As part of the contract, the DSNY will be able to "eventually expand Contenur's work beyond the West Harlem pilot zone to cover the entire city." Early response to the on-street bins has reportedly sparked complaints from some residents that the bins take up too many parking spaces, while double-parked cars block the side-loading trucks from accessing the bins. In the coming weeks and months, DSNY staff will begin analyzing the results and outcomes of the CB 9 pilot program to determine a timeline and process for further citywide expansion.

Sources: [https://www.nyc.gov/office-of-the-mayor/news/375-25/the-empire-bin-strikes-back-against-rats-next-phase-trash-revolution-begins-west#/0](https://www.nyc.gov/office-of-the-mayor/news/375-25/the-empire-bin-strikes-back-against-rats-next-phase-trash-revolution-begins-west#/)  
<https://www.6sqft.com/west-harlem-becomes-first-neighborhood-in-north-america-to-fully-containerize-trash/>

### **\$1B in Federal Funding for Two Transportation Projects Proposed by Trump Administration | June 11, 2025**

A pair of major New York City transportation projects may get their allotment of federal funding that is in line with the expected funds had former President Biden remained in office if it is budgeted and allocated by Congress. The Biden Administration had agreed to provide a total of \$12 billion to Amtrak's Hudson River Tunnel project, which is part of the rail operator's Gateway program, and \$3.4 billion for the second phase of the Metropolitan Transportation Authority's (MTA) Second Avenue Subway project. A recent report to Congress by the Federal Transit Administration (FTA) indicated that the agency "intends to allocate \$700 million in the 2026 budget to help pay for the \$16-billion" Hudson River Tunnel project; and also asked for \$307.3 million for the \$6.9 billion Second Avenue Subway extension. Amtrak's tunnel project began construction in November 2023. It is one of the largest infrastructure projects in U.S. History and consists of three components — construction of a two-track Hudson River rail tunnel between Bergen Palisades in New Jersey and New York Penn Station in Manhattan; the building of a third and final segment that will enable the new Hudson River Tunnel to connect to New York Penn station; and the rehabilitation of the existing North River Tunnel, which sustained significant damage during the 2012 Hurricane Sandy. According to public transportation-focused Mass Transit Magazine, over the construction period of the project "more than 95,000 direct, indirect and induced jobs" are expected to be created as well as generating "\$19.6 billion in economic activity." The MTA's second phase of construction of the Second Avenue Subway project will extend the first phase 1.5-miles north from the Upper East Side to 125th Street in East Harlem. The project will bring much needed transportation access to the residents and businesses in the Upper Manhattan neighborhood that has "been a subway desert ever since the Second Avenue El stopped service above 57th Street in 1940 according to the MTA. Work is currently underway with utility relocation beginning in East Harlem and upon full construction completion will add ADA accessible stations at 106th Street, 116th Street, and 125th Street, with connections to the 4/5/6 trains, Metro-North trains, and M60 Select Bus service to LaGuardia Airport.

Sources: <https://www.crainsnewyork.com/transportation/trump-admin-proposes-1b-new-york-city-transportation-projects>





## News Highlights (cont'd)

### Challenges to Secure Employment Heighten for Recent Graduates | June 16, 2025

Despite what has been described as “extraordinary economic upheaval,” the U.S. labor market is holding steady. However, the nation’s overall unemployment rate of 3.9% in May 2025 has heightened challenges for young job seekers to break into the job market. According to the U.S. Department of Labor (BLS) the unemployment rate for new college graduates (mostly ages 21 to 24) was 6.6% over the past 12 months ending in May 2025, which is “about the highest level in a decade —excluding the pandemic unemployment spike — and up from 6.0% for the 12-month period a year earlier.” For high school graduates between the ages of 18 to 19, the unemployment rate is even higher, BLS data indicated an average of 14.5% over the past 12 months, which is up 9% from the 13.3% rate over the prior 12-month period, leading to a reduction in hiring of about 1.5 million year-over-year in the first 4 months of 2025. In comparison, people between the ages of 35-44 that have at least a bachelor’s degree had a significantly lower unemployment rate of 2.2% during the past 12 months, although it represented an increase from the 1.8% in the 12-month period ending May 2024. The gap between the young and older workers that have been in the workforce longer continues to widen. Contributing to challenges facing young job seekers is a general slowdown in hiring; and as employers become more cautious, even those seeking to fill “entry-level roles are asking for three to five years of professional experience. Reported data compiled by LinkedIn revealed that entry-level hiring fell by 17% since April 2019, and although hiring has risen in the healthcare, construction, and education sectors, in sectors such as technology and finance, which have traditionally snapped up many newly graduated college students, hiring has weakened

Sources: <https://www.wsj.com/economy/jobs/jobs-unemployment-rise-young-people-ce4704d8>

### MTA’s Congestion Tolling Program Delivers Positive Results Beyond Relief Zone Borders | June 18, 2025

The Regional Plan Association (RPA), an independent tri-state non-profit civic organization, recently released the results of an analysis of the effects of the Metropolitan Transportation Authority’s Congestion Tolling Program, officially called the Central Business District Tolling Program (CBDTP) since its launch in 2025 on January 5th through April 26th has revealed positive results not limited to Manhattan’s congestion relief zone (CRZ), but on roadways across the surrounding region as well. Traffic reductions that are saving time “seem to be stable — remaining consistent and undiminished over the analysis period.” It has been estimated by RPA that “the time savings associated with CBDTP could provide as much as \$1.3 billion in value for commuters, with some of the biggest wins for those using personal vehicles or buses to commute to the CRZ from New Jersey.” At the Lincoln Tunnel and the Holland Tunnel, average trip times for buses decreased 17% and 48% respectively. Through the MTA’s Bridges and Tunnels Waze Partner Portal, RPA analyzed for the periods from January 5 through the end of April in both 2024 and 2025, a comparison of traffic delays due to traffic jams, which cause traffic speeds to dip below the baseline free-flow speed, resulting in a delay. Upon assessment completion it was determined that traffic delays in Manhattan were 25% lower than would be expected without CBDTP; while Manhattan’s post-holiday (after November and December) reductions in traffic delays in the new year and spring are actually 40% lower, they would be only 21% without CBDTP implementation. Outside of Manhattan — the four boroughs and several adjacent areas in New Jersey, Long Island, and Westchester that surround Manhattan, the reduction of post-holiday delays are expected to be 9%, but with the CBDTP program they are 17% instead. The RPA’s findings show that in the short time since CBDTP’s implementation, contrary to the belief by some that it was a policy that would benefit Manhattanites at the expense of the region, the MTAs’ congestion tolling program has in actuality “resulted in less traffic overall, even in some places that models predicted it could increase.”

Sources: <https://rpa.org/news/lab/congestion-pricing-getting-around-faster-all-around>

# News Highlights (cont'd)

## Recently Approved MTA Capital Plan to Focus on Transit Upgrades Between 2025 and 2029 | June 3, 2025

The Metropolitan Transportation Authority's (MTA) \$68 billion capital plan recently approved by the MTA board represents a "departure from past plans" since the majority of the funds will go towards upgrades to the subway, buses and commuter rails between 2025 and 2029. A total of \$47.8 billion will go towards "keeping the city's 120-year-old subway and its bus network functioning," while the planned \$2.75 billion investment to build the 14-mile Interborough Express light-rail to link Brooklyn and Queens along mostly existing freight tracks will be the only new project investment to majorly expand service. Funding of the capital plan includes a mix of \$31.5 billion in new tax revenue generated by a modest raise in payroll taxes from 0.60% to 0.89% on businesses with more than \$10 million in payroll in the MTA's service area; \$14 billion in federal government funding, dedicated funds from the state and city, and the issuing of new debt in the form of bonds by the MTA along with a rededication of funds into the capital plan from reduced costs elsewhere. Over the next five years, some of the major upgrades and projects to be funded include the construction of elevators at 60 more subway stations, 2,500 new buses, of which 500 will be electric models, as well as:

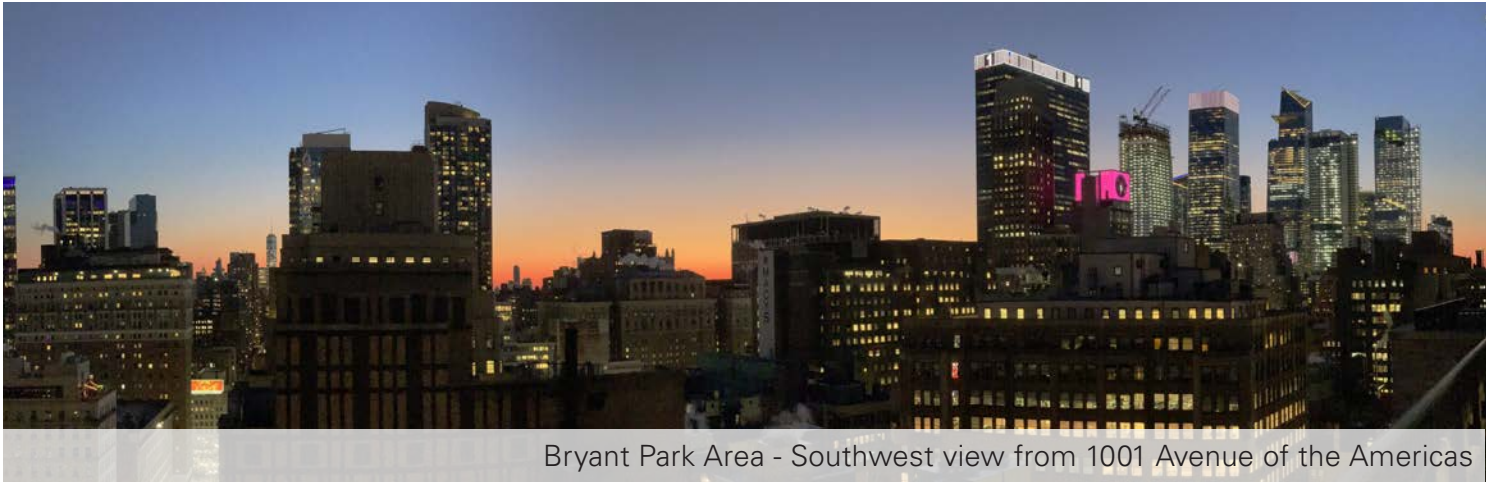
- \$10.9 billion on 1,500 new subway cars and 500 new Long Island Rail Road and Metro-North Railroad cars.
- \$9 billion to repair structurally at-risk bridges and tunnels for vehicles and rail.
- \$7.8 billion to update deteriorating subway and rail station platforms and infrastructure.
- \$7.1 billion to make more subway and rail stations accessible with new elevators and other upgrades.
- \$5.4 billion on new modern signal technology to run more frequent and reliable service on the subway.
- \$4 billion to upgrade the MTA's power systems.

A more recent announcement in early June brought news of an expansion of cell service within the subway tunnels "along the northern half of the G train, between Court Square in Queens and Hoyt-Schermerhorn in Brooklyn," which will link nine subway stations, and "4 and 5 lines traveling through the East River tunnel between Lower Manhattan and Brooklyn" as part of the MTA's goal of cell connectivity in all tunnels by 2032. The project launched in 2022 is not being funded by taxpayers, instead London-based Boldyn Networks is privately funding the \$600 installation of cell cables and equipment along 418 miles of underground track. Progress of work has been moving slowly, primarily due to the challenges of the firm "getting track access for their buildout, which we all know is tough in our subways" according to a reported statement by Jessica Matthew, a senior advisor for special projects at the MTA. Currently, the "only stretch of tunnel that has cell service is the Midtown shuttle between Grand Central and Times Square, which went live in September 2024." As part of the contract agreement with the MTA, free wireless internet will also be expanded to 191 above-ground stations and to 21 Staten Island Rail stations. Similar to Boldyn's approach in 2017 which brought cell service to 281 underground station platforms at a cost of roughly \$300 million, the company "plans to monetize the infrastructure and pay for the project by leasing out fiber optic cables to network providers — having already partnered with Verizon, AT&T and T-Mobile, collecting licensing fees and selling data about how users utilize its system," according to reported details within contract documents. The expansion of cell service by the MTA follows in the footsteps of "other major cities such as Chicago and Washington, D.C. which provided cell service throughout their metro systems since 2015 and 2021, respectively."

Sources: <https://www.crainsnewyork.com/transportation/mta-greenlights-68b-plan-modernize-mass-transit>

<https://www.crainsnewyork.com/transportation/subway-cell-service-slated-upgrade-after-years-waiting>





Bryant Park Area - Southwest view from 1001 Avenue of the Americas

## News Highlights (cont'd)

### **NYC's Adopted \$115.9B Budget is Short-Sighted with Future Gaps Expected to Widen| June 30, 2025**

On Monday, June 30th, the New York City Council voted unanimously to approve a \$115.9 billion budget for Fiscal Year (FY) 2026. Despite looming cuts to federal aid, which makes up about 8% of the city's budget, and economic uncertainty, the Adopted Budget not only increases the \$115.1 billion proposal that Mayor Adams put forward in April by \$800 million, but according to the statement by fiscal watchdog the Citizens Budget Commission (CBC), "increases spending more than twice the rate of inflation and leaves future budget gaps of more than \$9 billion, after accounting for underbudgeted expenses." According to the press release by city council, "over \$41.6 billion of the council's priorities were added for inclusion in the Adopted Budget," contrary to CBC's "Smart Choice" recommendations of "putting aside \$3 billion to soften the first blows of federal cuts and protect against a future recession." Although the city's reserves currently stand at \$8.5 billion, "including its \$1.2 billion general reserve, \$2 billion rainy fund, and \$5 billion in the Retiree Health Benefits Trust Fund that functions as another next egg, the CBC points out that a typical recession "would sap \$11 billion of revenue over two years, which would swamp the city's reserves."

It was further noted in the article by Crain's New York that "projected gaps between future years' spending and revenues have grown by a combined \$1 billion compared to two months ago, now pegged at \$5 billion in 2027, \$6.1 billion in 2028, and \$6 billion in 2029;" and although city hall forecasters indicate the "tax revenue growth will be \$600 million stronger than previously expected between the current and next fiscal years, those revenues are expected to slow over the next three years." While recognizing that the addition or expansion of many of the various programs related to a wide range of areas may be beneficial, including education, public safety, mental health, libraries and cultural institutions, and generational projects, they require additional funding when instead, the city should be addressing the need "to stabilize the budget and secure the future by increasing efficiency and shrinking low impact programs" per the preliminary statement by the CBC. Currently awaiting full budget information for further analysis, the CBC continues to reiterate uncertainty about the level of transparency presented on paper since it is "unlikely to represent the full fiscal picture given underbudgeted expenses and looming federal cuts."

Sources: <https://council.nyc.gov/press/2025/06/30/2915/>

Sources: <https://www.nyc.gov/office-of-the-mayor/news/467-25/-best-budget-ever-gets-even-better-mayor-adams-speaker-adams-reach-handshake-agreement-for>

Sources: <https://cbcny.org/advocacy/statement-new-york-city-fiscal-year-2026-budget-agreement>

## News Highlights (cont'd)

### The Driving Force Behind Zohran Mamdani's NYC Primary Victory | June 26, 2025

New York City's 2025 Primary Election came to a closure at 9 PM on Tuesday, June 24th, delivering a result the surprised many. Despite former Governor Andrew Cuomo maintaining a solid lead in the polls as the potential Democratic mayoral nominee it gradually began to narrow as primary voting drew closer, with Zohran Mamdani the likely victor. Fueling the path to victory was the "deep economic frustrations that for decades plagued the working classes of the city," that has now grown in numbers to include many of the young, college-educated voters battling "steep rents and the lowest housing availability in more than half a century." Young college graduates seeking to make their mark in the world have always been drawn to New York City. However, the increasing struggle to keep up with the city's rising costs is making it harder for many to see a future of living in New York where even a low six figure income doesn't go far in 2025 New York City.

Although "New York saw lower inflation than other parts of the country immediately after the pandemic," over the last two years the 7.5% rise in consumer prices between May 2023 and May 2025 was well above the national rate of 5.7%. In addition, the median monthly rent for a two-bedroom apartment in the city rose to \$5,500, or 15.8% in the past year, representing the fastest increase among U.S. cities according to reported statistics compiled by listing site Zumper; while a report by the New York State Comptroller's Office indicated that "food costs in the New York metro area rose by 56% in the 10 years between 2012-2013 and 2022-2023," surpassing the 46% increase nationwide. Some of the contributing factors date back to the 1980s when the city's financial sector started to boom. Although it helped propel the recovery of New York City's economy following the recession, it "increased wealth disparity within the city by bolstering a new class of people earning more than everyone else according to Edward Glaeser, a Harvard economist."

Between 1980 and 2022, of the share of total income received, the percentage attributed to the richest 1% of New Yorkers rose from 12% to 22%, far outpacing the 10% to 24% increase nationwide during the same period; and although like other affluent Americans they benefited from gains in assets like stocks and homes, it pushed the increase of "inflation-adjusted wages for the highest-income 20% of New Yorkers" to 18% between 2019 and 2023 compared to a 4% national increase for this group according to an analysis by James Parrott, an economist at the New School's Center for New York City Affairs. Ongoing discontent over high expenses and wealth disparity "helped Bill de Blasio win the mayoral election in 2013 by talking about the 'tale of two cities,' one rich and the other poor;" and "unease over inflation helped return Donald Trump to the White House;" while mayoral hopeful Mamdani is reportedly leveraging the promise of rent freezes for rent-stabilized apartments, city-owned grocery stores, and free bus rides to win over voters in November.

The suggestion of implementing a rent freeze is not new and continues to be controversial. A recent article by AMNY noted that while housing advocate groups state it is necessary to address New York City's affordability crisis, on the other side of the table, landlord advocacy groups point out that the "same inflationary costs hurting tenants are hitting landlords" in addition, the added regulations of the Housing Stability & Tenant Protection Act of 2019 has made it more financially challenging to properly maintain buildings, since it essentially eliminated avenues for landlords to make money to fund projects. More importantly, the city continues to spend an increasing amount of taxpayer dollars on affordable housing-related programs such as the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) rental voucher program launched in 2018. According to the February 2025 report by the Citizens Budget Commission (CBC), the "entirely city-funded program that already exceeds the total size of federally-funded housing programs in all other major cities" has not reduced the demand for shelter, and as the CBC further notes, "the city cannot voucher its way out of the housing affordability crisis." According to CBC data, the CityFHEPS program is currently "serving 52,000 existing voucher holders and will "cost more than \$1.1 billion in fiscal year 2025, more than twice the cost in fiscal year 2023's anticipated \$636 million. Perhaps it is time to recognize that these high-cost programs are not working and return to the drawing board.

A recent article by City Journal revealed that the idea of city-owned, taxpayer-funded grocery stores has sparked skepticism, with some store operators not convinced that the city could implement the suggested network effectively, considering its lack of experience in running retail operations. There are also concerns about corruption that could result as seen happen in some of the other agencies; and it was further pointed out that Mamdani's plan to "operate stores at lower costs by using vacant city land" would create unfair competition, while having little impact on the high cost of living and not addressing "the underlying forces driving grocery store closures in parts of the city — namely, crime and poverty."





