

There is strong demand for office space in Manhattan's newest buildings. Transactions totaling 2.86 MSF (greater than 15,000 SF) closed in buildings built since 2010, a 61.7% increase over 2015's 1.77 MSF.

Anchors Away

Law firm Hogan Lovells became the anchor tenant for L&L Holding Company's 390 Madison Avenue with a 207,000 SF lease in 2016. SL Green broke ground on the 1.60 MSF One Vanderbilt after securing TD Bank for a 200,000 SF anchor tenancy in 2015. Both One Vanderbilt and 390 Madison Avenue will be the first buildings constructed in the Grand Central submarket since 2006.

Also in Midtown, Citadel Investment Group signed a 211,000 SF lease at 425 Park Avenue. For the two tower floors, Citadel will pay the highest rent ever recorded in Manhattan at nearly \$300.00/ SF.

Clearing the way for the public review process, the City Planning Commission voted to rezone Midtown East to add an estimated 6.80 MSF of new office and retail inventory between 39th-57th Streets and Fifth Avenue-Third Avenue (and Second Avenue along 42nd and 43rd Streets).¹

Big Tenants: West is Best

Leasing at Hudson Yards/ Manhattan West was up 25.5% year-over-year including Coach's 694,000 SF sale-leaseback at 10 Hudson Yards and Milbank Tweed's 258,000 SF relocation to 55 Hudson Yards. Late in 2016, the National Hockey League signed a 161,000 SF lease at One

Manhattan West in a relocation from Midtown. Hudson Yards/ Manhattan West accounted for more than one-third of all leasing in the Penn Plaza/ Garment District.

In Chelsea, Google signed the largest TAMI (technology, advertising, media and information services) new lease of the year after leasing 264,000 SF at SuperPier. In the Penn Plaza/ Garment District, Related, Vornado and Skanska plan to redevelop the James A. Farley Post Office with 588,000 SF of office space by 2020.

Sweet 16

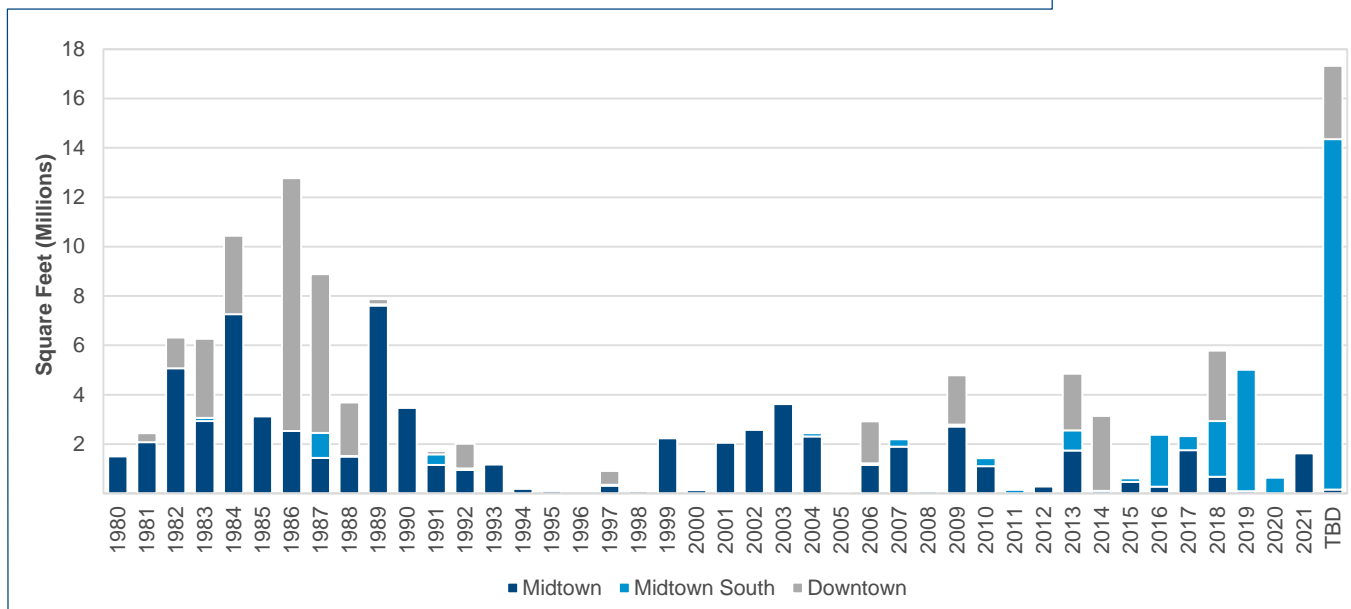
2016 marks the 16th year of the redevelopment of the World Trade Center (WTC). Last year, the 365,000 SF Westfield WTC retail complex opened, as well as the one acre Liberty Park above the WTC Vehicle Security Center. Pedestrians can now access the underground corridor along Dey Street allowing below grade passage from the Fulton Center to the WTC and Battery Park City. And, the design for the Ronald O. Perelman Performing Arts Center at the WTC was made public. The complex will include three separate theaters and is slated for completion by 2020.

