

L&L's 600 Third Ave. proving to be an international star

A total of 46,382 s/f has been leased at 600 Third Avenue, the 42-story black glass tower spanning the block front between East 39th and 40th Streets, which landlord L&L Holding Company acquired from Sumitomo Corporation two years ago.

L&L has spent approximately \$3.5 million in capital improvements to reposition the building and it has paid off. The New Zealand Permanent Mission to the United Nations just closed a 11,421 s/f full floor deal at the building, the Austrian Mission to the UN closed a deal for the same square footage earlier in the year and Arab Banking Corporation signed a full-floor deal in May at the 515,000 s/f property. Two existing tenants, Design Strategy and Rappaport Steele & Co., have just renewed.

“The building was tired and in need of polishing,” said David Berkey the executive vice president and director of leasing for L&L Holding Company, LLC.

“We immediately instituted an aggressive capital improvement program which consisted of a major lobby and elevator renovation, the installation of a building access security system, several key mechanical upgrades and a few other projects still in progress. With the Grand Central submarket so tight, our aim is to develop as many full floors as possible.”

The new Zealand Mission was represented by Peter Shakalis of GVA Williams in its ten-year lease. The Austrian Mission, represented by Glenn Markham of Cushman & Wakefield, committed to a 12,634 s/f 10-year deal for the entire 31st floor. Arab Banking Corporation leased 12,150 s/f for ten years on the entire 27th floor and was represented by William Iacovelli of CBRE.

Two separated GVA Williams brokers arranged both renewals. Mark Friedman represented Design Strategy in the ten-year renewal of its 6,665 s/f lease on the 25th floor, and Bob Tunis renewed and expanded Rappaport Steele to 3,512-square feet on the 25th floor for five years.

L&L has also sought to maximize the retail potential of 600 Third Avenue by restructuring the lease of Au Bon Pain creating an additional 2,000 s/f of retail space immediately adjacent to the building's entrance on Third Avenue. This unit is already generating tremendous interest from triple-A merchants.

“Our philosophy is to acquire buildings, improve and enhance them, adding value in order to attract creditworthy tenants for the long-term.” Asking rents at the property are in the \$65 per square foot range.