Midtown - Grand Central Area Park Avenue Overpass

## News Highlights (cont'd)

### The Driving Force Behind Zohran Mamdani's NYC Primary Victory | June 26, 2025 (cont'd)

Last year Mamdani was successful in getting the state Legislature and Gov. Hochul to approve a one-year pilot of a free bus route in each borough, but a citywide expansion would come at an annual 2026 cost of approximately \$650 million to \$778 million in a revenue loss by the Metropolitan Transportation Authority (MTA) due to the elimination of the \$2.90 bus fare. Payroll taxes of large businesses were already raised this year by the Legislature to help fund \$68-billion worth of MTA projects to prevent the city's mass transit from falling into disrepair; and combined with looming federal aid cuts creating both city and state budget gaps makes government watchdogs and political observers skeptical of Mamdani securing a state buy-in. There also exists the potential of the fare-free bus negatively impacting the MTA's revenue generated by subway fares if a notable volume of riders shift to take advantage of the free-fare option. Although Mamdani has floated a few ideas for tax increases that would affect businesses and high-income New Yorkers, or even property owners, which would be an unpopular move with voters, another hurdle in pushing the program forward is that since the MTA is a state agency, the mayor of New York City does not have direct control over it.

Moving past highlights of Mamdani's campaign platform, other concerns and questions arise —is a rookie politician that has served just four years in the New York State Assembly and admittedly has no experience in local government the best candidate to serve as mayor of New York City. Hank Sheinkopf, a veteran political strategist with over 35 years of experience in the political campaign arena spoke out in a recent interview with the New York Post stating, Mamdani “has no idea how the city works, how to run a jail, how to run a subway system and the biggest sanitation department in the country.” While recognizing that “his campaign has been effective, especially among young voters,” critics reportedly say that Mamdani is “ill-prepared to preside over a city of more than eight million people,” with George Arzt, political strategist of over 30 years further noting, “he's young and totally lacks credential for the job.”

Sources: <https://www.wsj.com/us-news/zohran-mamdani-nyc-election-voters-economy-ead5d808>

Sources: <https://www.crainsnewyork.com/politics-policy/nyc-mayoral-candidate-zohran-mamdani-wants-make-city-buses-free-how-could-he>

Sources: [https://cbcny.org/sites/default/files/media/files/CBCREPORT\\_FHEPS\\_02242025.pdf](https://cbcny.org/sites/default/files/media/files/CBCREPORT_FHEPS_02242025.pdf)

Sources: <https://nypost.com/2025/06/17/us-news/zohran-mamdani-has-barely-ever-held-a-job-and-has-no-experience-in-government-sources/>





Midtown - Grand Central area

## News Highlights (cont'd)

### Office Market

#### **New York City Emerges as Office Recovery Leader Nationwide | April 11, 2025**

The recovery of the office market in New York City (NYC) is still very much underway, but according to a white paper recently published by Placer.ai, in 2024, the city “cemented its position as the nationwide leader in office recovery. Helping to fuel progress are companies ranging from JPMorgan to Amazon, which have doubled down on return-to-office (RTO) mandates. Visits to New York City’s office buildings were just 13.1% below pre-pandemic (2019) levels, compared to a negative 34.3% nationwide; and Miami followed closely behind with a 16.2% gap. In contrast, San Francisco remains 48.9% below prepandemic office visit levels at the low among the 11 cities analyzed —NYC, Miami, Atlanta, Dallas, Washington, D.C., Houston, Denver, Los Angeles, Boston, Chicago, San Francisco, and nationwide data. The pace of NYC’s visitation growth on a year-over-year basis in 2024 was slower than Washington, D.C., which led the way at 15.2% growth, followed by Atlanta, GA and Miami, FL seeing 14.6% and 14.3% visitation growth respectively, but NYC outpaced the nationwide baseline of 10.0%. Office visitation on Fridays continues to lag, accounting for just an 11.9% share of the Monday through Friday volume. In contrast, there has been an uptick in the share of weekly visitation volume on Mondays after dropping significantly in 2022 and 2023, accounting for 18.2% in 2024 — just slightly below the 19.5% share in 2019. Mid-week visits continue to drive the city’s overall visitation volume with Tuesdays leading the way and essentially on par with pre-pandemic levels. A look at commuting trends across the East Coast also revealed that for nearby commuters, NYC share of visits has outpaced all other analyzed cities, having been on par with Washington, D.C. and slightly below Boston in 2019.

Sources: <https://go.placer.ai/library/blueprint-for-recovery-lessons-from-new-yorks-office-comeback>



## News Highlights (cont'd)

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### **Amazon's Manhattan Footprint Continues to Expand | April 17, 2025**

Manhattan's office market continues to show signs of an increased pace of recovery as a growing number of companies push for strengthened return-to-office policies. Since January 2025, a combined total of roughly 4.044 million square feet of big box office space over 100,000 square feet and spread across 14 deals have been reported, including Amazon's latest lease. Since February, the e-commerce giant has expanded its Manhattan footprint by a total of approximately 635,431 square feet divided among three locations. The latest signing is at 10 Bryant Park, also known as 452 Fifth Avenue, which is conveniently located one block north of Amazon's Manhattan headquarters in the former Lord & Taylor building at 424 Fifth Avenue. The 330,000-square-foot space spans the entire 3rd through 11th floors within the 30-story tower, and was formerly occupied by London-based HSBC, which relocated last year to a downsized 265,000-square-foot space at The Spiral, 66 Hudson Boulevard. According to reported details of a Tel Aviv Stock Exchange (TASE) filing, Amazon will be paying a base rent of \$29.5 million in years 1-5, escalating to \$34.8 million in years 11-15. The 15-year deal also includes the option to expand up to 145,000 square feet at a smaller building on 39th Street behind 10 Bryant Park, early full or partial termination rights after 10 years, and a rent concession of 16 months. In addition, landlord Property & Building Corp. (PBC) will spend about \$53.8 million in upgrades to the leased space.

Sources: <https://therealdeal.com/new-york/2025/04/17/amazon-signs-lease-at-10-bryant-park/>  
<https://product.costar.com/home/news/136956142>

### **Yet-to-Break-Ground 70 Hudson Yards Secures 800K-sf Lease Commitment | April 29, 2025**

Further positive signs of Manhattan's continuing office market recovery come with the latest news of a commitment for an 800,000-square-foot big block space at a yet to break ground tower at Hudson Yards. Developer, Related Companies has reportedly struck an agreement with Deloitte to move its North American headquarters to the planned 1.1 million-square-foot tower known at 70 Hudson Yards. The accounting and consulting firm will also have the use of an 8,000-square-foot terrace at its new location within the tower that is "planned to become New York's first zero-carbon emission skyscraper" according to a report by New York Yimby in December 2024. Deloitte's current national hub is located at 30 Rockefeller Plaza, which also goes by the address 1250 Avenue of the Americas. Press releases in 2010 indicated that the company had secured a lease for 426,139 square feet under an 18-year term, allowing a consolidation of multiple locations. It was further noted that New York City offered \$10.6 million in incentives at the time to stay in the city and add 2,100 jobs to compete with New Jersey's already approved \$42 million through its employment incentive program to relocate about 1,400 workers at the company.

Construction by co-developers Related and Oxford Properties on the multi-parcel assemblage bound by West 36th and 35th Streets is expected to break ground this June, and the over 60-story tower "will be the largest ground-up office development to start construction since the pandemic." According to city records, the 4-parcel assemblage where the tower will rise was acquired through 2 transactions in October 2019 and October 2021 for a combined total of \$173 million. Additional development rights were also purchased in 2019, Related paying roughly \$27.258 million to Spitzer Enterprises as part of a Zoning Lot Development Agreement, and in a second transaction, tapped into available air rights from the MTA and Hudson Yards Infrastructure Corporation (HYIC) according to city record documents. A lack of new construction since the pandemic has diminished new supply to a level that has sparked "a scramble among financial services companies, law firms, and technology companies for the same trophy assets." The recent success by Related Company's may encourage other developers to "push ahead with proposed new projects despite the challenging backdrop of a global trade war and economic uncertainty."

Sources: <https://www.wsj.com/real-estate/commercial/deloitte-office-hudson-yards-manhattan-4a55d495>



Midtown South - View from roof deck at 200 Park Avenue South

## News Highlights (cont'd)

### NYU Finalizes 1.08M-sf Deal at 770 Broadway | May 5, 2025

The “handshake” deal initially announced in August 2024 of a long-term master lease with an unidentified user at 770 Broadway has been finalized. New York University (NYU) was subsequently identified as the pending master lessee a few months later; and now, according to a press release by landlord Vornado Realty Trust, the execution of the master lease has been completed. Under the terms of the transaction, NYU will lease 1.076 million square feet “on an ‘as-is,’ triple net basis for a 70-year lease term.” As part of the deal, NYU made a \$935 million prepaid lease payment and will also make annual lease payments of approximately \$9.3 million during the lease term. NYU has an option to purchase the leased premises in 2055 and at the end of the lease term in 2095; and will assume the existing leases and related tenant income at the property. An existing \$700 million mortgage was repaid by the REIT, using a portion of the prepaid lease payment. The roughly 92,000-square-foot retail condominium spanning the ground, cellar levels and mezzanine will be retained by Vornado, and is currently occupied by Wegmans Food Market under a 30-year lease secured in 2021. The move by Vornado to pursue a master lease option came at a time when several major technology tenants announced downsizing plans, including Facebook parent company Meta. Facebook had become the building’s anchor tenant, initially relocating to the building in 2013 following a lease for 98,570 square feet; and following several expansions over the subsequent 9-years occupied over 880,000 square feet. However, in 2024, decisions by Meta to not renew a lease for 275,000 square feet that was expiring downsized the company’s footprint to about 500,000 square feet, pushing vacancy at the building higher.

Sources: <https://investors.vno.com/news-releases/news-release-details/vornado-completes-master-lease-new-york-university-770-broadway>

### Tech Sector Office Leasing in Manhattan Continues to Rebound in 2025 | June 5, 2025

Following a post-pandemic period of ongoing news headlines reporting a downsizing of office space by larger technology companies, the trend reversed in 2024, closing its best year of post-pandemic activity with an annual total of 3.16 million square feet — the highest volume since 2019 when leasing hit a record high of nearly 7 million square feet. Fueling a rise in expansion, long-term renewals, the establishment of first New York City locations, and some outright purchases is a combination of factors such as the rise of artificial intelligence, growth from firms using artificial intelligence (AI), and stricter in-office requirements according to reported findings of a recent industry study. Between January and April 2025, tech leasing in Manhattan reached 1.67 million square feet — the “best start to a year since 2000.” E-commerce giant Amazon “has been a catalyst for activity within Manhattan,” leasing over 635,000 square feet and purchasing the roughly 400,000-square-foot building at 522 Fifth Avenue since the start of 2025, “after acknowledging it didn’t have enough space to accommodate all of the employees it had called back to their workspaces five days a week.” Adding to Amazon’s leasing volume were several big block signings by other tech firms such as IBM’s expansion deal for 92,663 square feet at 1 Madison Avenue, 84,000-square-foot and 75,000-square-foot leases by fintech firms Chime and Intuit, and a 50,000-square-foot relocation deal by AI market intelligence platform AlphaSense. “While the reemergence of ‘traditional’ tech firms has spearheaded the sector’s recovery, the rapid rise of AI — both as a technology in and of itself and its application within products and services — has served to supplement this momentum.” From 2023 to 2025 year-to-date, AI’s share of tech sector office leasing in Manhattan has risen to 19%, more than double the 8% share from 2020 to 2022.

Sources: <https://product.costar.com/home/news/275178425>





Midtown - Bryant Park Area

## News Highlights (cont'd)

### Retail Market

#### Impact Uncertainty from New Tariffs Shakes U.S. Retail Industry | April 3, 2025

Although the wave of new “Liberation Day” tariffs announced by the White House on April 2, 2025, is part of President Trump’s agenda to “Make America Great Again” in a bid to boost U.S. manufacturing, it has created a cloud of economic uncertainty across the nation. The recent press release by The Conference Board indicated that for the fourth consecutive month, consumer confidence declined, causing the Consumer Confidence Index to fall 7.2 points in March to 92.9 (1985=100), while the Present Situation Index — based on consumers’ assessment of current business and labor market conditions — decreased moderately by 3.6 points to 134.5. However, in contrast, the Expectations Index — based on consumers’ short-term outlook for income, business, and labor market conditions — dropped sharply by 9.6 points to 65.2 — the lowest level in 12 years and well below the threshold of 80 that usually signals a recession ahead. Although potentially short-term until readjusting, reactions to the tariff announcement by the stock market resulted in a combined loss of \$2.4 trillion in market value of S&P 500 companies and a nearly 1,700 point drop of the Dow Jones Industrial Average, as investors “scrambled for safe-haven assets to buffer against fallout,” following the “unexpected size and scope of the tariffs,” which “exceeded even some of the most bearish forecasts.” Another market expected to be “dramatically disrupted” is the U.S. retail industry, a major user of commercial real estate. Currently the availability of U.S. retail space remains close to the historic low of 4.2% according to online listing platform Costar. The current tight conditions are primarily being fueled by the limited amount of new retail construction in recent years causing the pace at which vacant high-quality space is backfilled to escalate. Although it remains too early to determine the full impact of the tariffs, some retail chains conceded that consumers would bear the brunt of the anticipated rise in costs. Major trade group the National Retail Federation (NRF) expects “the growth of U.S. retail sales to slow down this year, to 2.7% and 3.7% over 2024, with a sales volume between \$5.42 trillion and \$5.48 trillion, because of inflation and consumers’ anxiety over tariffs.” While tariffs have always been necessary to deal with for any company that imports, the magnitude of the impact of the higher than anticipated rates on some tariffs, which a report by UBS research states “Trump is probably using tariffs as ‘bargaining chips ..... likely to be toned down,” will depend on how long the new rates remain in place.

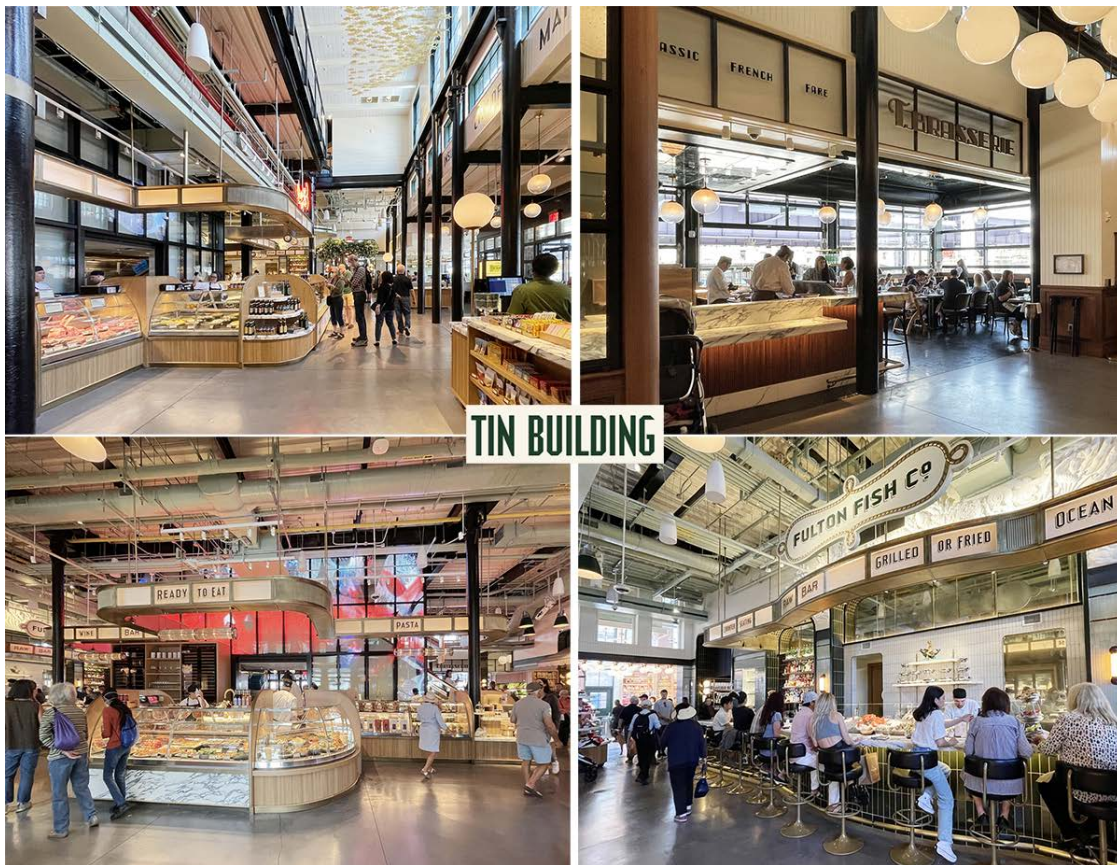
Source: <https://product.costar.com/home/news/569056289>



## News Highlights (cont'd)

### Tin Building Market Struggling Despite its Unique Chef Created Culinary Experience | April 7, 2025

The theory “If you build it, they will come,” isn’t always an easily achieved fruition in the New York City retail market as shown in the recent article by Crain’s New York. Making its highly anticipated debut in 2022, the 54,000-square-foot Tin Building Market located in Lower Manhattan’s South Street Seaport neighborhood welcomed tourists and city residents to an “eye-popping array of choices, from fine-dining restaurants and bakery kiosks to shops teeming with fancy cheeses and artisan candies.” Although there are several food halls citywide, the Tin Building Market stands apart from the typical food hall which features food stalls separately leased by a mix of independent restaurants and eateries, but instead is a culinary concept created by celebrity chef Jean Georges Vongerichten. Real estate firm Howard Hughes Holdings deconstructed the multi-level Tin Building that stands on the site of the former historic fish market and relocated it beyond the floodplain. As part of its reconstruction, the landmarked structure underwent a vertical expansion to add another floor and a total restoration to the tune of reportedly nearly \$200 million over a 5-year period before spinning off Seaport Entertainment Group (SEG) into a separate public entity.



The hope of a steady flock of crowds has yet to be realized, the higher volume of activity during the summer when people are drawn to the East River waterfront, rooftop concerts on Pier 17, and other neighborhood activities, tends to diminish during the cooler months, resulting in a reportedly \$33 million loss for its share of business last year, prompting decisions by SEG to scale back the venture. The Tin Building’s location somewhat “off the beaten path for many tourists and tucked away from the financial district’s office towers” may further contribute to some of the market’s challenges, but it also highlights the difficulty that “many food businesses face in coming up with a successful recipe for drawing steady traffic,” as exemplified by the recent closure of the Market Line within the Lower East Side’s Essex Crossing complex and the Gotham West Market, a Hell’s Kitchen staple for the past decade. Ideas such as immersive art installations and entertainment options are being considered by some food hall operators to help capture customers. SEG reportedly has plans for a “seasonal floor-to-ceiling glass enclosure” for the adjacent Pier 17 to allow the scheduling on rooftop concerts year-round instead of just in the summertime. Despite some of the struggles, the food hall continues to offer an attractive concept. Amazon has hired the Food Hall Co. to develop and run a 35,000-square-foot operation within its building at 425 Fifth Avenue — the former Lord & Taylor building that the e-commerce giant converted to office use; while JPMorgan Chase & Co., plans to open a food hall in its new headquarters at 270 Park Avenue.