GroupM expanded its footprint to 687,000 SF at the under construction 3WTC with a new 171,000 SF lease. The 2.86 MSF office tower topped out in 2016 with completion scheduled for 2018.

At the recently demolished 68-74 Trinity Place, Trinity Church will construct a 26-story tower to serve as its headquarters and with 162,000 SF of additional office space for lease.

¹ Source: New York YIMBY

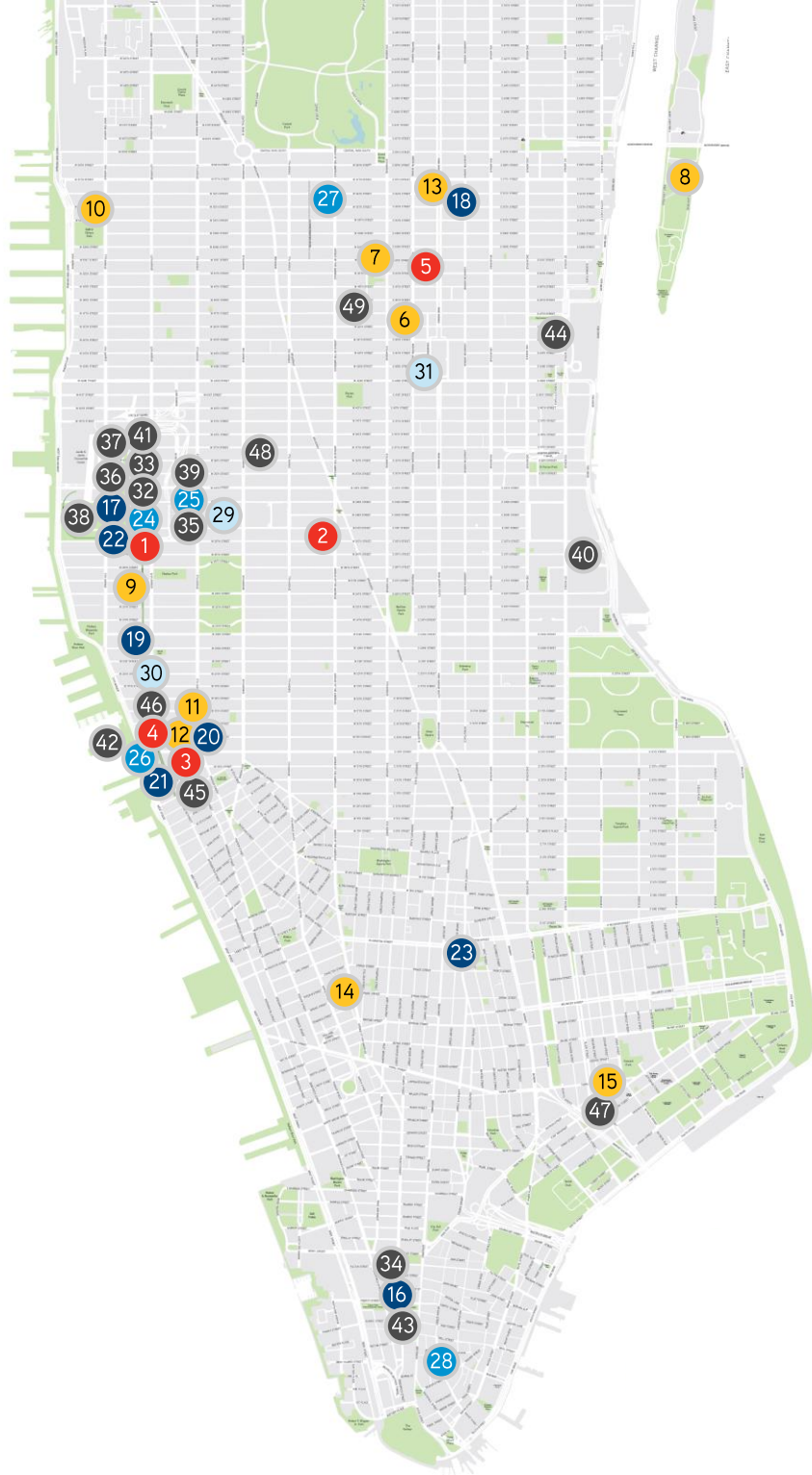
Manhattan Market Analysis | New Construction/Renovation



