

NY REAL ESTATE COMMERCIAL

What's the Deal: News Digest

A roundup of real-estate news in the Greater New York area



Time Equities' 50 West St. is rising near Battery Park City and the World Trade Center. PHOTO: PETER J. SMITH FOR THE WALL STREET JOURNAL

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50 West Seeks an Upscale Eatery

After years of delay caused by the financial downturn, developer Francis Greenburger in 2013 was finally able to restart construction on what will likely be his signature project: a 63-story Helmut Jahn-designed residential tower rising at 50 West St.

Now, Mr. Greenburger is equally determined to find the ideal restaurant for the retail space in the condominium project. Indeed, he's decided to offer the space for below-market rent.

"It's more important to find the right restaurant than it is to get every last dollar for rent," said Mr. Greenburger, chief executive and founder of Time Equities Inc. "We want the restaurant to make a statement about the building."

Time Equities just listed the two-story commercial space with an asking rent of \$95 a square foot, according to Ami Ziff, the firm's head of retail. Asking rents can range up to \$200 a square foot in that area, he said.

Mr. Greenburger envisions an upscale, comfortable restaurant that will serve as an amenity to 50 West residents. He listed Gotham Bar and Grill, a West Village fixture, as an example of a quality restaurant that attracts customers on a regular basis.

Mr. Greenburger hopes to find tenant within the next six months. The 50 West tower is slated to open at the end of next year. Condominium sales launched last summer, with one bedrooms starting at \$1.6 million.

"This is a high-quality residential building, and we want the restaurant to be a part of the environment of the building," he said.

—Emily Nonko

Fox Rothschild Leases Space at 101 Park Ave.

National law firm Fox Rothschild LLP is expanding and relocating its New York offices in an iconic Park Avenue skyscraper frequently used in movies and television shows.

Fox Rothschild has signed a 15-year lease to take 48,000 square feet at 101 Park Ave., said Mark Weiss, vice chairman at Newmark Grubb Knight Frank and the broker who represented Fox Rothschild. The law firm's New York office has been adding attorneys across departments over the past two years, said Michael Slapo, managing partner of Fox Rothschild's New York office. The firm has added attorneys to its intellectual-property practice as well as its land-use and zoning team.

The move, expected in the fall, will be a short one: across the street from the firm's current office at 100 Park Ave. The firm already employs more than 50 attorneys in its New York office, and the new office will accommodate more than 70.

"We had outgrown our current space and this seemed like the right geographic location," Mr. Slapo said.

The 49-story tower, owned by H J Kalikow & Co., is about 90% occupied with tenants that include other major law firms, hedge funds and international corporations. When the building opened in 1982 it was one of the "most advanced buildings for Manhattan at the time," said president and owner Peter Kalikow.

The 1.28-million-square-foot structure, with its reflective glass and huge granite columns, also has built up a film and television resume, appearing as the building where George Costanza has his office on “Seinfeld” as well as the crash site in the film “The Avengers,” Mr. Kalikow said.

—Keiko Morris

Finance-Sector Growth Boosts Office Market

The financial-services sector—among New York City’s biggest users of office space—showed gains for February and added more jobs last year than previously thought.

“We’re seeing growth in financial services which we really haven’t seen since 2011,” said Ken McCarthy, senior managing director of economic analysis and forecasting for real-estate services firm Cushman & Wakefield Inc. “And that’s critical for the office market, particularly Midtown, where those large financial-services firms are located.”

The broad category of financial services added 3,600 jobs between January and February of this year, according to the New York State Department of Labor. Within that sector, finance and insurance jobs rose by 2,800, an above-average gain, according to Elena Volovelsky, a labor-market analyst with the New York State Department of Labor. Typically the sub-sector adds about 1,000 positions between January and February, she said.

In addition, annual revisions to 2014 numbers revealed the financial-services sector had grown by 8,000 more jobs than previously reported.

The revisions appear to be catching up with the improvement the Midtown office market experienced in the second half of last year, Mr. McCarthy said. The Midtown vacancy rate dropped from 11.5% in July to 9.8% in December, he noted.

“There seemed to be a disconnect with the jobs data on the one hand and the real-estate data we were seeing,” he said.

—Keiko Morris