Source: <https://www.crainnewyork.com/real-estate/jean-georges-tin-building-food-hall-scaling-back-stem-cash-bleed>



Midtown South - SoHo

## News Highlights (cont'd)

### Eataly's SoHo Home Hits Investment Sales Market | April 16, 2025

Brookfield Properties is hoping to fetch \$40 million for the sale offering of the two-story, approximately 30,000-square-foot retail and showroom condominium unit located at the base of 200 Lafayette Street. Acquired by the Canada-based company in 2018 for roughly \$51.328 million as part of its acquisition of General Growth Properties (GGP), the approximately 18,353 square feet on the ground and cellar levels is occupied by Italian-themed market and restaurant Eataly, and the over 11,000 square feet on the 2nd floor is occupied by fashion brand Moncler. According to reported details of the sale offering memo, the leases run through 2038 and 2033 respectively, "with the property giving off roughly \$47 million in base rent revenue through the remainder of those deals." The 130,000-square-foot SoHo property at the corner of Broome Street housed a JCPenney department store for a short period of time, the retailer securing a 15-year lease in 2012 for the entire building with plans for the construction of a roof deck. News reports at the time indicated that the deal, which included three 5-year extension options, was worth about \$8 million a year. However, heightening financial challenges prompted an ongoing downsizing of space shortly after. Initially managing to get out of its commitment for the retail and showroom space on the ground, cellar and 2nd floor levels, JCPenney subsequently put the 16,780-square-foot top floor space up for lease in 2014, attracting yogurt brand Chobani which leased the top 7th floor and the 6th floor, a total of 33,560 square feet in early 2015; and in 2020, as part of the Chapter 11 bankruptcy process, JCPenney planned to exit its remaining lease commitment of the office space at the building.

Other leasing activity included:

- March 2016, fixture retailer Pirch leased the multi-level retail space only to shutter just over one year later.
- December 2021, Andreessen Horowitz, also known as "a16z" leased the entire 3rd and 4th floors with a reported asking rent of \$95 per square foot. According to a comp provided by ABS Partners at the time the 10-year deal had a base rent of \$87 per square foot for Years 1-5, escalating to \$95 per square foot in Years 6-10, and a \$115 per square foot workletter from the landlord plus a \$10 per square foot contribution toward construction of an internal staircase.
- October 2022 Eataly secured the lease for its current location, the space had a reported asking rent of \$2.7 million per year and included a multi-million-dollar tenant improvement (TI) package towards the extensive buildout.
- December 2024 Andreessen Horowitz signed an expansion deal, adding the entire 6th and 7th floors at a reported asking rent of \$130 per square foot upon Chobani's decision to downsize temporarily to the 5th floor as part of the company's plans to relocate to the newly constructed entire 121,000-square-foot building at 360 Bowery later this year

Source: <https://therealdeal.com/new-york/2025/04/10/david-werner-buying-5-hanover-square-from-cim-group/>





Brooklyn - Williamsburg Area

## News Highlights (cont'd)

### Luxury Fashion Brand Purchases Its Soho Store for \$132M | April 29, 2025

### RALPH LAUREN

The growing list of retailers opting to purchase their stores has recently added another name to the roster. Luxury fashion house Ralph Lauren has closed on the \$132 million purchase of its approximately 9,909-square-foot store at 109 Prince Street, with an alternate address of 119 Greene Street, reportedly after “fending off a challenge from the French conglomerate LVMH, which has been on the hunt for a space to relocate its local Tiffany & Co. hub from 97 Greene Street.” The company initially leased the space in 2010 under a term that is reportedly set to expire in 2026. A news release at the time by Racked indicated that the ground level features 16-foot ceiling heights and a lower level with skylights and an elevator. The 5-story building that last traded in 1991 for \$3 million according to city records was reportedly sold by art financier Jean-Pierre Lehmann under the entity Prince Street SPE, LLC. In 1998 it was restructured as a condominium with three live-work artist condominiums on the upper floors while the two retail units include 3,386 square feet on the ground level, 3,258 square feet of lower-level space, and 3,265 square feet on the 2nd floor. Over the last few years, several storefronts have traded to their retail occupants including Uniqlo, which purchased 546 Broadway for \$160 million in 2021, a 95,500 square-foot mixed use property of which the casual fashion wear brand occupies about 53,000 square feet; and in January 2025 the Japan-based brand purchased its 17,295-square-foot store at 666 fifth Avenue for \$355 million. In February and December 2023 Swiss fashion house Akris purchased a 7,200-square-foot retail unit at 121 Greene Street for \$14 million and a 3,867-square-foot unit at 722 Madison Avenue for \$38.578 million respectively. Similar trades in 2024 include the \$9.75 million purchase of the 3,568-square-foot store at 130 Greene Street by skincare brand Caudalie; the \$10.5 million purchase of the 5,200-square-foot space at 132 Bedford Avenue in Williamsburg, Brooklyn by Carhartt Work in Progress; the \$963 million purchase by French luxury group Kering at 717 Fifth Avenue, the deal included a 80,834-square-foot retail condominium and a 23,128-square-foot office unit.

Source: <https://therealdeal.com/new-york/2025/04/29/ralph-lauren-buys-soho-store-for-132m/>





Midtown South - Greenwich Village

## News Highlights (cont'd)

### Upper West Side Retail Condo Trades for \$32.5M | May 13, 2025

The current home of business supply retailer Staples at 2250 Broadway between West 80th and 81st Streets has been purchased by Westside Market. According to the condo declaration posted on city records, the 34,353-square-foot unit includes space on the cellar, ground level, second, and 5th floors at the base of 227-unit mixed-use condominium. The sale by Angelo, Gordon & Co., LLP attracted a price of \$32.5 million, having last traded in September 2022 for \$27 million. According to a 2022 press release by Crain's New York, Staples leased the space within the site of the former RKO 81st Street theater in 1998 under a 15-year term that apparently included extension options. The transaction was financed by Metropolitan Commercial Bank, which provided an \$18 million loan that refinanced \$17,421,729 in remaining unpaid principal of a \$17.55 million loan provided by the lender in 2022 and added a newly originated \$578,280 gap mortgage. Plans for the site that is diagonally across from a Zabar's market have yet to be announced, the family-owned grocery chain reportedly opened its first location in 1977 on West 110th Street and currently operates seven locations throughout Manhattan.

Source: <https://www.crainsnewyork.com/real-estate/westside-market-buys-upper-west-side-storefront-angelo-gordon>

## News Highlights (cont'd)

### A Shift in Consumer Habits Post-Pandemic Spark a More Diverse Array of Retail Options | May 20, 2025

The post-pandemic consumer has undergone a shift in habits that has actively fostered a heightened focus on wellness. In response, it has sparked the developing trend among a wider variety of brands related to wellness, healthcare, fitness, recreational sports, pets and children to take retail storefronts as they seek increased visibility and proximity to customers. Although some of these uses did not typically establish locations in street level storefront spaces, the interest to be more in the forefront is being driven by their increasing importance and higher level of priority among Americans. The rise in new tenant categories, which is “at least in some part due to the pandemic” couldn’t have come at a more opportune time since the pandemic’s retail shakeout left many landlords faced with a large number of vacant stores. Cited examples include the opening last year in New Jersey of a golf-simulator club that replaced a grocery store and an IV drip center that now operates in a strip mall alongside co-tenants Starbucks and Panda Express. The continued expansion of health and wellness sectors has sparked the “so-called medtail movement.” Chains such as IV infusion center operator Restore Hyper Wellness, Freeze & Float’s hot and cold therapy spas, and laser treatment provider Simplicity Laser are increasingly popping up in retail storefronts along with a wide array of services traditionally offered on hospital campuses such as the planned expansion to New Jersey by Tennessee-based national chain IVX Health, which operates medical infusion-and-injection-therapy sites.

Further broadening retail options is a “proliferation of grocers targeting the ethnically diverse United States, some of which have grown beyond neighborhood mom-and-pop stores into chains with regional and national reach. “Last September, Korean grocer Jagalchi replaced a 75,000-square-foot J.C. Penney anchor space at Serramonte Center in Daly city, California, while some smaller independent and ethnic grocery operators have become attracted to the size and neighborhood locations of recently vacated Rite Aid stores. In addition, a new crop of digital native companies are opening brick-and-mortar locations such as discount furniture and homeware retailer Wayfair which will be debuting its third large-format, roughly 144,000-square-foot store in early 2027 at the Rich Hill shopping center in Yonkers. In response to the rise in tenant categories, Los Angeles-based retail landlord Macerich reportedly stated that while key legacy retailers will always be a part of the firm’s shopping centers, the company is also looking at digitally native, emerging, entertainment, and medical brands — making the choices among uses “unprecedented today.”

Source: <https://product.costar.com/home/news/479813181>

### Leases for Three Manhattan Rite Aid Stores Head to Auction | May 30, 2025

As part of Rite Aid’s Chapter 11 filing, the Philadelphia, PA-based pharmacy chain is scheduled in July to auction off “dozens of leases for local retail locations.” A total of 33 of the 178 New York State stores are located in New York City, which will all close on June 4th. Among the 33 citywide stores, 13 are in Queens, 12 in Brooklyn, 4 in the Bronx, 3 in Manhattan, and 1 in Staten Island; and a combined total of 527 workers are affected according to the New York State Worker Adjustment and Retraining Notification (WARN) notices filed May 23, 2025. Below are reported details from marketing material by A&G Real Estate of the three Manhattan stores:

1. 81 First Avenue in the East Village offers 8,500 square feet under a current lease that extends until January 2032. The current gross annual rent is \$627,000.
2. 534 Hudson Street in the West Village offers 10,900 square feet under a current lease that expires in November 2029. The store located on the southeast corner of Charles Street spreads across the entire retail component at the base of the mixed-use condominium. The current gross annual rent is \$953,000.
3. 4046 Broadway in Upper Manhattan’s Washington Heights neighborhood offers 9,400 square feet of a single-floor retail property that also includes a Citibank branch and a McDonald’s restaurant. Rite Aid’s lease extends through the end of 2028 and the current gross annual rent is \$592,000.

The recent commencement of Rite Aid’s voluntary Chapter 11 proceedings in the U.S. Bankruptcy Court for the District of New Jersey is reportedly part of an effort of “pursuing a strategic and value-maximizing sale process for substantially all of its assets,” according to reported statements by Rite Aid in early May. The filing comes about 8 months after the company emerged with 1,300 stores from a previous October 2023 Chapter 11 filing, which “did little to resolve the chain’s issues” despite the “erasing of roughly \$2 billion in debt” per a May 5th news release. On May 15th, a news release by CVS Health indicated that in a bankruptcy court approved bidding process, CVS Health “has agreed to acquire the prescription files of 625 Rite Aid pharmacies across 15 states in areas that CVS serves, as well as acquire and operate 64 Rite Aid stores in Idaho, Oregon and Washington,” which at the time of the news release remained subject to court approval.

Source: <https://www.crainsnewyork.com/real-estate/three-manhattan-rite-aids-are-among-33-new-york-city-be-auctioned-bankruptcy-court>





Midtown South - SoHo

## News Highlights (cont'd)

### Westmoreland Café Makes its Debut Among the Art Masterpieces at The Frick Collection | June 5, 2025

A visit to a museum is always at the top of the list for anyone spending time in New York City, but among the endless list of options, such as the Met, MoMA, Whitney, and Morgan Library & Museum, a hidden gem on Manhattan's Upper East Side is The Frick Collection. The Frick's collection of 14th- to 19th-century European paintings is housed within a 1914 residence located at 1 East 70th Street. The museum that has welcomed visitors for nearly 90 years recently completed a \$220 million renovation to better serve a twenty-first-century audience. As part of the project, the newly opened Westmoreland Café — a first for the museum, now sits among its collection of art masterpieces. Located on the mansion's second floor and overlooking the 70th Street Garden, the Westmoreland's interiors "were influenced by the museum's three green spaces and historic finishes found throughout the building." Designed by London and New York-based interior designer Bryan O'Sullivan Studio (BOSS), the café that is "named for the private Pullman railway car the Frick family use to travel between their homes and trips around the United States," offers an added elegance to the museum's "atmosphere of timeless beauty," while extending the Frick experience beyond its galleries.

Source: <https://www.6sqft.com/the-frick-collection-opens-its-first-cafe/>

### Hospitality Group Crew Debuts its New Sailor's Choice Boat Bar | June 9, 2025

Alex and Miles Pincus' hospitality group, Crew has added a new "nautical-themed" concept to their growing roster of New York City offerings. Sitting on a plaza in Hudson Yards at 350 Eleventh Avenue, the Sailor's Choice 200-seat bar, named after the Pincus brothers' "post-sailing ritual: a cold beer poured over ice with lime," is on a vintage Hinkley fishing vessel that has been "transformed into a full-service bar surrounded by a sunny deck with yellow-and-white striped umbrellas." A second bar is tucked inside a retrofitted Airstream trailer, offering a mix of "spritzes and other breezy cocktails." Having "practically defined the city's waterfront drinking scene," Crew currently operates the "New York boat bar Grand Banks near Tribeca, West Village waterfront Drift In, boat bar Pilot near Brooklyn Bridge, Island Oyster at Governors Island, and land-based Holywater; and there's also High Tide in Dumbo and Fairweather in the High Line Hotel." The Sailor's Choice seafood menu features a "polished" Manhattan twist, such as lobster BLT's and caviar-topped tater tots, offering a "a fresh new reason to eat and drink near the Hudson Yards Vessel.

Source: <https://ny.eater.com/2025/6/9/24446001/sailors-choice-nyc-boat-bar-open-hudson-yards>

<https://www.timeout.com/newyork/news/a-brand-new-boat-bar-from-the-grand-banks-crew-is-cruising-into-hudson-yards-061025>





Midtown South - Chelsea View from Pier 57 Rooftop

## News Highlights (cont'd)

### New Single Occupancy Hotel Concept Opens in NoHo | June 30, 2025

New York City-based Dovetail + Co., a developer and operator focused on the creating of “imaginative hospitality,” launched its latest concept **Now Now NoHo** in the spring. Located at 338 Bowery in Manhattan’s NoHo neighborhood just north of East Houston Street, the 4-story, 26,000-square-foot hotel provides affordable lodging designed for solo travelers. The ADA accessible cabins range in size from just over 32 square feet to larger 53.8-square-foot units and include a Brooklinen robe, earplugs, an eye mask, and a sound machine and the bathrooms are shared. Guest rooms offer a “sleeper-cabin-style” design “inspired by the efficiency of Japanese capsule hotels, the romance of European train cars, and the communal vibe of boutique hostels.” Others have described the concept as a combination of the Pod Hotel, with its micro-size rooms, and The Jane, which was located in the West Village and originally built as a boarding house for sailors with cabin-like rooms that measured 7-feet square.



Now Now NoHo - Interior Renderings



Now Now NoHo- Rendering

Source: <https://www.6sqft.com/the-frick-collection-opens-its-first-cafe/>



View of Midtown from the East River Esplanade

## News Highlights (cont'd)

### Investment Sales

#### **FiDi Building In Contract at 50% Discount | Apr 10, 2025**

Investor David Werner has reportedly entered into contract to purchase 5 Hanover Square. The pending sale by Los Angeles-based CIM fetched a price “somewhere between \$50 million and \$60 million,” representing a steep discount of the \$104 million paid in 2013. Located in Lower Manhattan, the roughly 340,000-square-foot building spans the entire block-front of Hanover Street between Beaver and Pearls Streets. Future plans for the building by the contract vendee have yet to announced, however, Werner has been active over the last few years, purchasing “older office buildings in the Financial District and Midtown at steep discounts,” some of which a slated for residential conversion. The pending \$52 million purchase of 300 East 42nd Street after the former owners gave the keys back to the lender, went into contract in February, having last traded in 2019 for \$122.5M. In January, Werner entered into contract to purchase 675 Third Avenue, recently teaming up with Metro Loft Management and joined by Northwind Group who provided a \$90 million loan to finance the more than \$100 million acquisition and predevelopment of the planned residential conversion of the approximately 342,000-square-foot building.

Source: <https://therealdeal.com/new-york/2025/04/10/david-werner-buying-5-hanover-square-from-cim-group/>

#### **Amazon’s Manhattan Footprint Continues to Increase After Closing on 5th Ave Purchase | May 9, 2025**

The recently announced purchase by Amazon of 522 Fifth Avenue took a trio of separate transactions to complete the sale. The deed which hit city records on May 9th lists a \$340 million purchase from RFR Realty of the roughly 371,406-square-foot office component, the seller having paid \$350 million in August 2020. The sale of the retail unit similarly closed on May 1 through two transactions – the first was an \$85 million purchase by RFR of the approximately 24,786-square-foot unit from Ashkenazy Acquisition Corp. and Deka Immobilien GmbH, having last traded in September 2014 for \$165 million, followed by a sale to Amazon for what appears to be zero dollars; and if correct, the overall discount of the combined \$515 million previously paid is about 32%. A press release by the Commercial Observer noted a price of \$800 per square foot according to a source and based on multiple articles noting a building size of 570,000 to 600,000 square feet would indicate a sale price range of \$456 million to \$480 million. However, upon a review of the 2013 Amended Condo Declaration, the building size may be closer to approximately 475,993 square feet of which about 79,801 square feet is common area, meaning that the price could be about \$381 million if the Observer’s source information is accurate. The size of New York City’s buildings has always been a gray area in part due to the calculation of loss factors that continue to increase a building’s size despite no new construction. The 5th Avenue deal is the first Manhattan purchase made by Amazon in 5 years since the e-commerce giant acquired the former Lord and Taylor flagship at 424 Fifth Avenue. The March 2020 sale of the approximately 662,779-square-foot building was valued at \$1.367 billion due to the payoff of a \$389.285 million construction loan, with Amazon paying \$978,090,439. However, on the leasing side, the pace of deals by the company started to pick up in 2023 as news of several big block signings became more frequent leading to a total of approximately 1.239 million square feet in reported deals that included a mix of renewals, expansions and a sublease across six buildings.

Source: <https://product.costar.com/home/news/1125503127>

<https://commercialobserver.com/2025/05/amazon-sale-522-fifth-avenue-rfr/>



## News Highlights (cont'd)

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### **STRS Ohio Weighs Options for \$1.1B Sale of Madison Ave Building | May 8, 2025**

The State Teachers retirement System of Ohio (STRS Ohio) is considering multiple options as part of the \$1.1 billion sale offering of 590 Madison Avenue — which is one of the highest asking prices for the office sector since the onset of the pandemic. Initial announcements of the sale by the pension fund were released in mid-February for the approximately 1 million-square-foot Plaza District property that spans the entire Madison Avenue blockfront between East 56th and 57th Streets. Although the deal is currently structured as a “deferred payment sale in which the buyer could pay installments to meet the heavy \$1 billion-plus price tag,” ownership is also now “weighing 100 percent purchase options in addition to selling the tower.” Bids were due May 2nd, and while multiple bidders remain in play, at the end of April Blackstone Group was reportedly the odds-on favorite due to “plenty of dry powder to finance the purchase itself” according to The Real Deal, but more recently one source indicated to the Commercial Observer that “it was a two-horse play between RXR Realty and Tishman Speyer.”

STRS Ohio and Edward J. Minskoff Equities purchased the building for an undisclosed price in 1994, former owner International Business Machines Corp. (IBM) simultaneously securing a leaseback of the building; but in 2024 relocated to a 362,092-square-foot One Madison Avenue, which enabled the firm to consolidate ten New York City offices while downsizing its Manhattan footprint. In 2015 STRS Ohio reportedly purchased Minskoff's stake, however, Minskoff continued to manage the property. Continuing to be called the IBM Building, despite the loss of its namesake tenant, notable lease signings in recent years include an 87,500-square-foot lease in 2020 by American Securities, paying a base rent of \$102 per square foot that escalated to \$140 per square foot in years 11 through 15 and included 20 months of free rent and a \$160 per square foot workletter according to an ABS Partners' data at the time. In 2024, a 150,000-square-foot lease by multinational holding company LVMH was secured; and in 2025, alternative asset manager Apollo Global Management signed a 15-year lease for 96,224 square feet at a base rent of \$98 per square foot, escalating to \$118 per square foot in the final five years with a 15 month rent concession and \$150 per square foot workletter according to ABS Partners' data. If the sale clears the \$1 billion mark, it would be the first New York City sale to fetch a 10-figure price since Google parent company Alphabet purchased 550 Washington Street for roughly \$1.97 billion in 2022.

