

After Only Two Years in Herald Square, Rocket Fuel Will Relocate, Halve Space

BY LAUREN ELKIES SCHRAM JAN. 19, 2016, 12:15 P.M.



195 BROADWAY.

Advertising technology company **Rocket Fuel** is planning in June to head to the Financial District from Herald Square in a move that will put the company in less than half of its current space, a source with knowledge of the deal told Commercial Observer.

Rocket Fuel has signed a 10-year deal for 41,982 square feet, amassing the entire 10th floor, at **L&L Holding Company's 195 Broadway** at Fulton Street, the source said. The asking rent was \$58 per square foot.

It was only in June 2014 when Rocket Fuel signed a 10-year deal for a much larger 90,000 square feet at **Vornado Realty Trust's 100 West 33rd Street**, as CO reported at the time, and relocated there from **129 West 29th Street** the following month. Rocket Fuel will be subleasing out its space on West 33rd Street.

“Rocket Fuel’s New York City office move is one example of the company’s focus on improving operating efficiencies through effective expense management and company-wide initiatives to optimize the way we run our business,” **Cal Hoagland**, Rocket Fuel’s interim chief financial officer, said via a spokeswoman. “Details about the sublease are not publicly available at this time.”

At 195 Broadway, Rocket Fuel is taking one of the 11 floors previously occupied by **Thomson Reuters**, which moved out. L&L leased two of Reuters’ floors to **Gucci**, which CO previously reported, and two to human resources software company **Namely**, as CO reported. **HarperCollins Publishers** leased three floors from Reuters in 2013, as CO reported, and then L&L terminated the three floors prior to the publisher’s lease expiration date. Gucci is building out its space and Namely has moved into one floor and is building out the other, the source said. The building is 75 percent occupied.

Andrew Wiener and **David Berkey** represented the landlord in-house, and **Newmark Grubb Knight Frank’s Scott Brown** and **Rob Silver** brokered the deal on behalf of the tenant. NGKF didn’t immediately respond to a request for comment, and nor did broker **Jared Solomon** of Vornado, who represented his firm when Rocket Fuel leased its space at 100 West 33rd Street.

“The lease with Rocket Fuel shows that tenants continue to be attracted to Downtown and 195 Broadway provides the ideal location, anchored between the Fulton Street Transit Center and the [Santiago] Calatrava train station,” Mr. Weiner said in a prepared statement. “When you combine the convenience of the location, with the character of the building and its high ceiling heights, light filled floors and new retail development anchored by Nobu, 195 Broadway is without a doubt the best option in Downtown north.”

L&L Chairman and Chief **David Levinson** and partners bought the Financial District property for \$206 million in 2005. In November 2013, L&L and **Beacon Capital Partners** recapitalized the building by selling the majority interest to **J.P. Morgan Chase** for \$498.5 million. L&L Holdings, owner of what was AT&T's original world headquarters, spent eight years investing \$50 million in efforts to convert the lobby to retail space, Mr. Berkey previously told CO.