

# Bloomberg

## DNB to Move North America Headquarters to NYC's Hudson Yards

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Norway's largest lender, DNB ASA, agreed to move its North American headquarters to the skyscraper being built at 30 Hudson Yards on Manhattan's far west side, leaving the MetLife Building in Midtown.

The Oslo-based bank will take the entire 68th floor in the 90-story tower, space that developer Related Cos. originally set aside for itself, said Jay Cross, president of Related's Hudson Yards unit. DNB's lease will run for 15 to 20 years, depending on certain conditions, according to Giacomo Landi, the bank's New York-based general manager.

Related has been luring financial firms from their traditional Midtown strongholds westward to Hudson Yards, where the company is leading what it calls the biggest private real estate development in U.S. history. The project has attracted KKR & Co., Wells Fargo & Co. and Steven A. Cohen's Point72 Asset Management, all with current offices in Midtown. They'll join companies such as Time Warner Inc., slated to anchor 30 Hudson Yards, and handbag maker Coach Inc., which in May opened its offices at 10 Hudson Yards, the first skyscraper completed at the site.

### 'Biggest Challenge'

"In the early days of the Yards, our market was to go after people like Coach -- fashion, media, those industries that were a little more flexible in terms of their location, and maybe a little more adventuresome," Cross

said in a phone interview. “We always felt that cracking the code of Midtown was going to be our biggest challenge.”

Attracting KKR late last year to 30 Hudson Yards from 9 W. 57th St., one of Manhattan’s most exclusive office skyscrapers, “sent a signal that it’s considered appropriate by the leaders of the industry to move out of Midtown” and opened the door to deals such as DNB’s, Cross said.

Neither Landi nor Cross would say what rent DNB agreed to pay at the building, under construction at West 33rd Street and 10th Avenue. At 1,296 feet (395 meters), 30 Hudson Yards would be New York’s second-tallest tower, behind lower Manhattan’s One World Trade Center. It’s scheduled to be completed in 2019.

#### More Flexible

The 44,000 square feet (4,088 square meters) DNB is taking at the property is about a third bigger than its space at the MetLife Building, where the bank has been on the 31st floor since 1995, according to Landi. For DNB, the move is less a matter of expanding its North American operations than being able to work in more modern and flexible offices, he said.

“Where we are growing is on the investment banking side, so bringing in clients for road shows, talking about the capital markets, really being a hub for Nordic companies coming here, the ability to really bring people closer” will all be easier in the new offices, Landi said.

Tishman Speyer, the firm that controls the MetLife Building, declined to comment through a spokesman, Bud Perrone.

The Hudson Yards lease is part of an effort by DNB to upgrade its offices and work practices worldwide, Landi said. It started in 2012 with the bank’s Oslo home offices, where about 4,000 people were moved from more than 10 sites to a central office in the Bjorvika area. Similar moves in London, Singapore and Stockholm followed.

European banks have struggled in recent years with tighter regulation and a sluggish economy. DNB, the most resilient bank in the European Banking Authority’s stress tests, said in July that it would cut back on oil and shipping lending after its loan losses tripled. The company has been working to diversify, getting into health care, fisheries and potentially other industries, Landi said.

DNB is “one of the oldest institutions in Europe,” Cross said. “They’ve weathered many storms before. They need to have a presence here” in North America.