Source: <https://commercialobserver.com/2025/05/590-madison-installment-sale/>

<https://therealdeal.com/new-york/2025/04/30/blackstone-group-favorite-to-buy-590-madison-avenue/>

### **Chelsea Office Building In Contract for \$205M | May 15, 2025**

The office building located along The High Line in Chelsea has entered into contract for \$205 million according to the press release by 55% stakeholder Vornado Realty Trust. Located at 512 West 22nd Street, the 11-story, 173,000-square-foot building was constructed in 2018 by the joint venture of Vornado and the Long Island-based Albanese Organization. The contract vendee was not disclosed by the REIT, but a Commercial Observer press release identified the buyer as MKF Realty. Proceeds from the sale that is expected to close in the 3rd quarter will be used by the JV to repay the remaining \$123.6 million in unpaid principal of a \$145.7 million loan provided by PNC Bank in July 2019, which refinanced \$106.081 million of existing debt and added a newly originated \$39.619 million gap mortgage according to city records. The original two parcel development site was purchased by the JV in 2011 for \$54.5 million. The project included the total redevelopment and 6-story vertical expansion of the existing 5-story parking facility. The LEED Silver certified building features multiple double and single height terraces, some of which overlook the elevated park. Notable reported lease signings include a 20,000-square-foot space secured by WarnerMedia for its Innovation Lab in September 2019, followed a few months later by Next Jump Media's lease for 41,300 square feet spanning the top three floors of the building at a report asking rent of \$160 per square foot. According to ABS Partner's data, Next Jump Media's lease is for 10 Years with a base rent of \$150 per square foot for the first 5-years, escalating to \$165 per square foot in years 6 through 10. The deal included a 10-month rent concession and \$125 per square foot workletter. The net effective rent was \$115.80 per square foot. The e-commerce company that handles loyalty rewards programs for merchants such as Dell, Hilton Hotel, AARP, and Intel relocated from a 38,346-square-foot space leased in May 2007 at 261 fifth Avenue in NoMad according to online real estate platform Costar.

Source: <https://investors.vno.com/news-releases/news-release-details/vornado-jv-sell-512-west-22nd-street-205-million>

<https://commercialobserver.com/2025/05/mfk-realty-buying-vornados-512-west-22nd-street-205m/>



Midtown - Hell's Kitchen Area

## News Highlights (cont'd)

### Pair of Garment District Office Buildings Trade at 74% Discount | June 4, 2025

Midtown-based Empire Capital Holdings continues to build its Manhattan portfolio, recently purchasing two Midtown buildings in the Garment District — 229 West 36th Street and 256 West 38th Street. The purchases made through separate transactions closed one day apart for a combined total of \$40.75 million, representing a discount of 74% of the \$156.8 million total paid by sellers Connecticut-based real estate firm Brickman and global asset management firm Investcorp.

229 West 36th Street									
Sq. Ft.	2012	Seller	% Price Change	2017	Seller	% Price Change	2025	Seller	% Price Change
149,000	\$65MM	229 W 36th Street Partnership	13%	\$93.5MM	New York REIT	44%	\$19.5MM	Brickman Investcorp	-79%
As part of the closing, Israel Discount Bank assumed \$15.4MM in existing debt provided by Canadian Imperial Bank of Commerce. Ken Cayre of Cayre Equities was the signatory on the new loan agreement. Harry Adjmi of A&H Acquisitions was the signatory on the deed.									

256 West 38th Street									
Sq. Ft.	2012	Seller	% Price Change	2017	Seller	% Price Change	2025	Seller	% Price Change
118,200	\$48.6MM	Easta End Capital Green Oak Real Estate	62%	\$63.3MM	New York REIT	30%	\$21.5MM	Brickman Investcorp	-66%
As part of the closing, the entity CF DCOP FIN LLC assumed \$14MM in existing debt provided by Canadian Imperial Bank of Commerce. Rex Hakimian of the Hakimian Organization was the signatory on the new loan agreement. Harry Adjmi of A&H Acquisitions was the signatory on the deed.									

News of the latest Midtown transactions come about one week following reports of Empire Capital going into contract to buy a pair of Midtown South office buildings at 373 and 381 Park Avenue South for \$130 million from longtime owner ATCO Properties & Management.





Midtown South - Madison Square Park

## News Highlights (cont'd)

### Residential Market

#### **NYC Dept of Finance Evaluating AI Platform for Condo Appraisals | April 9, 2025**

Intended to improve transparency and fairness, New York City's Department of Finance (DOF) has launched a pilot program to test AI for appraising residential condominiums. The city record notice describes the pilot as a "demonstration project," which lets companies show the city the merits of their product on a short-term basis. The DOF selected the company C3 AI for its evaluation of information and software. Launched in 2009 the C3 platform's appraisals come with "an evidence package and sales comparables that explain how the AI property value was generated" according to reported information in a promotional video on the company's website. Longtime highly criticized and "notoriously byzantine," the city's property tax system continually leads to a discord between the city and property owners. Although officials believe it is their tendency to undervalue buildings, owners believe they are assessed higher than true market value, leading organizations such as the Tax Equity Now New York to continue its "length legal battle seeking to upend New York's overall property tax system."

Source: <https://www.crainsnewyork.com/real-estate/c3-ai-help-city-calculate-value-residential-condos>

#### **A Rising Number of Manhattan Home Purchases are Made Through a Trust | April 15, 2025**

According to reported data compiled by real estate analytics firm Attom, 28% of all Manhattan homes were purchased through a trust in 2024, representing a nearly 65% increase from three years ago. Earlier transparency efforts of Limited Liability Corporations (LLCs) at the state and federal level may be contributing to the rising numbers, as well as the unaffordable, exorbitant costs of homes in Manhattan for a first-time buyer that frequently requires financial help from parents – particularly within trendy neighborhoods such as SoHo, the West Village, and Tribeca, which according to Attom's data, accounted for about one third of the trust-bought condos last year. The shift is also reshaping these neighborhoods that were once the domain of "seasoned tycoons," and now "buzz with younger faces." Further driving the trend is a "notable resurgence of foreign buyers re-entering the New York market, coupled with high net-worth individuals seeking more stable investment opportunities." Analysts see no signs of a slowdown ahead, with the passing down of vast fortunes by baby boomers bringing the arrival of the "dawn of a \$100 trillion generational wealth transfer," trusts are increasingly become "the go-to-tool for savvy buyers, offering tax breaks and a veil of privacy."

Source: <https://nypost.com/2025/04/15/real-estate/more-new-yorkers-are-inheriting-homes-not-buying-them/>



Queens - View of Long Island City from the FDR Drive

## News Highlights (cont'd)

### Rent Hike Looms for Rent Stabilized Leases | May 1, 2025

A preliminary vote on April 30, 2025 by New York City's Rent Guidelines Board (RGB) delivered news of an increase for rent-stabilized apartments in a range of 1.75% to 4.75% on one-year leases and 4.75% to 7.75% on two-year leases starting on or after October 1, 2025. Although the final maximum increase is subject to another vote in the next few months, the preliminary vote reportedly suggests that "the final number will be in line with the most recent rent increases." In 2024, the RGB backed an increase range of 2% to 4.5% and 4% to 6.5% for one- and two-year leases, with the final maximum increase being 2.75% and 5.25%. In the past two decades, the highest one-year maximum increase for a one-year lease was 4.5% in 2008. Response to the news sparked protests from tenant activist groups which were advocating for a freeze on rent increases, something that Mayor Adams declined to endorse. In contrast, landlord groups complained that the ranges were too low, the Small Property Owners of New York group advocating for a 6.3% starting point of rent increase of all lease lengths. Despite pointing out that due to increasing property taxes and rising insurance fees and fuel prices the cost of maintaining rent-stabilized buildings has gone up, an RGB study of the most recent data available reportedly indicated that the net income for stabilized landlords rose 12% in 2023 – a percentage that varies depending on geography. Manhattan below 96th Street saw a net income growth of 23% at the high with the Bronx seeing a nominal growth of 0.08%, while net income growth in Upper Manhattan, Brooklyn, and Queens ranging 10% and 11%. Appointed by the Mayor, the nine-person board that is selected by the mayor has "so far set maximum increases at around 3%" under the Adams administration, compared to a range of 0% and 1.5% under the previous administration.

Source: <https://www.crainsnewyork.com/real-estate/rent-guidelines-board-endorses-hike-stabilized-leases-preliminary-vote>  
<https://rentguidelinesboard.cityofnewyork.us/2025-summary-of-proposed-apartment-loft-hotel-guidelines/>

### Bronx Rent-Regulated Portfolio Trades for \$196M | May 20, 2025

A preliminary vote on April 30, 2025 by New York City's Rent Guidelines Board (RGB) delivered news of an increase for rent-stabilized Related Companies-affiliate Related Fund Management sold a sizeable multi-building rent-stabilized portfolio located in the Bronx for reportedly \$195.5 million. Although the transaction has yet to hit city records, a review of sales from February through May 2014 by the entity with a prefix "NYSandy" indicates that a combined total of 39 buildings were purchased for a total of \$260 million through 35 transactions. In addition to the nearly 25% loss of the discounted sale price, an investment of reportedly \$32 million in capital improvements since 2014 is a further loss, since despite a portion going into some apartment improvements, tighter rent law restrictions that went into effect by the Housing Stability & Tenant Protect Act passed in 2019, effectively closed the ability to transition renovated units to market rate. Reportedly owning nearly 100 similar properties at one point, the latest sale by the fund is part of a move to exit the sector; and although some sites were sold pre-2019 at double-digit profits, those that have traded more recently have not done so well. "Backed by city pension money, Related fund Management came out of the late 2000s financial crisis and began acquiring outer-borough rental properties as part of the rebuilding effort following 2012's Superstorm Sandy," which is why the entities had "Sandy" in their names. According to a Commercial Observer press release, Longacre, a partnership of New York-based real-estate companies PH Realty Capital and Rockledge are the purchasers of the residential package that has approximately 2,021 total residential units in Bronx neighborhoods such as Wakefield, Norwood and University Heights. PH Realty President Peter Hungerford stated in the article by Crain's New York that "he plans on holding the sites until mortgage and insurance rates and the regulatory environment improve;" and since "buying at a basis with an expected cash flow, it allows us to sit for a long time and wait for some combination of things to get better, but New York is an unsustainable system right now."

Source: <https://www.crainsnewyork.com/real-estate/related-cos-fund-sells-34-bronx-rent-regulated-sites-longacre-196-million-money-losing>





Downtown - View Along the Battery Park Esplanade

# News Highlights (cont'd)

## Development

### Public Preview Scheduled to View MTA's Vision for the Interborough Express Project | April 2, 2025

In January 2025, the Metropolitan Transportation Authority (MTA) brought back to the table the 14-mile Interborough Express project intended to connect Brooklyn and Queens. At the time of the announcement, the MTA had plans to spend up to \$100 million on initial phase engineering and design work for the ambitious light-rail project that has an estimated price tag of \$5.5 billion. A total of 19 stops and links to 17 subway lines and the Long Island Rail Road (LIRR) will be created with an expected 115,000 riders utilizing the service daily during the weekdays. Existing freight tracks and infrastructure will be utilized without interruption to the operation of the freight trains. The infrastructure from the Bay ridge Branch is owned by the LIRR while the Fremont Secondary line is owned by Florida-based CSX, a major U.S. railroad freight company. The project would also require the MTA to “operate a new class of train cars that need specialized maintenance and storage facilities,” estimated costs could be \$83.2 million in 2027 according to the January article by Crain’s New York. Although initially backed by Governor Hochul in 2022, the proposed project that will create a rail link between Bay Ridge, Brooklyn and Jackson Heights, Queens has progressed slowly and continues to face hurdles since the MTA’s “appeal to Albany for capital funding is no sure thing,” and “securing billions of federal transit dollars” likely to be a challenge under the current administration. The upcoming public open houses to be held at 6 PM are scheduled for April 22 at Maimonides Medical Center in Borough Park, Brooklyn and on May 8 in Jackson at the Renaissance Charter School.



Metropolitan Transportation Authority



An Interborough Express train pulled into a newly built station.

Metropolitan Transportation Authority

Vision of Interborough Express

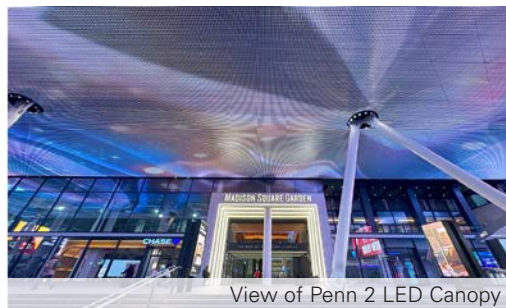
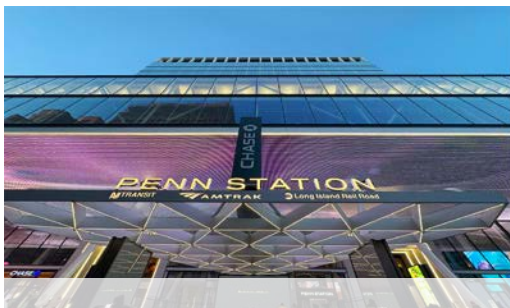
Source: <https://www.craigslist.com/transportation/mta-plan-takes-shape-interborough-express-between-brooklyn-and-queens>  
<https://www.craigslist.com/transportation/mta-plan-takes-shape-interborough-express-between-brooklyn-and-queens>

## News Highlights (cont'd)

### Today's Architectural Design Delivers Increased Approachability and Connections to History | April 8, 2025

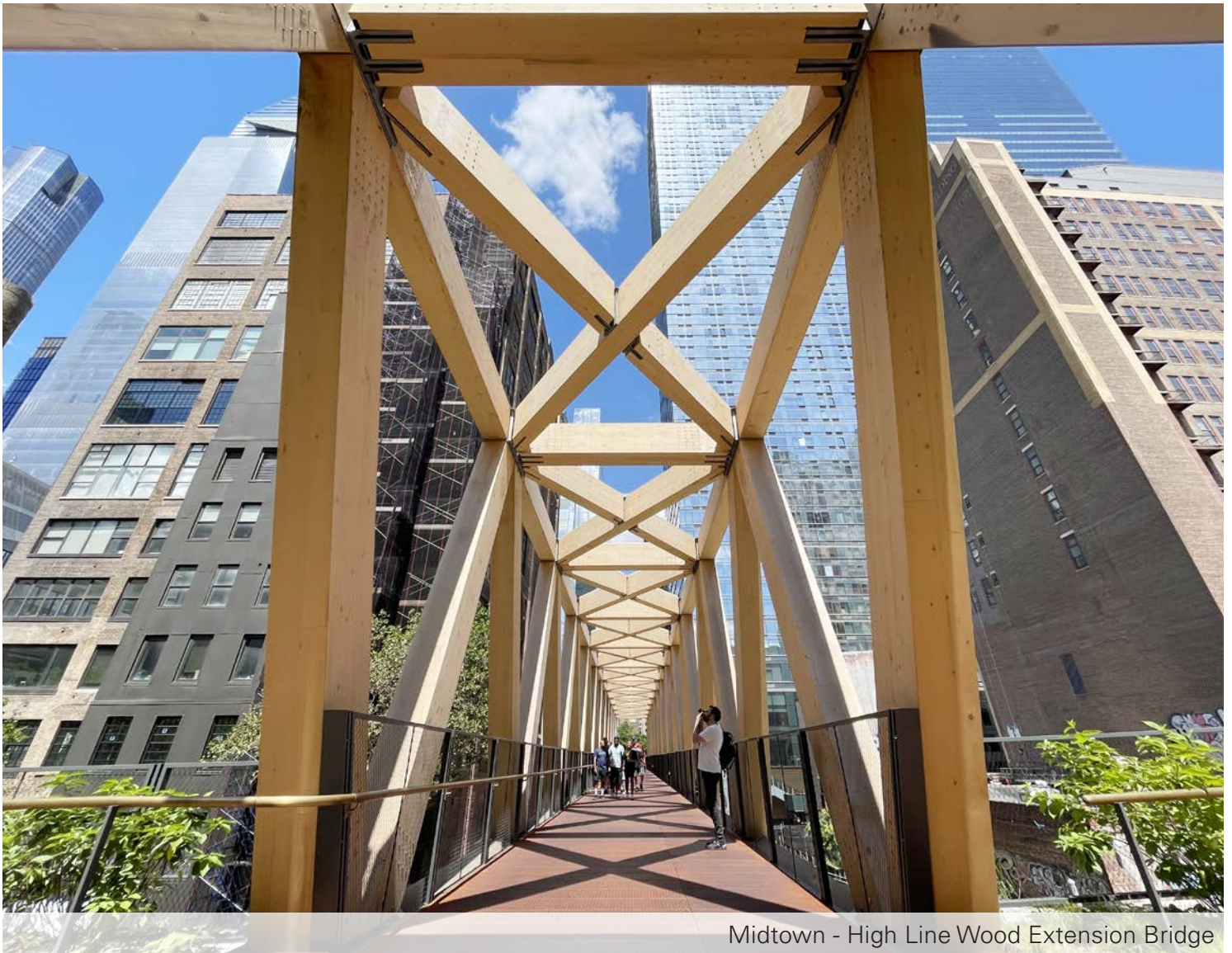
Some of the latest innovations from architects will be reflected in a wide array of new office towers, flagship stores, and historic landmark restorations that will be completed soon in New York. In addition to recognizing "a sense of place simply because of the warm nostalgia people feel toward other eras" created by historic buildings, and the importance of "connecting people who live in New York City today 'to the area's history,'" architects are increasingly incorporating designs across all property types to create more approachable spaces, by shifting from the more utilitarian designs in the recent past to ones that reflect the beauty of things. Below is a selection of a few of the highlighted projects within the Costar article:

- **270 Park Avenue** – the new 70-story tower under construction in Midtown Manhattan was designed to create a timeless addition to Park Avenue in its celebration of the "city's iconic architectural history," while serving as a "powerful symbol for the next generation of office towers in New York" according to London-based architectural firm Foster & Partners. The new home of the U.S. headquarters for JPMorgan Chase will house about 14,000 employees, serving as a statement that "the office is here to stay." The building's design includes a large public plaza that will also provide an outdoor space for employees to decompress and recharge; and an "innovative fan-column structure" makes the building appear to float above street level despite the massive size of the structure.
- **125 Greenwich Street** – the mixed-use development in Lower Manhattan dubbed The Greenwich incorporates slightly curved corners along the sides of the building creating "the impression of looking through a camera lens" when inside a residential unit, while adding elegance to the structure's overall appearance according to Jim Herr, a principal at Rafael Viñoly Architects
- **271 Eleventh Avenue** – the historic building located in Chelsea at one time had train cars running through the length of the ground floor carrying freight unloaded from ships dock along the Hudson River. The architects at CookFox incorporated a major design feature that provided a connection to Manhattan's freight-railroad era. As part of the redevelopment of the building the ground floor was transformed into the main pedestrian corridor for tenants. Through adaptive reuse, the train tracks remain visible through a glass-covering providing "windows into the past" as tenants traverse through the corridor. Dating back to 1891, the former warehouse now features an interior courtyard created by removing a major section of the building's center core.
- **Penn 2** – Located in one of Manhattan's busiest areas, redevelopment of the 1.8 million-square-foot building involved the "renovation of the original, mid-century modern office building, the construction of a new office building with a canopy-covered entrance spanning the entire 7th Avenue block-front [between 31st and 33rd Streets], and the reorganization and improvement of separate entrances to Madison Square Garden and Penn Station that had to remain open during construction. An LED lighting display within the canopy called the Bustle, transforms the plaza below it into a magical space according to MdeAS architect and principal Mike Zaborski.
- **JFK Airport Terminal 6** – construction being completed in phases will deliver a redesigned terminal that according to Barry Yanku, the aviation studio director at architect firm Corgan, was inspired by modern dance. Placing an emphasis on travelers' comfort and safety, the designers considered what the space would feel like and created special moments along the way through its soaring roof blades and triple-height volumes, angled balconies and quieter, intimate holding rooms.
- **Freshkills Park** – the multi-phase transformation of the largest landfill in New York City will create a 2,200-acre park on Staten Island showcasing "its unusual combination of natural and engineered beauty, including creeks, wetlands, expansive meadows, and spectacular vistas of the New York City region according to architect firm Field Operations. Upon completion, the new park set to be three times larger than Manhattan's Central Park will add to the area walking and biking trails, green space, public event spaces, and a galvanized-steel, wildlife-viewing tower. In addition, an artificial ridge running the length of the park creates a visual impact as well as assisting with stormwater runoff.



