

REAL ESTATE WEEKLY

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L-R: Lois Weiss, New York Post; Jeffrey Sussman, Minskoff; Charlotte Matthews, Related; Lenore Janis, PWC. Seated, L-R: Ana Bertuna, Related; Clare Newman, NYCEDC; Judith Kessler, Zeckendorf.

Photo by Calvin Lee

PWC panelists offer upbeat outlook as new projects get off the drawing board

The Manhattan market remains strong and full of promise for the future, according to the experts who took part in the recent Professional Women in Construction (PWC) Developers Forums.

Moderated by New York Post columnist Lois Weiss, panelists included Clare Newman, vice president, NYC Economic Development Corp., who discussed two major current projects.

Loew's Kings Theatre in Brooklyn, a historic icon that's been vacant for 30 years, will be restored by the City together with the Arts Center Enterprises (ACE). Scheduled for completion in 2014, the work should turn the Flatbush Avenue area into a thriving commercial corridor.

Applied Sciences NYC - specifically the Cornell/Technion NYC Tech Campus - is being built on Roosevelt Island also through NYCEDC. The project hopes to expand the size of the graduate engineering population by approximately 70%, keeping New York's high tech workforce competitive with such major cities as San Francisco and Boston.

Charlotte Matthews, vice president, sustainability, and Ana Bertuna, vice president, design & construction, for Related Companies, spoke about Hudson Yards, the 26-acres

mixed-use development over existing rail yards on Manhattan's far West Side.

Matthews noted that the high-performance office buildings will be among the city's most energy efficient, flexible for optimal space utilization and offer technology that will be "future-ready." Sustainability features include on-site power generation and power resilience.

Bertuna spoke of the South and North office towers to be constructed with six levels of retail, Coach's new corporate headquarters anchoring the initial building to the south, and a cultural center that will be capable of expanding and contracting when not in use.

She noted that construction is expected to commence mid-year with Tutor Perini as contractor and Tishman Construction Corporation as Related's building partner. Related has also formed a joint venture with Danny Meyer's Unions Square Events offering private dining spaces for tenants.

In a presentation entitled "Where is the Disconnect? Why is it so hard to build new construction condominium projects in Manhattan today?" Judith Kessler, executive director of Zeckendorf Development, LLC, noted that a surprising 63% of Manhattan's housing units

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Panelists upbeat

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are rentals. She explained the difficulties of obtaining construction debt financing and how that has impacted construction of new condominiums.

Despite the hurdles, Kessler concluded that New York City has a "winner take all" spirit and remains stronger than any other US housing market. The intrinsic value and scarcity of quality new construction condominiums will enable some projects to be built despite the lack of traditional financing options. The great success of the new projects from 2010 and 2011 now on the market may give lenders the push they need to better underwrite new construction loans over time.

Jeffrey M. Sussman, executive vice president, Edward J. Minskoff Equities, Inc., spoke of 51 Astor Place, a property acquired

from Cooper Union on a long term pre-paid ground lease that is proceeding speculatively. Once the existing building has been demolished, it will be replaced by a 400,000 s/f building that is billed as "an ideal headquarters location with unparalleled branding and forward-thinking infrastructure."

It will be 12 stories high, feature an energy efficient glazed glass and aluminum curtain wall, and striking art installations in the lobby and on the office plaza. Sussman noted that the building will be occupied by the new knowledge workforce, including a new breed of up and coming decision makers.

Another major Minskoff renovation is 101 Avenue of the Americas or 101AOA, a building with spectacular views.

For information on upcoming PWC events, call 212-486-7745, email pwc@pwcusa.org or visit www.pwcusa.org.
