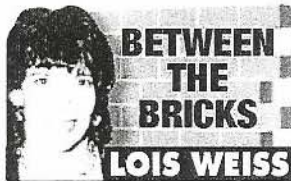


## POST FOCUS

# Four towers near Farley

## Brookfield still needs anchor



**BETWEEN  
THE  
BRICKS**

**LOIS WEISS**

**B**ROOKFIELD Properties is readying plans for four towers totaling 4.7 million feet at the rear of the Farley Post Office on the west side of Ninth Avenue between 31st and 33rd streets.

"It will be an awesome location," **Ric Clark**, Brookfield's CEO, said at the Young Men's and Women's Real Estate Association luncheon yesterday.

Clark said plans call for the east end of the plot to host two office towers sharing 4 million square feet while the west end will have two residential towers totaling 700,000 feet.

They hope to kick off marketing the northern office tower of 1.6 million square feet within the next few weeks, for delivery in late 2010. That process will begin with the sharing of new renderings now being prepared by Skidmore Owings Merrill.

While there's no anchor tenant yet, Clark said Brookfield is in discussions with "all the usual suspects" and expects rents to start in the \$80 range.

Would they break ground without an anchor tenant?

"Never say never," Clark said. "But we would need to know the Moynihan Train Station was going forward."

Another all-speculative building is rising in Da Bronx. The steel for the first of two ten-story office towers at the **Hutchinson Metro Center** can be seen being fitted into place. The building to be completed by the end of this year.

Each building will have 260,000 feet of Class A space. The first phase of the project, a retrofit of 460,000 feet, is fully leased and occupied. Developer **Joseph Simone**, president of Simone Development Companies, has hired **Tara Stacom** of Cushman & Wakefield to handle the marketing. She says asking rents are in the low \$30s.

Say sayonara to some downtown benefits.

The City's Commercial Revitalization Program, which provides a \$2.50-per-foot tax abatement for tenants who sign new leases that start by March 31, is expiring with no firm plan for a renewal in the works.

**Suzanne Sunshine**, who heads up the non-profit division for Cushman & Wakefield, says there is now a major rush to sign leases. For a 10,000-foot tenant it could mean \$100,000 over the next five years and for an 8,000-foot

tenant it's \$80,000, she said.

"That means a lot to a non-profit," she said.

To make matters worse, the declining vacancy rates are pushing rents further north. "Forget the \$28 deal, it's forget the \$32 deal," Sunshine added.

Additionally, at the end of June any new eligibility for the Lower Manhattan Energy Program that is linked to the Industrial and Commercial Incentive Plan expires.

The Downtown Alliance has been working with the Real Estate Board of New

York and Assembly Speaker **Sheldon Silver**, who has expressed some support for an extension and is also discussing it with the city.

During 2006, 600 tenants and brokers inquired about those incentives, she said, adding, "We believe they still matter to tenants seeking office space down here," said **Nicole LaRusso** of the Alliance.

But recall that **Mayor Bloomberg** is not a fan of incentives and some officials in the city's Economic Development Corp. have privately expressed the opinion that incentives are no longer necessary to bring tenants downtown.

Still, if Speaker Silver wants the benefits extended, extended retroactively or changed, something could be passed in