Source: <https://www.crainsnewyork.com/real-estate/c3-ai-help-city-calculate-value-residential-condos>





Midtown - High Line Wood Extension Bridge

## News Highlights (cont'd)

### NYC Planning Commission Green Lights Proposed Hudson Yards Casino Project | April 14, 2025

The field of developers vying for one of the three downstate casino licenses that New York State plans to award by the end of 2025 is a total count of 10, following the recent withdrawal by Saks Global of a proposed casino atop the Saks Fifth Avenue flagship store at 611 Fifth Avenue. All proposals have sparked a mix of support and opposition, with some anticipating that two of the licenses will be awarded to existing betting facilities – Genting Group’s Aqueduct Racetrack site in Jamaica, Queens and MGM Resorts’ Empire City Casino in Yonkers. Each proposal must “undergo the monthslong environmental reviews under city and state law to study their potential impact. Most recently the proposed Hudson Yards West mixed-use development by the team of Related Companies, Oxford Properties Group and Wynn Resorts received approval from the New York City Planning Commission (DCP), “moving the proposal into the final stage.” Submissions by the team of Mets owner Steve Cohen and Seminole Hard Rock, Thor Equities and Saratoga Casino Holdings, and RXR Realty and Las Vegas Sands have also either completed their environmental reviews or they are substantially done. However, due to what has been reportedly described as the “state’s sluggish progress in starting time-consuming environmental reviews,” some bids could be disqualified if they are unable to have their local land-use issues resolved by the September 30, 2025 deadline set by the state, including SL Green’s Times Square proposal, Silverstein Properties Far West Side proposal, and Soloviev Group’s proposed project near the United Nations on the east side of Manhattan. Starting in 2026, the state is reportedly counting on collecting the “hefty tax revenues and license fees” from the three new casinos, but any further delay of the process would be “unwelcome news to the developers and gaming companies that have been waiting impatiently”

Source: <https://newyorkimby.com/2025/04/hudson-yards-west-recvies-approval-in-manhattan.html>

<https://www.crainsnewyork.com/politics-policy/states-slow-casino-reviews-could-disqualify-3-manhattan-bids-developers-fear>

## News Highlights (cont'd)

### **Penn Station Redevelopment Control Shifting from the MTA to U.S. DOT | April 17, 2025**

Control of the highly needed and long-delayed redevelopment of Penn Station is changing hands, according to a recently released announcement by the U.S. Department of Transportation (USDOT). The Federal Railroad Administration (FRA) has withdrawn the Metropolitan Transportation Authority (MTA) as lead overseer of the estimated \$7 billion reconstruction project which will now be spearheaded by the USDOT. As a result of the change, a \$72 million Federal-State Partnership (FSP) grant awarded last year to the MTA has been withdrawn, the funding reportedly intended to cover the costs of a new pedestrian space, entrances, escalators and elevators. Instead, it was announced that the “necessary planning for the reconstruction and expansion of Penn Station will be conducted under a single grant, led by Amtrak.” Governor Hochul announced the decision as a major victory for New Yorkers, implying that the \$1.3 billion New York State funding commitment towards financing the project may be withdrawn, due to the expectation that the federal government will foot the bill. The USDOT will work directly with Amtrak, the owner of Penn Station, to deliver a world-class transportation hub that currently serves over 10 million Amtrak riders annually. A public-private partnership model is expected to be pursued for the project’s construction, which may be welcome news to outside construction firms that “had been jockeying for a role in Penn’s transformation.” In response to the change of leadership, MTA Chairman and CEO Janno Lieber reportedly applauded the federal government for focusing on the project but further stated that “as the major leaseholder in the station, we expect to participate in the administration and Amtrak’s efforts to ensure future plans meet the needs of everyone who uses it [Penn Station].”

Source: <https://www.transportation.gov/briefing-room/trumps-transportation-secretary-sean-p-duffy-takes-control-penn>  
<https://www.crainsnewyork.com/politics-policy/trump-administration-takes-charge-penn-station-rebuild-displacing-mta>

### **Tighter Regulations for New York City’s Construction Sheds Signed into Law | April 17, 2025**

As part of the Adams Administration’s commitment to its “Get Sheds Down” Plan, several pieces of legislation implementing heightened regulations on New York City’s construction sheds were signed into law by Mayor Adams on Thursday, April 17 — Intro. 393-A, Intro. 391-A, Intro. 394-A, Intro. 660-A, and Intro. 661-A. The long overdue much-needed changes have been applauded by several of the city’s business improvement districts (BIDs). Each of the bills gives the city’s Department of Buildings (DOB) new tools to “remove unnecessary, unsightly scaffolding and create more appealing designs for sheds that are still needed.” In addition, new penalties have been established intended to incentivize property owners to complete building repairs in a timely manner and remove sheds more quickly, further promoted by the establishment of a reduction in the duration of shed permits from one year to three months. The remaining bills focus on shed design and security, expanding allowable colors from the current standard hunter green to include metallic gray, white, or a color matching the building, while the newly required level of lighting under sidewalk sheds will increase to 90 lumens from the current 45 lumens along with the provision that lighting be provided specifically by LED lights. While acknowledging the importance of sidewalk shed installations, which serve as a valuable public safety tool that protects pedestrian from overhead construction, at the same time, sidewalk sheds can create their own problems when allowed to “languish in place for years,” such as negatively impacting ground level business owners and causing unnecessary crowding along the sidewalks and streets.

Source: [https://www.nyc.gov/office-of-the-mayor/news/237-25/mayor-adams-signs-historic-legislation-get-sheds-down-remove-unsightly-scaffolding-across#/0](https://www.nyc.gov/office-of-the-mayor/news/237-25/mayor-adams-signs-historic-legislation-get-sheds-down-remove-unsightly-scaffolding-across#/)

### **Northeast Corridor Commuters and the Economy to Benefit from the Gateway Program | April 23, 2025**

Progress continues to move forward on the long delayed, much needed Gateway Program that will deliver a new, two-track rail tunnel between New York and New Jersey beneath the Hudson River. As part of the project, the existing 114-year-old tunnel that was damaged in 2012 during Hurricane Sandy will be rehabilitated. The \$16 billion, 2.4-mile rail tunnel is part of Phase 1 of the Gateway Program, which is a series of projects along the ten-mile rail segment between Newark, New Jersey and New York Penn Station (NYP). The Gateway territory is critical to the Northeast Corridor (NEC) since it connects the “nation’s busiest rail hubs and strongest economic engines.” Current congestion will be eased along with the mitigation of ongoing service disruptions because of deteriorating rail infrastructure that commuters who use the Northeast Corridor have been subjected to. Construction launched on both sides of the Hudson River in November 2023 and details released of an evaluation of the economic impacts of the Gateway Program by the Regional Plan Association (RPA) in conjunction with consulting firm WSP USA determined that “over the period studied, 2023 – 2060, the full Gateway Program will generate close to \$445 billion in economic benefits.” In addition, the implementation of the full Gateway Program will create and sustain 46,100 jobs, on average.” Other key findings in the report indicated that a total of \$42.8 billion in economic activity in the region will be generated during the construction phase of the Gateway Program; and upon construction completion and the Program’s improvements are implemented, it will stimulate \$230 billion worth of economic activity in the region and another \$170 billion in the national economy during the first 15 years of operation. The new tunnel and the rehabilitated tunnel are estimated to open in 2038, providing increased reliability, flexibility and operational redundancy for Amtrak and NJ Transit, as well as providing the capability to significantly expand capacity in the future according to details on the U.S. Department of Transportation’s website.

Source: <https://rpa.org/work/reports/economic-promise-gateway>



# News Highlights (cont'd)

## Seven NYC Projects Achieve the Honor of ULI's Excellence in Development Awards | April 25, 2025

Nonprofit real estate research and policy organization Urban Land Institute (ULI) honored seven New York City real estate projects at their recent Gala. The winners were selected among 17 finalists, and according to ULI's website represent "the highest standards of achievement in the development industry — standards that ULI member deem worthy of attainment in their professional endeavors."

**Pier 57: Award in Adaptive Reuse** - Reimagined as a unique, mixed-use destination along the Hudson River, ULI has described the structure as "essentially a 500,000-square-foot skyscraper turned on its side," in part due to its novel caisson design, making this formerly underused asset an active commercial hub. Prior to redevelopment the proposed project underwent "extensive meetings between stakeholders including community boards, the Hudson River Park Trust, and nearly 20 city, state, and federal agencies yielded a range of ideas requiring creative engineering and exacting detail to meet city requirements and local needs." In addition to the addition of two new floors, and the conversion of the former roof parking lot into a public amenity space with gardens and a glass pavilion, multiple flood protection systems were installed to enhance resilience including "an AquaFence flood barrier and flood curbing; critical utilities were moved up to the fourth floor to prevent damage."

**Sendero Verde, 60 East 112th Street / 75 East 111th Street: Excellence in Affordable Housing Development** - Atypical to most affordable housing developments, which rarely incorporate "all of the sustainability, design, and wellness features that market-rate housing can provide" into the design, Sendero Verde, with its 709 all-electric units is the world's largest passive-house residential building. Sustainability and wellness features include a "highly insulated envelope, triple-glazed high-performance windows, low-energy mechanical equipment, solar panels, stormwater reuse, and continuous ventilation." The project is also a standout for the use of "off-the-shelf products" that kept it within budget.

**The Fifth Avenue Hotel, 1 West 28th Street: Excellence in Hotel Development** - The redevelopment project involved the construction of a 230-foot-tall, 24-story structure and the renovation and hotel conversion of a 116-year-old McKim, Mead & White-designed building. The repositioning of the "Gilded Age mansion required the ripping out of the entire skeleton and the bracing of the façade, since the carving out of cookie-cutter rooms within the existing floor plates was impossible. Designed to meet LEED Silver standards, "sustainability features include energy-efficient windows, an upgraded HVAC system, and the insulation and enhancement of exterior walls."

**Far Rockaway Library, 1637 Central Avenue, Queens: Excellence in Institutional Development** - The site of a prior lobby built in 1968 was replaced by a new LEED Silver certified library twice the size and featuring vibrantly colored, "luminescent facade with sculpted words referencing daily life in New York aims to draw local communities into the building's glass entrance and sun-filled rooms." The design of the building's central atrium, which is shaped like an inverted pyramid, allows light to stream in and offers sky views. Sustainability features incorporated into its design include "a stormwater retention system, the ability to bring in an emergency generator for keeping the building operational, a blue roof, and a concrete raised-floor, forced-air system for radiant heating and cooling."

**505 State Street, Brooklyn: Excellence in Market-Rate Housing Development** - The 416,475-square-foot mixed-use tower located in Downtown Brooklyn is the "first all-electric tower in New York to be powered entirely by local renewable energy." Part of a multi-phase development that will establish the borough's first LEED community and will also deliver the city's first two passive-house schools. Construction was completed without subsidies on a dense triangular site, and two historical structures were preserved. The 441 residential units, of which 45-units are affordable feature 'exposed concrete ceilings, large and energy-efficient triple-paned windows, smart thermostats, and water source heat pumps."

**St John's Terminal, 550 Washington Street: Excellence in Office Development** - The transformation for office use of the south portion of the St. John's Terminal building, a former 1930s freight structure stands out for both creative engineering and design, as well as the new wellness and sustainability features incorporated into the project. Decisions to move ahead with a conversion rather than destroy the existing structure saved an equivalent of 78,400 metric tons of carbon dioxide, and "new precast cores constructed with an innovative posttension bridge technology were used for faster and less-climate-intensive work" for the 9-story vertical expansion. The installation of on-site terrace solar arrays, water retention systems, and a double-wall curtain wall with integrated shading for 1 million kilowatt-hours of annual energy savings contributed to the project achieving LEED v4 Platinum certification. The railbeds that are now exposed host some 95% of plants native to New York State and wellness features include daylit interiors and biodynamic lighting for panoramic views.

**Manhattan West: Excellence in Urban Open Space** - Incorporated within the multi-building mixed-use development bound by West 31st and 33rd Street between 9th and 10th Avenues is a 2.6-acre open space. "Given the density and complexity of the area, this open space's arrival was an engineering feat: Plazas and walkways were built on a 2.6-acre precast concrete segmental structure above active railroad tracks on what was previously an open railyard, a parking lot, and two existing buildings." The construction of the Moynihan Connector, a 600-foot extension connecting to the elevated High Line park's High Line Spur includes a 260-foot-long Timber Bridge constructed with stress-rated engineered wood beams known as glulam that were made from sustainably source wood. The Connector, which is used by 12,500 commuters daily, provides additional green and open space into the area while enabling car-free east-west access from Manhattan West's plaza to the High Line.

## News Highlights (cont'd)

### 500-Unit Mass Timber Residential Project Planned for Staten Island | May 13, 2025

A new 500-unit residential complex with 25% of the units designated for affordable housing is planned for the North Shore of Staten Island. The project will be constructed using mass timber - making it the largest residential project of this type in New York City, and one of the largest mass timber residential development projects with affordable housing in the entire country." A more sustainable construction material, the use of mass timber will reduce the project's carbon footprint and speed up the construction timeline; as well as reducing costs because "its use requires less labor, equipment and tools on jobsite." Furthermore, the resulting structure will "weigh less than traditional steel and concrete structures, yielding significant savings in foundations expenses" according to reported statements by a spokesperson at the construction firm Skanska.



Mass Timber Residential Development - Rendering

The construction team of Artimus and Phoenix Realty Group have been selected for the project according to the recent announcement by Mayor Eric Adams and the New York Economic Development Corp. (NYCEDC) President and CEO Andrew Kimball. Construction will rise on two vacant lots at the corner of Front and Canal Streets along the borough's New Stapleton Waterfront — a former U.S. naval base that is being transformed in phases into a 32-acre mixed-use, mixed-income waterfront neighborhood. Upon full construction completion, the initiative will deliver over 2,100 mixed-income residential units, ground floor retail, a 600-seat public school, and other community facilities — all set within 12-acres on interconnected public open space according to the NYCEDC's press release. Additional activity at the site includes the construction of six acres of open space and esplanades that broke ground in September.

Source: <https://www.nyc.gov/office-of-the-mayor/news/301-25/mayor-adams-nycedc-developers-over-500-new-housing-units-stapleton-advancing>

### Renderings Released for the Final Development in the Gowanus Wharf Master Plan | May 18, 2025

Co-developers Charney Cos. and Tavros Capital recently released a rendering of the proposed mixed-use development at **175 3rd Street**. The approximately 1 million-square-foot two-tower project located along the Gowanus Canal will yield 1,000 rental residential units. The building will be the final component of the **Gowanus Wharf** master plan as part of the revival of Brooklyn's Gowanus neighborhood that "centers on the 100-foot-wide, 1.8-mile-long Gowanus Canal." The new 3rd Avenue project will also include retail space and a 37,000-square-foot waterfront esplanade designed by landscape architect James Corner Field Operations that will be constructed to the west of the building. The 120,793-square-foot site, or about 2.77-acres, originally comprised three tax lots purchased in 2018 for \$115 million by RFR Realty, the developer subsequently selling the site for reportedly more than \$160 million last fall. Financing for the transaction that has yet to hit city records was recently secured by Charney and Tavros in the amount of \$174.5 million to fund the acquisition and pre-development phase. The package included a \$110 million senior loan from Silver Point Capital, \$35 million in mezzanine financing from the partnership of Tikehau Capital and the Brodsky Organization, and \$29.5 million in equity contributed by Atlas Capital Group according to the press release by New York Yimby. The three other developments within the master plan include the 246,316-square-foot, 224-unit mixed-use development dubbed **Union Channel** located at 240 3rd Avenue, the 250,496-square-foot, 261-unit mixed-use development dubbed **Douglass Port** located at 251 Douglass Street — both of which were delivered in the last two years. The third development that is still under construction at 320-340 Nevins Street is dubbed **Nevins Landing**; and upon delivery, the two-tower project will yield a combined 600,000 square feet and 654 housing units. Gowanus Wharf will create a combined total of more than 2 million square feet of new building area upon full construction completion, yielding about 2,200 residential units of which a portion is designated for affordable housing.

