

## News Release

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### **ALL-EQUITY FINANCING CLOSES FOR 7 BRYANT PARK**

# Hines

(NEW YORK) – Hines, along with joint venture partner Pacolet Milliken Enterprises, Inc., today announced the closing on an all-equity joint venture investment from institutional clients advised by J.P. Morgan Asset Management for 7 Bryant Park, the iconic new trophy-class office tower that will overlook Bryant Park. Designed by renowned architect Henry N. Cobb of Pei Cobb Freed & Partners, the 28-story, 470,000-rentable-square-foot tower will be built on property that Pacolet Milliken has owned since 1954, a key parcel on Avenue of the Americas with full-block frontage at the southwest corner of the park. The arrangement of equity financing allows Hines to move forward with construction following the project’s successful advancement through site acquisition, design and permitting phases of predevelopment. Construction is expected to begin in the fourth quarter of this year, with first occupancy planned for the fourth quarter of 2014.

Hines Senior Managing Director Tommy Craig, head of the firm’s New York/tri-state regional activities, commented, “We are pleased by the confidence placed in the Hines New York office by J.P. Morgan to provide the capital to move forward with building construction. The successful placement of financing puts Hines at the leading edge of the development cycle, and we feel that now is a propitious time to begin procuring trade work. We are competitively selecting a general contractor, and provided we are satisfied with pricing, expect to start construction in the fall of 2012.”

The project has been designed for major tenants whose size ranges from 100,000-250,000 square feet. For these users, 7 Bryant Park will offer a combination of efficient floor sizes arranged in contiguous space with a distinctive mix of high-end amenities

spaces and infrastructure. There will also be significant branding opportunities. The Bryant Park submarket has outperformed other midtown submarkets in recent years, and the value proposition at 7 Bryant Park will be a unique combination of attributes at competitive occupancy costs.

Pacolet Milliken President Richard C. Webel said, “The original land owner, Roger Milliken, was committed to sustainability in the built and natural environments. I know he would be thrilled to see this new landmark, perfectly appropriate for the important corner it will occupy, come to fruition.”

CBRE’s Mary Ann Tighe is leading the now-underway leasing program, expecting the building to appeal to major tenants in the technology, media, financial and professional service sectors who are looking to occupy the highest-quality space available in the market in one of the most convenient and amenitized locations in the city.

7 Bryant Park has been designed for a 21<sup>st</sup> century work environment. Special features include: upscale branding/identity opportunities at the grand entrance and on the ground floor along the Avenue of the Americas; 10-foot finished ceilings and full-height clear vision glass throughout; column-free floor plans for full visual connectivity; infrastructure flexibility with a raised floor for cable and power; two spacious outdoor terraces overlooking the park on the building’s tenth floor; and multiple top-floor opportunities including the possibility for a signature “duplex” penthouse with outdoor space and sweeping views of the park – one of the most unique office opportunities in Manhattan. In addition, the project is slated for LEED® Gold certification.

The orientation of the steel and glass tower will capitalize on direct views over the park and past the historic New York Public Library. The building’s entrance façade is punctuated by a concave sculptural detail which cuts into the building in an hourglass shape, distinguishing the design and creating unique feature windows on every tenant floor. A floating stainless steel disc, expected to be 46 feet in diameter, will be suspended over the corner entrance at 40<sup>th</sup> Street, serving as both a canopy and a signature architectural gesture facing the park, creating a sense of place, and serving as a memorable welcome point for tenants and their visitors.

In the recent past, Hines has been particularly active in some of the tri-state area’s most significant and complex build-to-suit projects, including those for Morgan Stanley, Goldman Sachs, Royal Bank of Scotland, UBS and Bear Stearns. Hines has also been active in the Manhattan residential development market having recently completed 40

Mercer and One Jackson Square. This new multi-tenant building at Bryant Park will incorporate many of the high-quality attributes of these workplaces and residences, including advanced technology and the potential for trading floors in the base of the building.

Hines and J.P. Morgan Investment Management have had a longstanding relationship as equity partners on various projects, in addition to extensive tenant and banking relationships.

“This well-conceived project has all of the key ingredients we look for, including an experienced developer and operator with a proven track record in Hines, a respected and responsible partner in Pacolet Milliken, and a compelling and attractive location at the doorstep of New York’s Bryant Park,” said Elizabeth Propp, head of real estate acquisitions, Northeast, for J.P. Morgan Asset Management – Global Real Assets.

J.P. Morgan Asset Management – Global Real Assets has approximately \$61.1 billion in assets under management and approximately 400 professionals in the U.S., Europe and Asia, as of March 31, 2012. With a 40-plus-year history of successful investing, J.P. Morgan Asset Management – Global Real Assets’ broad capabilities provide many of the world’s most sophisticated investors with a global platform of real estate, infrastructure, maritime/transport and energy strategies driven by local investment talent with disciplined investment processes consistently implemented across asset types and regions.

Pacolet Milliken Enterprises, Inc. is a private, family-owned investment company with a history that dates back, through Milliken & Company, to the 1860s. In addition to urban office property, Pacolet Milliken has divisions that operate regulated and merchant utility businesses, undeveloped land and forestry, and income real estate in the southeast U.S.

Hines has been active in the tri-state NY, NJ, CT market since 1981, having developed in excess of 15 million square feet in the area. In addition, Hines is an active asset and property manager of both equity and third-party assets. Hines is a privately owned real estate firm involved in real estate investment, development and property management worldwide. The firm’s historical and current portfolio of projects that are underway, completed, acquired and managed for third parties includes 1,192 properties representing more than 482 million square feet of office, residential, mixed-use, industrial, hotel, medical and sports facilities, as well as large, master-planned

communities and land developments. With offices in 110 cities in 18 countries, and controlled assets valued at approximately \$22.9 billion, Hines is one of the largest real estate organizations in the world. Hines is also a world leader in sustainable real estate strategies, with extensive experience in LEED<sup>®</sup>, ENERGY STAR<sup>®</sup>, BREEAM, Haute Qualité Environnementale and DGNB green building rating systems. Visit [www.hines.com](http://www.hines.com) for more information on Hines. For more information on 7 Bryant Park, visit [www.7bryantpark.com](http://www.7bryantpark.com).