

COMMERCIAL OBSERVER

July 26, 2012

Lease Beat

IMG Worldwide Does 30K S/F Deal At 200 Fifth Avenue

By Daniel Geiger



200 Fifth Avenue

IMG Worldwide has leased nearly 30,000 square feet at 200 Fifth Avenue, roughly half of the building's eighth floor, for 15-years.

IMG is a media and marketing company involved primarily in television production and talent management. The company will be relocating to the space from the General Motors Building in Midtown.

IMG will join Grey Global and Tiffany & Co. in the 800,000-square-foot property, which was one of the first to capitalize on the surrounding neighborhood's dramatic rise in popularity and leasing activity.

L&L Holding Company acquired 200 Fifth Avenue in 2007 and converted the building from a drab office building that for decades had catered to the toy industry into a modern office property in a \$135

million renovation that was predicated on its being able to garner unprecedented rents.

The gamble paid off when L&L did large deals with both Grey Global and Tiffany & Co., companies that not only paid lucrative rents but also gave the 200 Fifth Avenue the cache of having household-name tenants.

Eataly, a large Italian themed food court and market leased most of the building's retail space and became a phenomenon, drawing tourists and shoppers in droves.

In recent months, only the building's roughly 60,000-square-foot eighth floor had remained available and several tenants were rumored to be interested in the space.

200 Fifth Avenue both benefitted from and helped usher a transformation of the Midtown South neighborhood where the property is located. The area has caught among tenants, particularly from within the city's booming tech sector, but as 200 Fifth Avenue's deals show, also with large corporate users who in the past may have opted to make Midtown their home. The building's glossy makeover anticipated the demand and catered to it, pushing rents to unprecedented heights in the area; well into the \$80s per square foot.

"We're delighted to welcome yet another world renowned tenant to 200 Fifth Avenue", L&L chairman and CEO David Levinson said in a statement.

The father and son team of Michael and Rocco Laginestra, executives at CBRE, along with colleague Chris Mansfield represented IMG in the deal. L&L was repped in house by executives David Berkey and Andrew Wiener.