175 3rd Street - Rendering



Douglass Port - Rendering



Union Channel - Rendering

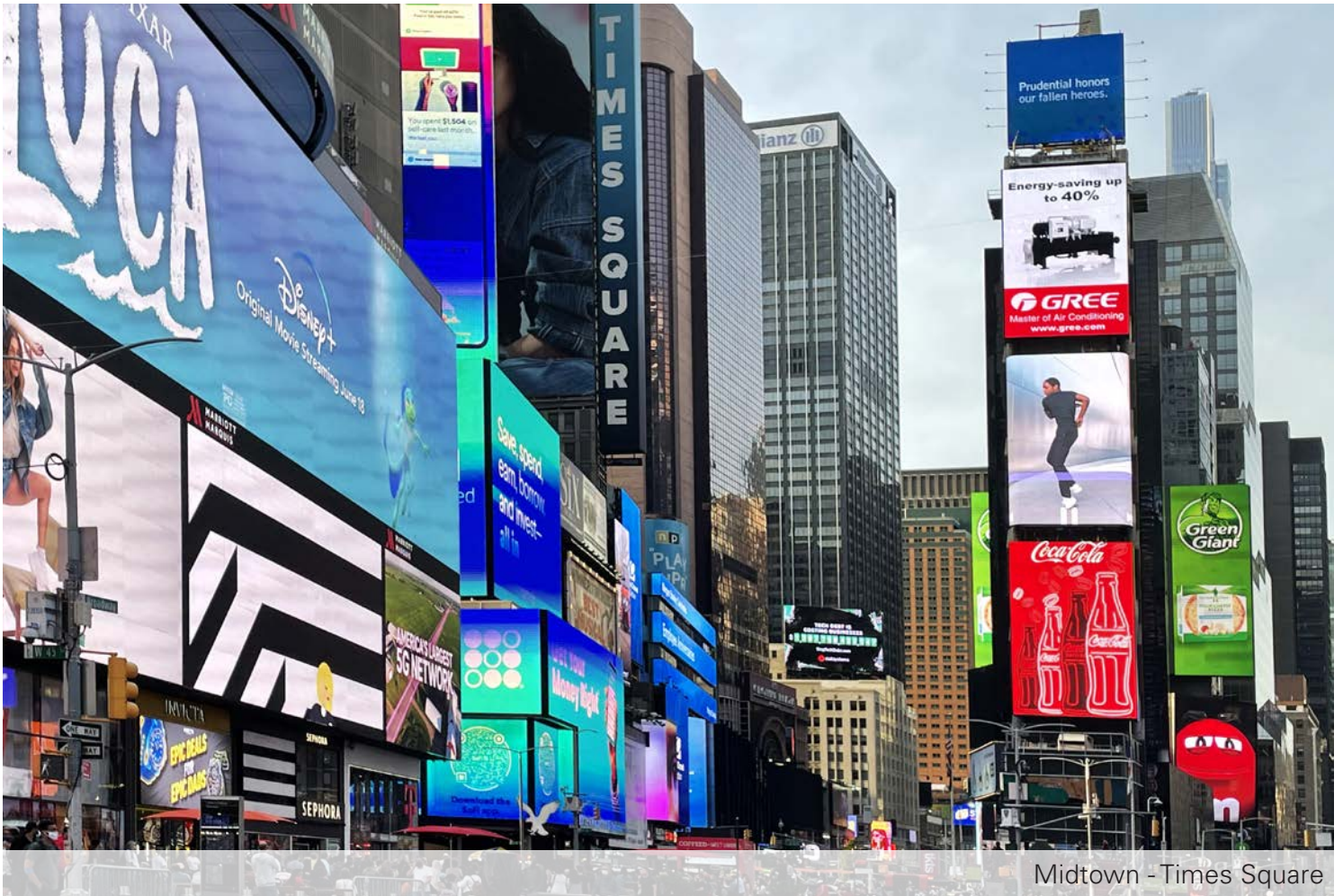


Nevins Landing - Rendering



Source: <https://www.nyc.gov/office-of-the-mayor/news/301-25/mayor-adams-nycedc-developers-over-500-new-housing-units-stapleton-advancing>





Midtown - Times Square

## News Highlights (cont'd)

### Residential Conversion of 5 Times Square Gets Green Light | May 22, 2025

Proposed plans by the development team of Apollo Global Management, RXR Realty and SL Green Realty for the conversion of 5 Times Square received approval from the Empire State Development (ESD) Board of Directors following an amendment to the 42nd Street Development Project General Project Plan according to the May 22 news release by Governor Hochul's Office. The office building that spans the entire 7th Avenue blockfront between West 41st and 42nd Street has alternate addresses of 592-598 Seventh Avenue and 200-212 West 42nd Street. The developers control the city-owned site under a 99-year ground lease initially executed in June 1988 and commenced April 1990 according to documents posted on city records. The lease includes the option to purchase prior to lease expiration in 2089. Redevelopment of the 38-story 1.1 million-square-foot tower will deliver a mixed-use property with up to 1,250 residential units, of which up to 313-units will be permanently affordable, while preserving more than 37,000 square feet of retail space. The project is benefiting from the state's lifting of the floor-area-ratio (FAR) cap to 12 FAR last year and the enactment of the Affordable Housing from Commercial Conversions Tax Incentive 467-m program. The tower was constructed in 2002 as the headquarters of accounting firm EY, formerly Ernst & Young, which relocated and downsized from roughly 1 million square feet to 604,295 square feet at 1 Manhattan West, 400 West 33rd Street, leaving the building largely vacant since 2022. The project is expected to break ground by the end of 2025, with completion of the first phase anticipated for 2027. Approximately 1,400 construction jobs are expected to be created as well as 830 permanent and indirect jobs with an overall 30% Minority and Women-owned Business Enterprise (M/WBE) participation goal.



5 Times Square - Rendering

Source: <https://www.governor.ny.gov/news/governor-hochul-and-mayor-adams-announce-major-office-housing-transformation-5-times-square>

<https://newyorkyimby.com/2025/05/residential-conversion-announced-for-5-times-square-in-midtown-manchattan.html>

## News Highlights (cont'd)

### Plans Announced for New 200K-sf Climate Innovation Hub in Sunset Park | May 24, 2025

A recent press release by Mayor Eric Adams and the New York City Economic Development Corp. (NYCEDC) announced plans for the creation of a new 200,000-square-foot climate innovation hub. The new hub dubbed “BATWorks” will be located within the Brooklyn Army Terminal (BAT) in Sunset Park; and be supported by a \$100 million investment from the NYCEDC. Designed to foster clean-tech innovation, the hub will “help create over 600 jobs, serve 150 startups over the next decade, and generate \$2.6 billion in economic impact for the city.” BATWorks will be designed and operated by a consortium led by the Los Angeles Cleantech Incubator (LACI) and the Cambridge Innovation Center (CIC). Programming at BAT will be delivered by CUNY and New York University; while the coworking space, incubation, lab prototyping and trial assembly facilities will be co-envisioned and designed by architectural design firm Perkins & Will. The new BAT climate hub will serve as a crucial part of the effort by the Harbor Climate Collaborative—a joint initiative between NYCEDC, the Trust for Governors Island, and the Brooklyn Navy Yard Development Corp., “to link together tech piloting, tenancing, and programming opportunities across all three organizations and promote climate innovation.” In addition to providing start-ups with space for product research and development, workforce training and job placement programming to New Yorkers, particularly those living in Sunset Park and the surrounding communities, will also be offered at the facility; and to further facilitate the connecting by local residents to “good-paying jobs in innovative industries,” in conjunction with the announcement of the BATWorks hub, the NYCEDC also awarded \$1.4 million to the South Brooklyn Industrial Development Corp. to lead an “Economic Mobility Network” across Sunset Park.

Source: <https://www.nyc.gov/office-of-the-mayor/news/345-25/mayor-adams-nycedc-consortium-design-operate-cutting-edge-climate-innovation-hub>

### Atlantic Avenue Mixed-Use Plan Secures City Council Approval | May 28, 2025 – 12:59 PM

On May 28th, the New York City Council approved a rezoning of a 21-block stretch along Brooklyn’s Atlantic Avenue corridor that includes parts of Crown Heights and Bedford-Stuyvesant. Previous zoning rules along Atlantic Avenue, one of borough’s most important east-west corridors, restricted the corridor to light manufacturing uses and had remained mostly unchanged since 1961 thereby preventing new housing and limited job creation. The passage of the **Atlantic Avenue Mixed-Use Plan** (AAMUP) opens the door to the construction of approximately 4,600 new residential units, of which 1,900 will be designated as income-restricted affordable housing units according to the press release by Mayor Adams’ Office. AAMUP is expected to create an estimated 2,800 permanent jobs; and as part of the plan, the city administration will invest \$235 million to “improve open space and traffic safety, bolster tenant protections, and enhance other neighborhood infrastructure and amenities.” AAMUP is one of five rezoning proposals by the Adams Administration that collectively could produce more than 50,000 housing units over the next 15 years. The remaining plans include two in Queens — **Jamaica Neighborhood Plan** would rezone a 230-block area, enabling the construction of up to 12,000 new housing units including 4,000 permanently-restricted affordable units; and **OneLIC Neighborhood Plan** would create approximately 14,700 new housing units including 4,300 income-restricted affordable units, over 3.7 million square feet of commercial and community facility uses, and more than 14,400 jobs; the **Midtown South Mixed-Use Plan** in Manhattan covers a 42 block area roughly between 23rd and 40th Streets that would create 9,700 new housing units including up to 2,900 income-restricted affordable units; and more recently the community-focused planning process kicked-off for the **White Plains Road Neighborhood Plan** in the Bronx that covers a stretch of White Plains Road from Adele Avenue to the south and the Bronx/Mount Vernon border to the north, as well as intersecting portions of Gun Hill Road and East 233rd Street.

Source: <https://www.nyc.gov/office-of-the-mayor/news/361-25/mayor-adams-celebrates-city-council-approval-administration-s-plan-create-4-600-new-homes->







Midtown - View from Williamsburg

## News Highlights (cont'd)

### **1MM-sf Office Development Built on Speculation Could Rise on Madison Ave | June 6, 2025**

The days of developers constructing office buildings on speculation have become a rarity over the past several years, but the need for new trophy office space makes the risk of building on spec lower than people may perceive. Majority stakeholder real estate investment trust BXP (formerly Boston Properties), along with its joint venture partner, Norges Bank Investment Management — Norway's \$1.7 trillion sovereign wealth fund, currently controls the Metropolitan Transportation Authority's (MTA) former headquarters site at 343 Madison Avenue under a 99-year ground lease finalized in August 2023 according to press at the time. Decisions to move forward with 46-story, 930,000-square-foot project must be given to the MTA in July, and although a project of this size would normally rise "only after half of the space is pre-leased," BXP officials indicated that they are poised to go ahead with the estimated \$2 billion development that is expected to have rents exceeding \$200 per square foot and approach \$300 per square foot on the top floors without commitments in hand.

According to BXP's website, the building that would be constructed on the site that spans the entire Madison Avenue blockfront between East 44th and 45th Streets will offer a fully electric, zero carbon workplace with direct access to the Grand Central Madison LIRR Concourse via a new entrance to be constructed as part of the required terms of ground lease. The tower would be rising about one block southwest from the 1.4 million-square-foot Helmsley Building at 230 Park Avenue built in 1929 which is currently in foreclosure proceedings and one block south from One Vanderbilt which is 100% occupied and was valued at \$4.7 billion following the 11% stake sale in November 2024 to Japan-based Mori Building Co. for \$517 million. If construction moves ahead, BXP's project would join two other spec projects — a 640,000-square-foot office tower at 570 Fifth Avenue being developed by Extell Development and Rudin Management's 350,000-square-foot project at 415 Madison Avenue.

Redevelopment of the site has been longtime planned, the MTA initially releasing a request for proposal (RFP) offering the leasehold in 2013 but had failed to secure a deal. In 2014 the MTA re-opened bidding for the 3-parcel assemblage located along the Vanderbilt corridor, releasing an amended RFP in anticipation of the impending rezoning of the 5-blocks along Vanderbilt Avenue that was adopted in May 2015. In early 2016, a potential deal was struck with BXP as the conditionally designated developer under the long-term leasehold that was valued at about \$430 million according to reports at the time. However, due to a question of whether or not the MTA can transfer its tax-exempt status to a private company for the duration of the lease, and instead of paying taxes the developer would make those payments to the MTA as a payment in lieu of taxes (PILOTS), the transaction stalled. It wasn't until 2020 that an agreement between the New York State Agency and New York City was announced, allowing real estate taxes and other revenue from the future ground lease for the redevelopment of the property to be dedicated to the MTA capital program. Expected to generate more than \$1 billion over the life of the lease, the agreement also established "a creative way for the city of New York to fulfill its obligation to provide \$600 million from alternative non-tax-levy revenue sources as part of its \$2.66 billion contribution to the MTA's 2015-2019 Capital Program."

Source: <https://www.crainsnewyork.com/real-estate/bxp-plans-develop-2b-midtown-new-york-tower-or-without-anchor>

# News Highlights (cont'd)

## Long Awaited Redevelopment of Port Authority Bus Terminal Breaks Ground | May 29, 2025

On Thursday, May 29th, New York Gov. Hochul, New Jersey Gov. Phil Murphy, and the Port Authority of New York and New Jersey (PANYNJ) broke ground on the Dyer Avenue deck-overs, launching the first phase of the long-deferred start of the major \$10 billion redevelopment of the Port Authority Bus Terminal on Manhattan's westside. Staging of the buses during construction will temporarily utilize the deck-overs that will ultimately be transformed into 3.5 acres of new publicly accessible open green space upon completed construction of the bus terminal. The transformation of the 75-year-old terminal that opened in 1950 and has become the "world's busiest bus terminal" will deliver a world-class facility that will enhance the experience of the "hundreds of thousands" of commuters that traverse it daily. The new terminal designed to be net-zero emissions and meet projected 2040-50 commuter growth, will accommodate all-electric bus fleets and implement modern high technology innovations. Other design features such as providing a direct connection to the Lincoln Tunnel, with added queue space and bypass capability, will help reduce congestion. Approximately 6,000 "good-paying union construction jobs" are expected to be created by the project that will be completed in phases spanning approximately 10 years. Press announcements in November indicated that the PANYNJ is financing \$3 billion for the first phase along with a \$1.9 billion federal loan awarded in Mid-January through the U.S Department of Transportation. The majority of the remaining \$6 billion to finance the second phase of the project will come from the Port Authority's coffers and "a risky bet on the recovery of the real estate market with financing generated by the anticipated construction of three new towers on Port Authority land."

Source: <https://panynj.gov/port-authority/en/press-room/press-release-archives/2025-press-releases/new-york-governor-kathy-hochul-new-jersey-governor-phil-murphy-.html>

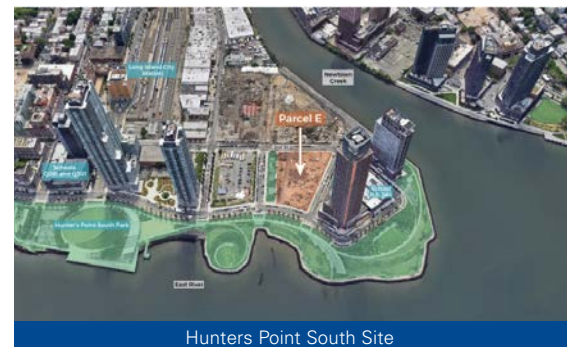
## Building Material from Upcycled Rice Hulls Delivers a New Eco-Friendly Construction Product Alternative | June 16, 2025

Globally, one of the most widely cultivated crops is rice, "leading to millions of tons of rice husks (also known as rice hulls or chaffs). Increased public awareness regarding sustainable development and the rising utilization of renewable resources has fueled an extensive search for utilization of the large volume of biowaste from rice hulls, such as the production of electricity. However, the high silica (also known as silicon dioxide, or SiO<sub>2</sub>) content in rice husks results in the production of "large amounts of undesirable ash upon combustion leading to operation problems such as slagging and clogging," but studies for the extraction of silica via pretreatment are underway. More recently Modern Mill, a New Jersey-based real estate developer and manufacturer of sustainable building materials has been able to "upcycle rice hulls in a zero-waste manufacturing facility" to create an Advanced Composite with Recycled Elements (ACRE) that provides the workability of wood without cutting down any trees. ACRE "emits zero volatile organic compounds, phenol, formaldehyde, or forever chemical, but offers a construction product that is water-, weather-, and pest-resistant, has a genuine wood aesthetic, can be stained or painted without primer, and won't rot or splinter according to the company's website. Sustainability efforts such as Modern Mill's ACRE product provide a good step forward towards making the construction industry more eco-friendly, reported data compiled by the United Nations Environment Programme indicated that the "building and construction sector accounted for about 37% of annual global pollution in 2023;" and according to the World Economic Forum, efforts to decarbonize this sector can lead to \$1.8 trillion in global market opportunities.

Source: <https://www.thecooldown.com/green-tech/acre-building-material-rice-hulls-sustainable/>

## NYC HPD Releases RFP for Hunter's Point South Parcel E | June 16, 2025

A request for proposals (RFP) was recently released by the New York City Department of Housing Preservation and Development (HPD) seeking a developer for the city-owned 69,500-square-foot Parcel E within the 30-acre Hunter's Point South section of Long Island City, Queens. The site bound by 2nd Street, Center Boulevard, 55th Avenue, and 56th Avenue is anticipated to deliver approximately 850-900 residential units, of which at least 60% will be designated for affordable housing, 20,500 square feet of new retail space and 16,400 square feet of community facility space, and approximately 1,800 square feet of publicly accessible open space. The previously industrial area along the East River Waterfront is being redeveloped developed in multi-phases into a mixed-use, mixed-income community after a reevaluation by the city following a failed bid to host the 2012 Summer Olympic Games. The site was divided into seven parcels and upon full development completion will include approximately 5,000 new residential units of which about 3,000 will be affordable and income-restricted to low- and moderate-income households. Development completion of five of the seven sites has delivered over 3,000 residential units (over 2,000 of which are affordable), retail and community facility spaces, three new schools, and Hunter's Point South Park, an 11-acre public open space.



Source: <https://www.thecooldown.com/green-tech/acre-building-material-rice-hulls-sustainable/>





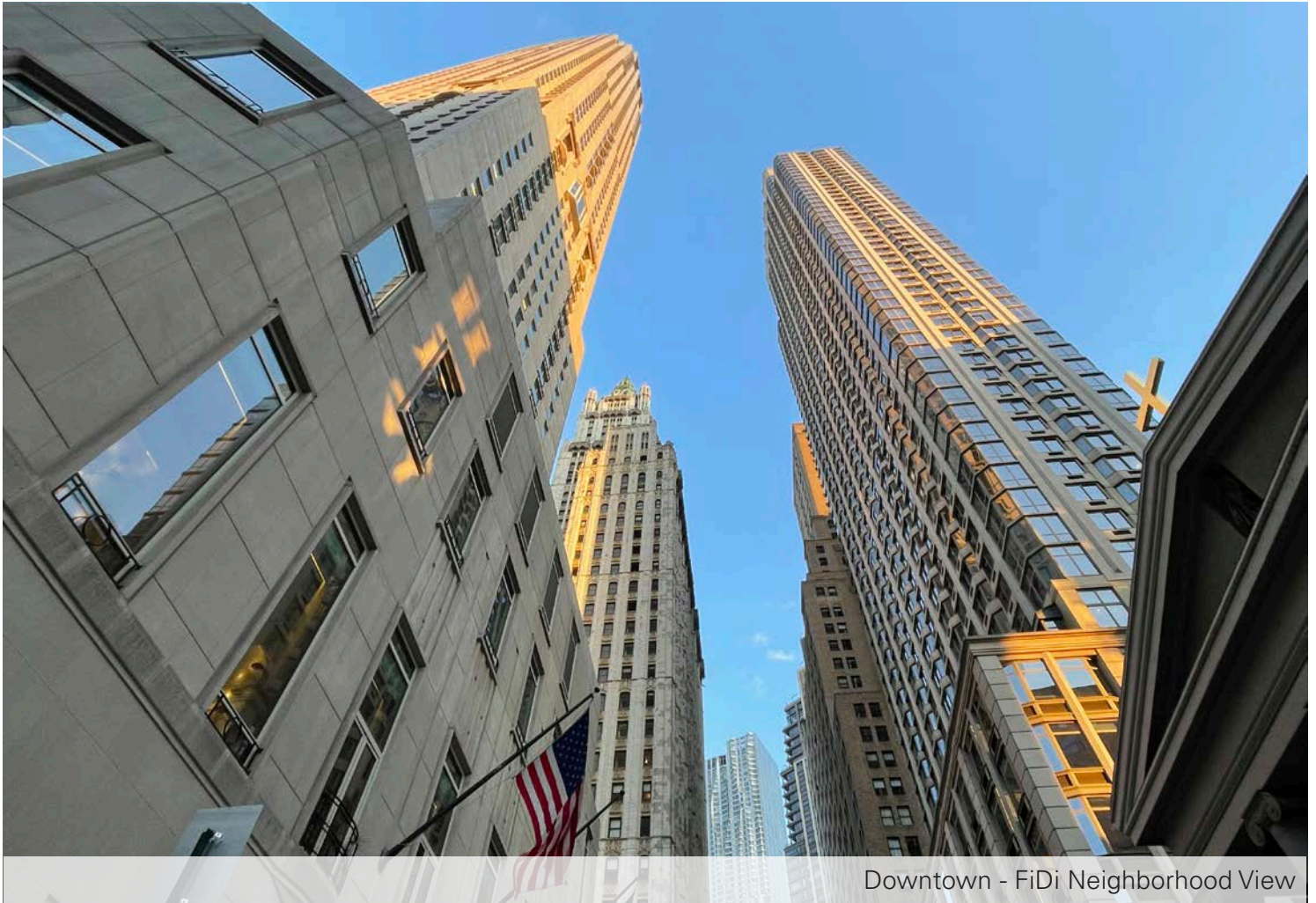
Midtown - View from Central Park

## News Highlights (cont'd)

### Rise in Demand for Electricity Prompts NYS' Plans to Build a Nuclear Power Plant | June 23, 2025

Nuclear power has returned to the center stage as the pace of the growing needs for electricity accelerates, in part due to the surge in the building of “power-hungry artificial-intelligence data centers” at a time when New York City and New York State are aiming to reduce greenhouse gas emissions. In response, Gov. Kathy Hochul has directed the state’s public electric utility, New York Power Authority, “to add at least 1 gigawatt of new nuclear-power generation to its aging fleet of reactors,” which would roughly power about a million homes. The state’s planned construction of a large nuclear-power facility is reportedly “the first major new U.S. plant undertaken in more than 15 years,” and should benefit from “executive orders President Trump signed in May that aim to accelerate development of nuclear-power projects.” The New York Power Authority will determine the new reactor’s design, which could be one large reactor or a collection of smaller ones that could in theory drive down costs if built in a factory setting. In advance of moving forward, New York officials are scrutinizing the problems that caused an escalation in costs and delays of the two newest U.S. reactors at Plant Vogtle in Georgia, hoping to avoid a repeat occurrence in New York. Construction of the reactors broke ground in 2009, but only recently delivered in 2023 and 2024 with the project cost of \$30 billion more than double initial estimates. Potential sites under review include the grounds of New York’s three operating plants that are all owned or majority-owned by Constellation Energy, which is already working with the state on a federal grant that “could help with early work toward adding one or more reactors at the Nine Mile Point Clean Energy Center in Oswego.” Despite five new commercial reactors coming online in the U.S. since 1991, they have been unable to offset plant retirements, resulting in a reduction of nuclear-generation capacity by more than 4% from its 2012 peak with about 19% of the nation’s electricity currently produced by nuclear plants. In contrast, other means of electricity production are booming, including solar panels and natural gas fueled turbines. The retirement of the Indian Point nuclear plant located in Westchester County’s Buchanan neighborhood due to environmental concerns eliminated the production of about 25% of the electricity needs of New York City, requiring an increase in the burning of fossil fuels to offset the loss even though “most other energy policies in the city and the state were aimed at reducing air pollution.”