Source: Colliers International Research

New Developments

	BUILDING ADDRESS	STATUS	OFFICE RBA	OWNER
1	10 Hudson Yards	C	1,725,250	Related Companies, Oxford Properties
2	855 Avenue of the Americas	C	171,000	The Durst Organization
3	860 Washington Street	C	114,000	Property Group Partners, Romanoff Equities
4	430 West 15th Street	C	98,087	TIAA-CREF
5	34 East 51st Street	C	56,125	Sedesco
6	390 Madison Avenue	UR	862,154	L&L Holding
7	75 Rockefeller Plaza	UR	623,000	RXR Realty, Walton Street Capital
8	The Bridge at Cornell Tech*	UC	230,000	Forest City Ratner, Cornell
9	540 West 26th Street	UC	166,525	Savanna Fund
10	787 Eleventh Avenue	UR	156,080	Georgetown Company, Pershing Square Asset Mgmt.
11	412 West 15th Street	UC	144,273	Rockpoint Group, Highgate Holdings
12	413 West 14th Street	UR	78,687	Rockpoint Group, Highgate Holdings
13	432 Park Avenue	UC	106,428	Harry Macklowe
14	One Soho Square (Penthouse Addition)	UC	60,758	Rockpoint Group, Stellar Management
15	9 Orchard Street	UR	66,941	DLI Capital Partners
16	3 World Trade Center	UC	2,861,402	Silverstein Properties, Port Authority
17	55 Hudson Yards	UC	1,550,000	Related Companies, Oxford Properties, Mitsui Fudosan
18	425 Park Avenue	UR	670,000	L&L Holding
19	512 West 22nd Street	UC	174,222	Vornado, Albanese Organization
20	61 Ninth Avenue	UC	167,170	Aurora Capital, Vornado
21	40 Tenth Avenue (Solar Carve Tower)	P	116,025	William Gottlieb Real Estate, Aurora Capital
22	35 Hudson Yards	UC	122,127	Related Companies, Oxford Properties
23	300 Lafayette Street	UC	61,737	LargaVista Companies
24	30 Hudson Yards	UC	2,600,000	Related Companies, Oxford Properties
25	One Manhattan West	UC	2,230,000	Brookfield Properties
26	76 Eleventh Avenue	UC	102,697	HFZ Capital Group
27	106 West 56th Street	P	90,000	Savanna Fund
28	45 Broad Street	P	59,000	Madison Equities, Gemdale Properties
29	Moynihan Station	P	588,000	Related Companies, Vornado
30	536-550 West 20th Street	P	52,000	Empire State Development
31	One Vanderbilt	UC	1,623,110	SL Green
32	50 Hudson Yards	P	2,900,000	Related Companies
33	The Spiral	P	2,850,000	Tishman Speyer
34	2 World Trade Center	P	2,800,000	Silverstein Properties, Port Authority
35	Two Manhattan West	P	2,100,000	Brookfield Properties
36	3 Hudson Boulevard	P	1,869,500	Moinian
37	434-444 Eleventh Avenue	P	1,300,000	Tishman Speyer
38	West Tower	P	1,100,000	Related Companies, Oxford Properties
39	441 Ninth Avenue	P	573,000	Cove Property Group, Baupost Group
40	Alexandria Center for Life Science	P	420,000	Alexandria Real Estate Equities
41	451 Tenth Avenue	P	310,000	Spitzer Enterprises
42	57 11th Avenue (SuperPier)	UR	263,835	Youngwoo & Associates, RXR Realty
43	68-74 Trinity Place	P	162,000	Trinity Church
44	821 United Nations Plaza	P	101,869	The Republic of Turkey
45	46-74 Gansevoort Street	P	100,000	William Gottlieb Real Estate, Aurora Capital
46	520 West 20th Street	P	70,000	Elijah Equities
47	2 Pike Street	P	70,000	Yeung Real Estate Development
48	44 West 37th Street	P	65,000	Sioni Group
49	43 West 47th Street	P	58,000	Boris Aronov



YEAR OF DELIVERY

- 2016
- 2019
- 2017
- 2020+
- 2018
- TBD

Only buildings > 50,000 SF appear on map

Note:

- C = Completed
- UC = Under Construction
- UR = Under Renovation
- P = Proposed Construction/Renovation

*Not included in statistical sample