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Harper Collins Migrates South

By Rayna Katz | New York



NEW YORK CITY-In keeping with the trend of technology, advertising, media and information companies moving Downtown, as well as into other areas of the city as they shift away from Midtown South, HarperCollins Publishing Inc. is returning to its downtown roots.

The publishing concern has signed a 15-year lease for over 180,000 square feet of office space at L&L Holding Co., LLC.'s 195 Broadway, the building owner announced Tuesday. L&L Holding was represented in-house for the deal by L&L's David Berkey, EVP and Andrew Wiener, director of leasing.

CBRE's Mary Ann Tighe, CEO of the tri-state area, Ken Rapp, vice chairman and Christopher Mansfield, SVP, represented the tenant. The company plans to start relocating from its current Midtown offices, at 10 East 53rd St., in the spring of 2014.

Asking rent at 195 Broadway is \$47 a square foot. The one million-square-foot landmarked building once served as the New York headquarters of AT&T and has been called "the wedding cake building" because of its appearance. Beacon Capital Partners is part owner of the asset, in partnership with L&L Holding.

The William Welles Bosworth designed structure sits between two major transportation hubs: the Fulton Street station—which plays host to several subway lines--and the Calatrava Path station at the World Trade Center. Other tenants include Omnicom, one of the world's largest advertising agencies, and media companies Thomson Reuters Markets and The Knot Inc.

The building's list of occupants is in keeping with the shift of companies in the TAMI sectors away from Midtown—especially Midtown South—into less expensive, more chic parts of the city.

“TAMI is rock solid in Midtown South and even into lower Midtown, Downtown and across the East River to Brooklyn,” according to Cassidy Turley’s newly released office market snapshot report for the fourth quarter of 2012. “Tenants throughout the area continued to chase value as activity on high-end space.”

Harper Collins is a wholly-owned subsidiary of News Corp. The company began almost 200 years ago in the Downtown market. L&L is heralding its return to the area.

“We’re delighted to welcome HarperCollins back to Lower Manhattan, where for over a hundred years it grew both its business and reputation,” says David Levinson, CEO of L&L Holding. “Coming as it does on the heels of the recent Conde Nast signing at 1 World Trade Center, this becomes a very significant and transformative leasing transaction that bodes well for the continued resurgence of the downtown marketplace.”

L&L is a privately-owned real estate investment company with a portfolio of more than six million square feet of office space, primarily in Manhattan.

Watch for more input tomorrow morning from Cassidy Turley on the TAMI shift.