Downtown - FiDi Neighborhood View

## News Highlights (cont'd)

### Lending

#### **Surge in Delinquencies Triggered as Pandemic Pause Sunsets on Student Loan Repayment | May 26, 2025**

A pause put on student loan payments and interest accrual during the pandemic has ended, now requiring the millions of Americans affected to shift money they may have been spending elsewhere back to the payment of college loans. The end of the pause is anticipated to increase the dollar volume of payments in 2025 “by a collective \$1 billion to \$3 billion a month,” and that “could trim 2025 gross domestic product by about 0.1 percentage point” according to estimates by economists at Morgan Stanley. Loan payments are also likely to begin later this year or early next year for borrowers that were in the Biden-era Saving on a Valuable Education (SAVE) plan, which “allows borrowers to pay based on their income but was challenged in courts.”

Although the federal pause ended in the fall of 2023, the pause on the reporting of missed payments to the credit-rating companies didn’t end until the fall of 2024. Among those that have yet to start repayments, which are estimated to be around 5.6 million borrowers, their loans were marked newly delinquent in the first three months of the year — causing a surge in delinquencies, as measured by loans that are more than 90 days past due. In the 1st quarter of 2025, the student loan delinquency rate spiked from 0.7% of the 4th quarter of 2024 to 8% according to reported data from a report by the Federal Reserve Bank of New York, which is about what it was before the pandemic. A delinquency status will lower the borrower’s credit score as further indicated by the New York Fed’s data which revealed that the 2 million borrowers with a near prime rating (620-719) and the 400,000 with a prime rating (over 720) saw their ratings lower on average by 140 points and 177 points respectively. As a result, some borrowers that might have qualified for a credit card, auto loan, or mortgage last year, may no longer qualify, potentially putting additional constraints on spending.

Sources: <https://www.wsj.com/economy/student-loans-economy-f6a11598>





Midtown - Grand Central Area - View form 61st Floor of Chrysler Building

## News Highlights (cont'd)

### Long Island City 636-Unit Residential Condo Project Secures \$525M Construction Loan | June 14, 2025

Co-developers Charney Companies and Tavros, in partnership with Incoco Capital have secured a \$525 million construction loan for a planned 636-unit residential condominium at 24-19 Jackson Avenue and 45-03 23rd Street in the Court Square section of Long Island City. Madison Realty Capital provided \$425 million and Kushner Companies and OneIM provided the remaining \$100 million in combined funding. The project has already attracted Chelsea Piers Fitness, which signed a lease in July 2023 to serve as anchor retail tenant in 72,000 square feet. Assemblage of the site began in 2016 and 2017 with the purchase of four adjacent two- and three-family properties at 45-03, 45-05, 45-07, and 45-09 23rd Street for a combined total of \$15.25 million according to city records, and in December 2020, 89,034 square feet of un-used development rights were purchased for an undisclosed price from the owner of 24-29 and 24-23 Jackson Avenue. The approximately 20,725-square-foot site at 24-19 Jackson Avenue was acquired in July 2022 for \$68.325 million from Toyoko Inn, after plans to construct a 50-story, 260,857-square-foot hotel stalled. The Japan-based hotel operator had acquired an 8-parcel assemblage through multiple transactions between the years of 2007 and 2014 for roughly \$26.229 million. Construction is expected to break ground on the approximately 28,000-square-foot site before the end of June 2025, delivering a 676-foot-tall structure upon anticipated delivery by spring 2028.

Sources: <https://newyorkyimby.com/2025/06/525-million-construction-loan-secured-for-24-19-jackson-avenue-in-long-island-city-queens.html>

### Proposed Commercial Fusion Power Plant Could Deliver a Game-Changer Clean Energy Source | June 25, 2025

Permits were recently filed in Chesterfield, Virginia for the proposed construction of a commercial fusion power plant. If the required permits are approved by the county, state and federal levels, the project that is “being touted as the world’s first grid-scale power plant using the fusion process will be constructed by Commonwealth Fusion Systems (CFS). The Massachusetts-based company spun out of MIT in 2018 has “raised more than \$2 billion since;” and is seeking to build a 400-megawatt fusion multibillion-dollar facility on a 94-acre site at 1201 Battery Brooke Parkway in the James River Industrial Center, which CFS is leasing from Dominion Energy. Construction of the plant dubbed ARC, that will have a planned operational life of 20 years or more, would start in the late 2020s with the goal of having it up and running in the early 2030s. It would also “create a scalable model for future fusion development in other parts of the country.” Assembly work began in March of the “core tech — a tokamak, the magnetic device that makes fusion possible,” and that system, called SPARC, is expected to go live in 2026. The fusion process being utilized that combines two small atoms into one, producing a large amount of energy, “but without the radioactive byproduct that results from nuclear fusion” has been chased for decades by scientists and now appears to be approaching reality if successful and could “reshape what’s possible for clean, stable power.”

Sources: <https://www.thecooldown.com/green-tech/fusion-power-plant-commercial-us-mit/>



Downtown - View from Brooklyn Bridge Park

# Market Snapshot: Class A & B

## New York City's Unemployment

- According to the New York State Department of Labor's figures, the city's unemployment rate of 4.3% (not seasonally adjusted) at the end of May 2025 represented a 12.2% decrease year-over-year, remaining unchanged over the three month period from February 2025. Comparatively, unemployment on the National and State level at the end of May 2025 was 3.9% and 3.5% respectively, representing a year-over-year increase of 5.4% nationwide, while the statewide rate lowered by 12.5%.
- Employment activity in New York City's private sector resulted in a gain of 57,100 private sector jobs over the year to 4,248,300 jobs in May 2025. Among the major sectors, Education and Health Services gained 63,800 jobs at the high over the 12 month period, followed distantly by the Information sector with a 3,200 job gain. In contrast, job losses in the Professional and Business Services, Financial Activities, and Leisure and Hospitality sectors ranged 4,100 to 1,100 jobs

## Weekly Wages

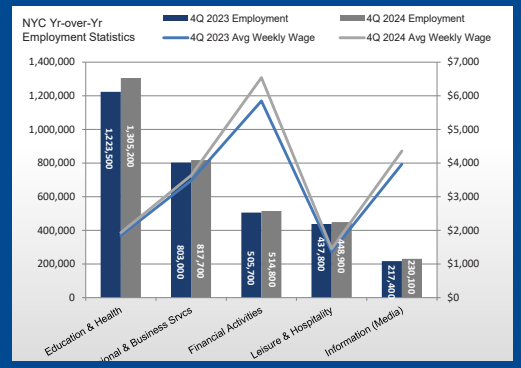
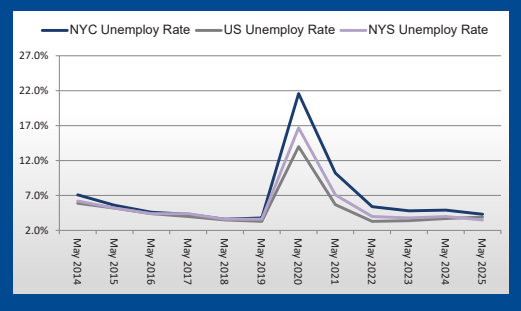
Overall private sector weekly wages in New York City averaged \$3,389 in the 4th quarter of 2024, increasing 7.8% year-over-year according the recent report released by the U.S. Department of Labor. Among the major sectors all (5) saw overall weekly wages increases year-over-year. The Financial Activities sector saw the largest increase of 11.8%, followed by a 9.8% increase in the Information sector. The Leisure & Hospitality sector saw a 6.5% increase, while the Professional & Business Services and Education & Health sectors saw more moderate increases of 4.4% each.

**Vacancy** for Class A & B office buildings over 75,000 square feet held steady quarter-over-quarter at 11.4% in the 2nd quarter and is 28.3% lower than the 15.9% rate during the same period last year. The overall Class A vacancy was unchanged quarter-over-quarter, while the 11.9% vacancy in the Class B market represented a 1.7% decline during the same period. Vacancy rates in both Midtown and Downtown submarkets rose negligibly to 10.5% and 13.1% respectively, in contrast to Midtown South's 6% quarter-over-quarter improvement as the vacancy rate lowered to 12.5%.

**Absorption** closed the 2nd quarter at a positive 276,523 square feet compared to the positive 1,514,378-square-foot absorption during the same period last year. Class A buildings had a negligible negative absorption while overall absorption among Class B properties was 285,020 square feet. Negative absorption in both the Midtown and Downtown submarkets of negative 195,837 square feet and negative 117,024 square feet respectively was offset by Midtown South's positive absorption of 589,384 square feet.

**Face Rents** for office space in the 2nd quarter rose 0.6% to an overall average of \$70.99 per square foot versus the \$70.59 per square foot figure in the 1st quarter. Class A face rents lowered 0.3% from the previous quarter's \$80.26 per square foot to \$80.05 per square foot at the end of June. Midtown South overall face rents rose 5.6% quarter-over quarter and Downtown saw a moderate 0.9% increase; while Midtown rents lowered 1.9%.

2Q 2025	Total	Downtown	Midtown South	Midtown
Vacancy	—	↓	↓	↓
Face Rent	↑	↑	↑	↓
Absorption	↑	↑	↑	↑



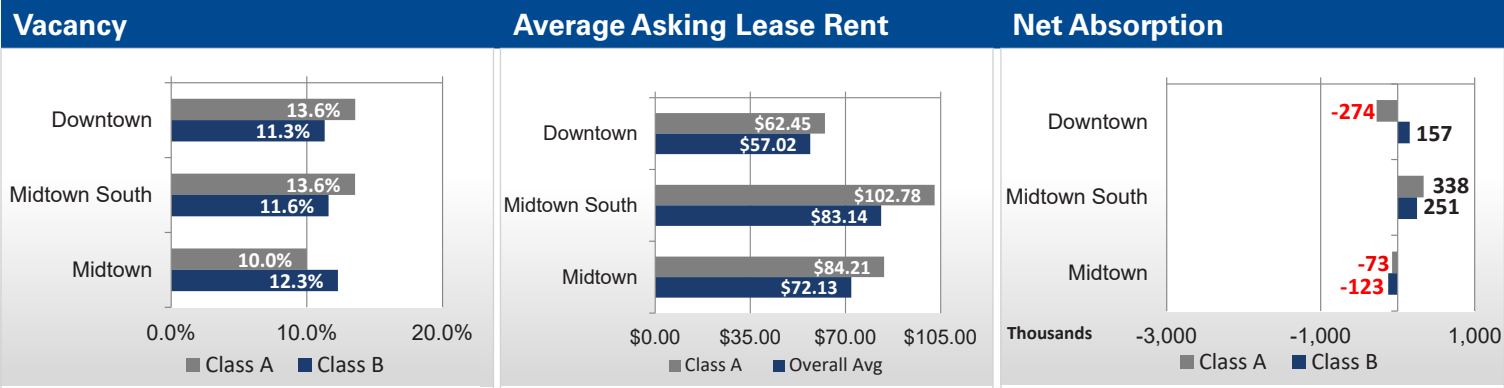
Source: NYS Department of Labor and US Department of Labor, Bureau of Labor Statistics



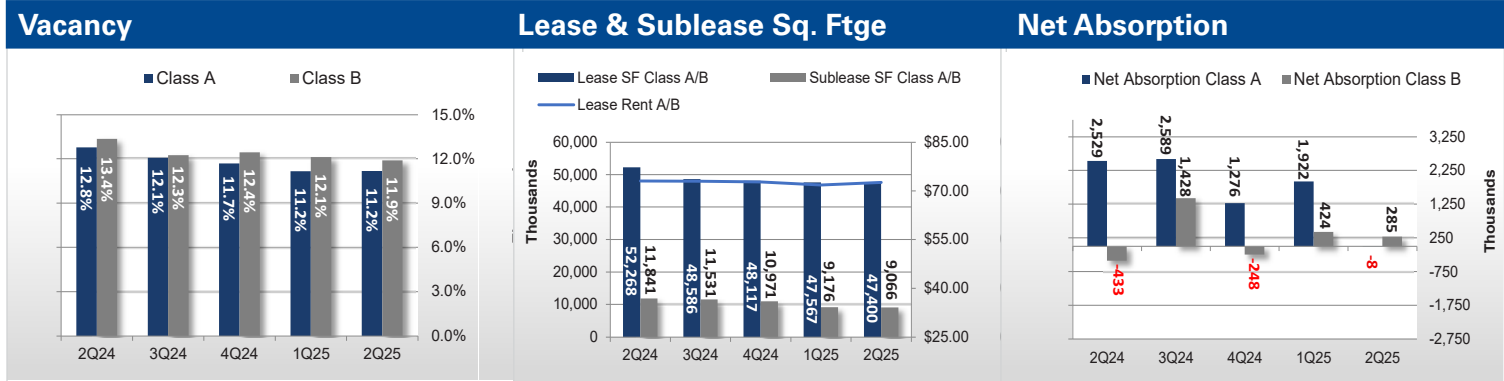
# Class A & B Statistics At A Glance



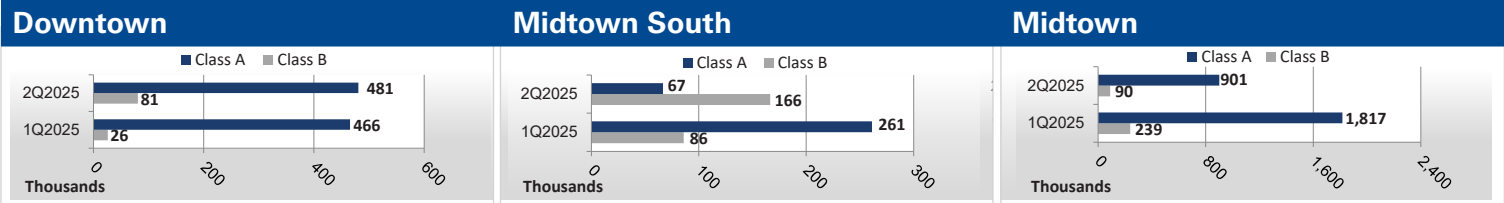
## 2nd Quarter 2025



## Quarter-over-Quarter



## Sublease Space Newly Listed in 2Q 2025





## Submarket Statistics Overview: Class A & B Office

Manhattan	Inventory	Vacant Sq. Ftge.			Vacancy Rate			Avg. Face Rent PSF	Absorption
Submarkets Districts	Total RBA*	Direct Sq. Ftge.	Sublet Sq. Ftge.	Total Sq. Ftge.	Direct Vacancy	Sublet Vacancy	Overall Vacancy	Overall Asking	Year-to-Date Sq. Ftge
Downtown	109,804,039	11,776,185	2,592,009	14,368,194	10.7%	2.4%	13.1%	\$57.02	157,175
City Hall	14,072,544	841,860	144,712	986,572	6.0%	1.0%	7.0%	\$50.65	-78,766
Financial District	37,898,751	5,514,657	1,307,201	6,821,858	14.6%	3.4%	18.0%	\$51.45	-253,400
Insurance District	11,723,260	1,310,082	157,320	1,467,402	11.2%	1.2%	12.5%	\$52.22	109,789
TriBeCa	6,751,568	888,266	51,818	940,084	13.2%	0.8%	13.9%	\$68.68	23,724
World Trade Center	39,357,916	3,221,320	930,958	4,152,278	8.2%	2.4%	10.6%	\$66.75	355,828
Midtown South	76,253,451	8,282,307	1,240,580	9,522,887	10.9%	1.6%	12.5%	\$83.14	1,421,166
Chelsea	18,233,089	2,389,800	459,234	2,849,034	13.1%	2.5%	15.6%	\$83.60	102,981
Flatiron	23,207,045	2,649,816	67,967	2,717,783	11.4%	0.3%	11.7%	\$72.05	823,988
Gramercy/Union Sq	9,821,145	662,136	88,288	750,424	6.7%	0.9%	7.6%	\$84.03	125,431
Greenwich Village	5,311,048	566,894	78,330	645,224	10.7%	1.5%	12.1%	\$111.82	116,415
Hudson Square	14,217,573	1,506,427	396,653	1,903,080	10.6%	2.8%	13.4%	\$92.94	106,768
SoHo	5,463,551	507,234	150,108	657,432	9.3%	2.7%	12.0%	\$75.59	145,583
Midtown	311,292,158	27,341,661	5,233,110	32,754,771	8.8%	1.7%	10.5%	\$72.13	1,044,235
Columbus Circle	33,157,624	2,017,211	1,310,913	3,328,124	6.1%	4.0%	10.0%	\$71.15	-142,732
Hudson Yards	55,760,566	4,232,616	1,022,715	5,255,331	7.6%	1.8%	9.4%	\$66.56	438,189
Grand Central	12,352,779	1,954,081	133,594	2,087,675	15.8%	1.1%	16.9%	\$56.30	-244,077
Murray Hill	74,518,834	7,257,317	1,478,183	8,735,500	9.7%	2.0%	11.7%	60.66	69,280
Penn Plaza/Garment	85,273,916	6,849,992	919,342	7,769,334	8.0%	1.1%	9.1%	\$93.35	403,243
Plaza District	45,733,454	4,790,452	367,463	5,157,915	10.5%	0.8%	11.3%	\$72.32	605,699
Times Square	4,494,985	239,992	900	240,892	5.3%	0.0%	5.4%	\$72.00	-85,367
U.N Plaza									
<b>Grand Total</b>	<b>497,349,648</b>	<b>47,400,153</b>	<b>9,065,699</b>	<b>56,465,852</b>	<b>9.5%</b>	<b>1.8%</b>	<b>11.4%</b>	<b>\$70.99</b>	<b>2,622,576</b>

Source: Costar - Buildings 75,000 SF and larger; vacancy and absorption calculations based upon move-in date versus deal signing date  
Newmark, Cushman & Wakefield



