

# Hedge Fund Citadel Subleases 24K SF at 520 Madison Avenue

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520 MADISON AVENUE. PHOTO: TISHMAN SPEYER

Citadel—the hedge fund that made waves last year after signing a high-priced lease at L&L Holding Company’s brand new 425 Park Avenue—has agreed to sublease 24,000 square feet at 520 Madison Avenue in Midtown from financial services firm Jefferies, according to *The Real Deal*.

The Chicago-based, Ken Griffin-led firm has sought to expand its Manhattan office footprint while L&L completes work on the Norman Foster-designed 425 Park Avenue, located between East 55th and East 56th Streets and slated for completion next year. Citadel signed an 11-year, 200,000-square-foot lease at the planned 47-story, 670,000-square-foot tower last February for a reported \$175 per square foot—including a city-record \$300 per square foot for the building’s penthouse office space, as Commercial Observer reported last year.

But the hedge fund has been searching for additional space in the short term until it is able to move into 425 Park Avenue, according to *TRD*, and was drawn to Jefferies’ space at 520 Madison Avenue as it is already equipped to accommodate a financial services tenant. Jefferies’ asking rent was in the high-\$80s per square foot, *TRD* reported. A CBRE team led by John Nugent and Andrew Sussman represented Citadel in the Jefferies deal. CBRE also represented the hedge fund in its lease at 425 Park Avenue. In addition, Citadel has hired a JLL team to look for up to 100,000 square feet of office space near its current headquarters at 601 Lexington Avenue, between East 53rd and East 54th Streets in Midtown East, *TRD* reported.

Jefferies signed a 458,000-square-foot renewal and expansion at 520 Madison Avenue in 2013 that is set to run through 2029. Tishman Speyer owns the 43-story, 1-million-square-foot property, where other tenants include the Carlyle Group and Davidson Kempner Capital Management.