

REAL ESTATE WEEKLY

Vol. 57, No 19 • 44 pages in 5 sections

WEDNESDAY, FEBRUARY 27, 2013

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(L-R): Tommy Craig, senior managing director, Hines; Yvonne Szeto, partner, Pei Cobb Freed & Partners; Chris Hughes, senior managing director, CEO – East Region, Hines; Phil Norwood, director, Pacolet Milliken Enterprises; Henry Cobb, founding partner, Pei Cobb Freed & Partners; Gerald Hines, founder and chairman, Hines; New York City Mayor Michael Bloomberg; Jeffrey Hines, president and CEO, Hines; Robert Steel, Deputy Mayor for Economic Development, New York City; Mary Ann Tighe, CEO, NY Tri-State Region, CBRE, Inc.; Richard Webel, president, Pacolet Milliken Enterprises; Kevin Faxon, head of Real Estate – Americas, J.P. Morgan Asset Management; Peter Davoren President and CEO, Turner Construction Company; Elizabeth Propp, managing director, J.P. Morgan Asset Management.

Generous lenders bouyed by 7 Bryant Park

By ORLANDO LEE RODRIGUEZ

In the latest of groundbreaking ceremonies that he will not be in office to see open, Mayor Michael Bloomberg joined executives from developer Hines, land owner and project partner Pacolet Milliken Enterprises, Inc. and investors advised by J.P. Morgan Asset Management to mark the start of construction on 7 Bryant Park. The 470,000 s/f, 28-story

office tower, located at 1045 Sixth Avenue, has yet to cement any firm tenant commitments and is 100 percent equity financed.

"We don't know yet which companies will occupy the building and that's one of the most remarkable things about today's gathering," said Bloomberg, who joked that although he won't be mayor at the end of the project, he will get to say he was

"there at the beginning."

"Hines is beginning construction without any committed tenants and JP Morgan is providing 100% of the equity financing to make it happen. So really, both companies are casting a tremendous vote of confidence in the future of this city," he said.

The glass and steel building, designed by Pei Cobb Freed & Partners and being built by Turner

Construction, will feature 10 foot finished ceilings and is LEED Gold pre-certified.

Financiers say that they are not too concerned about the lack of firm tenancy, citing Hines' long track record of development success and the Sixth Avenue, central Midtown location.

"Yes we have decided to go forward without a lease commitment," said Kevin Faxon, head of real estate of the Americas for J.P. Morgan Asset Management. "Under the category of risk-reward, we think it's a

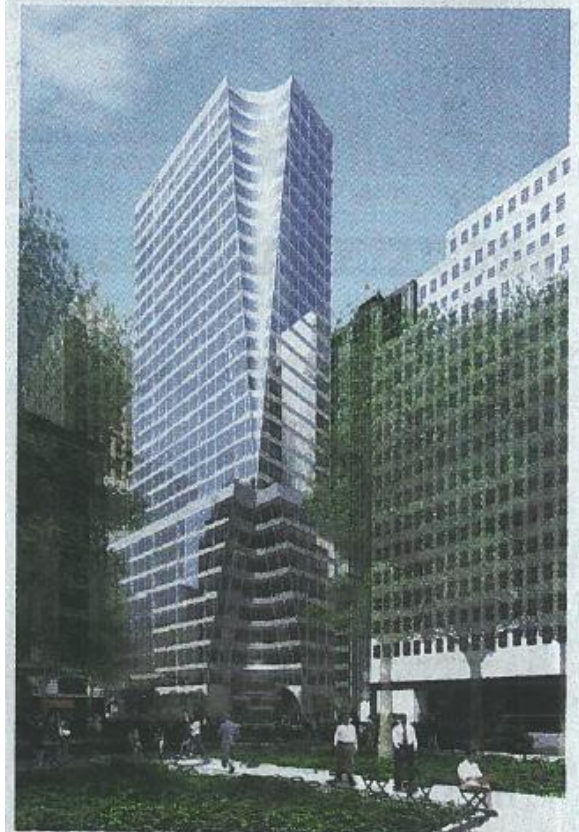
smart risk to take given the quality of the development."

A team led by Mary Ann Tighe, chief executive officer of CBRE's New York Tri-State region, will be the exclusive leasing agent for building. The project is expected to create 3,000 construction jobs and provide additional class-A office space to a market in need of new inventory.

In addition, the project architects said that the building will be one of artistic beauty to be enjoyed by visitors to Bryant Parks' lawn. "From

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Lenders bouyed by 7 Bryant



Artists rendering of the planned tower

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the moment we first set foot upon this site, we understood that 7 Bryant Park will enjoy an especially privileged position," said Henry Cobb, founding partner Pei Cobb Freed & Partners. "We have been inspired by the site's relationship with one of the city's best loved open spaces. In response, we have envisioned a building that offers a gesture to Bryant Park."

The largest open space in midtown, Bryant Park during the 1970's and 80's was filled with so much open-air drug activity that people dared not to enter in the daytime. Along with the entire Times Square-Forty Second Street corridor, the park itself has become a symbol of midtown's rebirth.

"If you go back to the dark days of the 1970's, this park really was a dangerous wasteland. It probably was the symbol that you needed for what was wrong with New York City," said Bloomberg. "Today it is beautiful, bustling and is one of the most desirable places to work anywhere in the world."