# Retail Bi-Quarterly Vacancy Statistics At A Glance



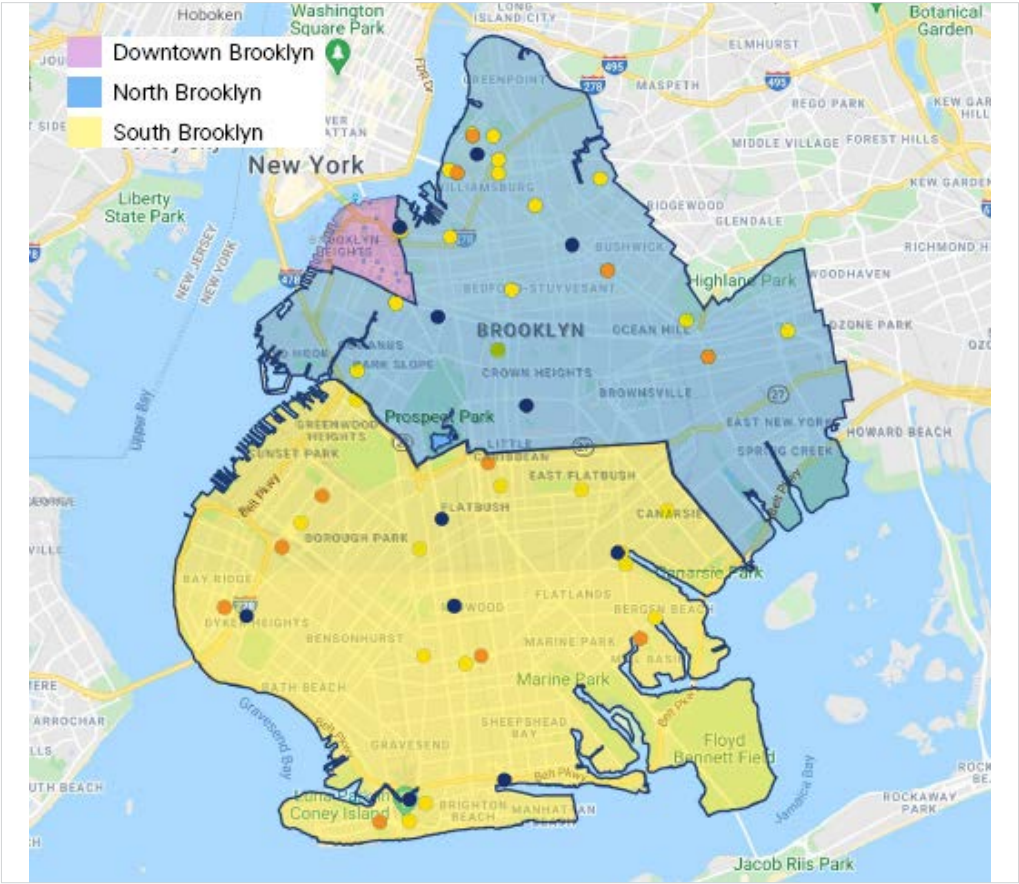
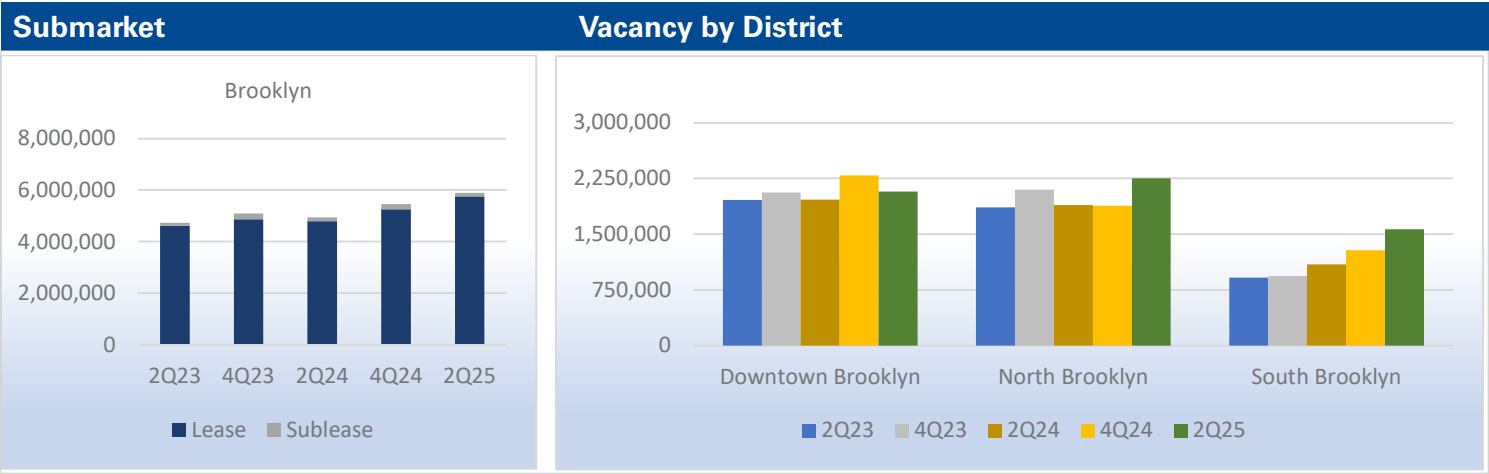
2Q 2023 - 2Q 2025



# Retail Bi-Quarterly Vacancy Statistics At A Glance



2Q 2023 - 2Q 2025

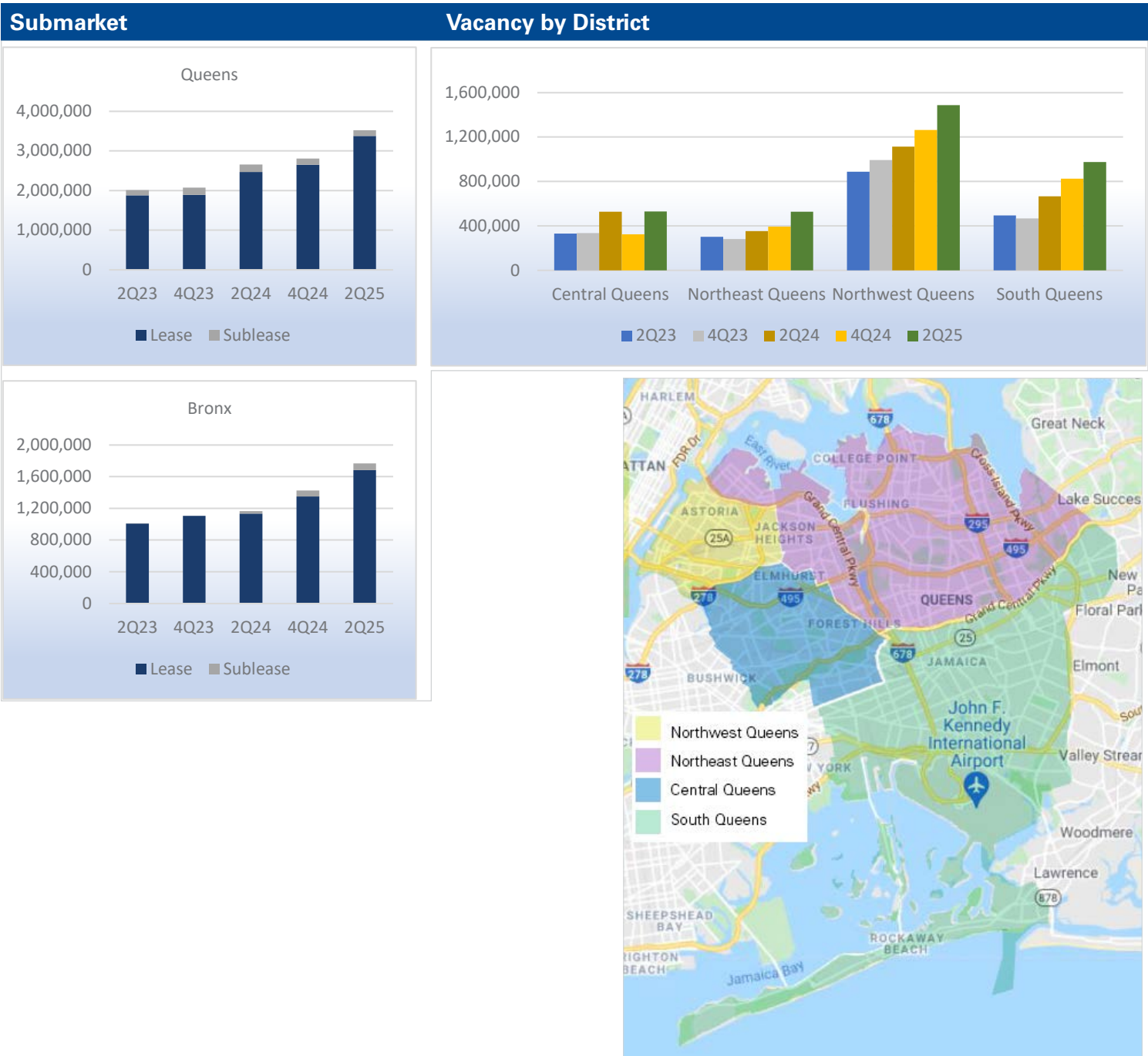




# Retail Bi-Quarterly Vacancy Statistics At A Glance



2Q 2023 - 2Q 2025





Brooklyn - Brooklyn Heights Area

## Development Activity

### REBNY Report: Quarterly New Building Construction Pipeline - Q1 2025

The Real Estate Board of New York (REBNY) released a report in May providing statistics based on examined new building job application filings submitted to the NYC Department of Buildings in the 1st quarter of 2025, analyzing data for the three month period of January through March; and draws historical comparisons to provide an understanding of the current state of development in New York City.

Key Takeaways - Q1 2025							
Borough Breakout	Q1 2025 Filings	Qtr-over-Qtr Change	% of Proposed Construction SF	Borough	Q1 2025 Filings	Qtr-over-Qtr Change	% of Proposed Construction SF
Manhattan	14	-17.6%	8.8%	Queens	112	4.7%	16.9%
Bronx	62	-4.6%	25.5%	Staten Island	66	-28.3%	6.1%
Brooklyn	78	8.2%	42.7%				
New Building Filings in Q1 2025	TTL Filings	% Change Qtr-over-Qtr / Yr-over-Yr		TTL Proposed Sq. Ft.		% Change Qtr-over-Qtr / Yr-over-Yr	
Citywide	332	-9.3% / 15%		8.0MM		26% / 26%	
Construction Projects 300K-sf Plus	Q1 2025 Filings	TTL Proposed Sq. Ft.		% Change Qtr-over-Qtr/Yr-over-Yr		% of Q1 2025 TTL Proposed SF	
Citywide	2	1.2MM		52% / -42%		14%	
Multiple Dwelling Residential Q1 2025	Proposed Units	% Change Qtr-over-Qtr			New Buildings	% Change Qtr-over-Qtr	
Citywide	6,871	65%			123	26.8%	
Borough Breakout	Proposed Units / Yr-over-Yr Change / % of TTL			Borough	Proposed Units / Yr-over-Yr Change / % of TTL		
Manhattan	384 / 11% / 5.6%			Queens	1,049/ 13% / 15.3%		
Bronx	2,358/ 177% / 34.3%			Staten Island	0/ -100% / 0%		
Brooklyn	3,080 / 103% / 44.8%						
Largest Proposed Projects by Borough - Q2 2024 (excludes single-family homes)							
Borough	Address	Neighborhood	Sq. Ft.	Description			
Manhattan	185 East 80th Street	Upper East side	269,581	Proposed 34-story, 66-unit residential development			
Bronx	1850 Lafayette Avenue	Soundview	232,573	Proposed 12-story, 213-unit residential development			
Brooklyn	376 Shermerhorn Street	DoBro	639,873	Proposed 521-unit residential development			
Queens	37-18 138th Street	Flushing	158,337	Proposed 9-story commercial development that will be occupied by restaurants, retail, offices, and a rooftop bar			
Staten Island	45 Cleveland Place	Concord	184,800	Proposed 5-story middle and high school facility with 1,350 new student seats			





## BID Market Snapshots

### Downtown Alliance - Lower Manhattan Real Estate Overview | Q1 2025

Lower Manhattan welcomed 2025 on a high note with an uptick of leasing activity driven by "several uniquely large deals; and although the overall vacancy rate remains high, it continued to improve for the 5th consecutive quarter and the largest year-over-year improvement since the pandemic. "A trio of longtime tenants extended their commitment in the neighborhood. Leading the way was the 984,000-square-foot renewal and expansion deal by finance firm Jane Street Capital at 4 Brookfield Place, 250 Vesey Street; a 99,418-square foot parallel relocation within Lower Manhattan by engineering firm Arup Services, and a 96,293-square-foot signing by biopharmaceutical firm Axsome Therapeutics, representing an expansion from the roughly 48,000-square-foot space initially occupied in 2023 under a sublease from Condé Nast. Leasing activity in the Retail sector led to the opening of 24 new establishments, of which about two thirds were food and beverage (F&B) operators. A highlight among openings was the debut of France-based luxury department store Printemps, offering a shopping and dining destination at One Wall Street. Lower Manhattan's hotel market posted the highest 1st Quarter Average Daily Rate (ADR) on record with \$230 — 22% above the 2019 figure, despite room rate lowering 37% quarter-over-quarter. Tourism volume in the area rose for the 5th consecutive year, reaching 9.3 million in 2024, representing a 3.3\*% increase year-over-year.

Source: <https://downtownny.com/research/lower-manhattan-real-estate-overview-q1-2025/>

### Union Square Partnership - Q1 2025 Quarterly Report

Leasing momentum in the 1st quarter was remarkable around Union Square Park, setting the stage for continued growth in 2025. Storefront occupancy reached 82%, up from 68% in the 4th quarter. Deals transacted from January through March included some of the district's most iconic spaces such as STK steakhouse at 200 Park Avenue South, Activate Games at 24 Union Square East, establishing the interactive arcade operator's first NYC location, and the experiential pop-up Mets House at 1 Union Square West, offering fans the first-of-its-kind experiential opportunity. Highlights of new office lease signings include the pair of full floor leases at 853 Broadway — 7,563-square-foot lease by telehealth nutrition care provider Nourish and a 7,004-square-foot lease by cognitive banking leader Personetics. In addition, 32 Union Square East will be welcoming Union Square Eye Care to a 8,884-square-foot space, and 200 Park Avenue South added four new tenants to its roster plus one office expansion, representing a combined total of 12,000 square feet of newly leased space.

Source: <https://www.unionsquarenyc.org/publications-2/q1-biz-broker-report-2025>

### Grand Central Partnership | 2024 Annual Report

The Midtown East neighborhood saw significant improvement in 2024, compared to the previous year. Pedestrian volume showed steady growth throughout the year, the aggregate count reaching nearly 10.5 million, which represented a 9.5% year-over-year increase and 102% of the December 2019 total. Helping to drive activity within the district is Grand Central Madison, data compiled by Placer.ai indicating that the volume of visitors and workers with home zip codes on Long Island rose 11.5% and 77% compared to 2023 and 2022 respectively. Retail leasing in 2024 led to the opening of 80 new establishments, of which more than half were F&B businesses. Notable projects included the long awaited December opening of Pershing Square Plaza East, offering a public park-like setting on both sides of the Park Avenue viaduct.

Source: [https://grandcentralpartnership.nyc/sites/default/files/AR24\\_FullLayout\\_Final.pdf](https://grandcentralpartnership.nyc/sites/default/files/AR24_FullLayout_Final.pdf)

### Flatiron/NoMad - Flatiron & NoMad Economic Snapshot | Q1 2025

The total Class A and Class B square footage leased from January through March 2025 increased year-over-year by 43%, reaching a total of almost 600,000 square feet. Larger lease signings were led by IBM, which secured an expansion of 92,663-square-foot lease at One Madison Avenue, followed by a 51,000-square-foot lease by collaborative web platform Figma at 27 West 23rd Street. Several new independent F&B establishments opened within the district, however, both employee and visitor footprints experienced a small quarter-over-quarter decrease from the winter holiday season. The hospitality sector outperformed Manhattan averages, the Average Daily Rate (ADR) and Revenue Per Available Room (RevPAR) reached \$373 and an average of \$311 respectively compared to Manhattan's \$331 ADR and \$285 RevPAR figures.

Source: [https://flatironnomad.nyc/wp-content/uploads/2025/04/Final\\_Q1-2025-Economic-Report.pdf](https://flatironnomad.nyc/wp-content/uploads/2025/04/Final_Q1-2025-Economic-Report.pdf)



Midtown - Hudson Yards

## Office Market – Notable Transactions

### Lease - Manhattan

Address	Submarket	District	Sq. Ftge	Tenant
140 Broadway	Downtown	FiDi	99,400	Union Investment Real Estate (relocation)
One World Trade Center	Downtown	World Trade Center	96,000	Axsome Therapeutics (expansion)
100 Church Street	Downtown	TriBeCa	66,000	Atlantic Pictures (relocation)
70 Hudson Yards	Midtown	Hudson Yards	800,000	Deloitte (pre-construction committment)
2 Union Nations Plaza	Midtown	U.N. Plaza	425,190	United Nations (renewal/expansion)
452 Fifth Avenue	Midtown	Penn Plaza	330,000	Amazon (new lease)
1285 Sixth Avenue	Midtown	Columbus Circle	151,409	Mizuho (sublease/relocation)
900 Third Avenue	Midtown	Plaza	131,000	Kirkland & Ellis
200 Fifth Avenue	Midtown South	Flatiron	244,433	Goodwin Procter (relocation)
120-122 Fifth Avenue	Midtown South	Flatiron	84,000	Chime (relocation)
51 Astor Place	Midtown South	Greenwich Village	75,000	Intuit
345 Hudson Street	Midtown South	Hudson Square	54,000	Fanatics

### Manhattan Investment Sales

Address	Submarket	District	Sq. Ftge	Sold Price	Purchaser
522 Fifth Avenue	Midtown	Times Square	371,406	\$340,000,000	Amazon
675 Third Avenue	Midtown	Grand Central	340,000	\$100,250,000	David Werner / Metro Loft
300 East 42nd Street	Midtown	U.N. Plaza	223,884	\$52,000,000	David Werner
500 Park Avenue	Midtown	Plaza	201,000	\$130,000,000	SL Green Realty
229 West 36th Street	Midtown	Penn Plaza	149,000	\$19,250,000	Empire Capital Holdings
256 West 38th Street	Midtown	Penn Plaza	118,200	\$21,500,000	Empire Capital Holdings
148 Lafayette Street	Midtown South	SoHo	150,314	\$105,500,000	Tishman Speyer





Midtown - Times Square

# Retail Market – Notable Transactions

Lease - Manhattan

Address	Submarket	District	Sq. Ftge	Tenant
50 West 34th Street	Midtown	Penn Plaza	55,000	Old Navy (relocation)
452 Fifth Avenue	Midtown	Penn Plaza	52,000	Life time Fitness (new lease)
425 Park Avenue	Midtown	Plaza	7,629	Ferrari (relocation)
1530 Broadway	Midtown	Times Square	5,725	I'm Donut (1st location outside of Tokyo)
675 Sixth Avenue	Midtown South	Flatiron	29,700	Trader Joe's (renewal)
158 West 27th Street	Midtown South	Chelsea	18,887	Powerhouse Gym (new lease)
427-429 Broadway	Midtown South	SoHo	6,192	Hello82 (1st NYC location)

Lease - Outer Boroughs

Address	Borough	Neighborhood	Sq. Ftge	Tenant
774 Grand Street	Brooklyn	Williamsburg	10,707	Whole Foods (new concept)

Sales

Address	Submarket	District	Sq. Ftge	Sold Price	Purchaser
200 Lafayette Street	Midtown South	SoHo	27,970	\$37,000,000	Meadow Partners



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