

NEW YORK POST

1460 Broadway is in for a makeover

By Steve Cuzzo

August 11, 2014



A rendering of the planned project at 1460 Broadway, at 41st Street in Times Square.

The office building at 1460 Broadway belongs to the Times Square area's diminishing inventory of antiquated under-achievers. The drab brick structure on the northeast corner at 41st Street has none of its neighbors' pizzazz and seems out of place next door to the landmarked, soon-to-open Knickerbocker Hotel.

That's about to change. The San Francisco-based Swig Co. (no relation to New York's Swig Equities) is buying out its 49 percent partner in the property, Blackstone Group, and bringing in Himmel + Meringoff as its operating partner. (Swig Co. has owned the building with a revolving series of partners since it went up in 1951.)

When the purchase for an undisclosed price closes by late September, the new ownership team plans capital improvements that will turn the class-B office address into a class-A property sporting Times Square-style bright lights.

Swig Co. President/CEO Jeanne Myerson said the repositioning is made possible by the departure next year of law firm Skadden Arps, the 215,000 square-foot's only office tenant.

Who knew Skadden Arps, which famously shares 4 Times Square with Condé Nast, was also in 1460 Broadway? "It's for back-office use and depositions," Myerson said.

Himmel + Meringoff co-principal Leslie Himmel said, "We're planning the same magic we recently did at 401 Park Ave. S.," which was repositioned and leased after the exit of a major tenant.

Himmel said the capital plan, well "in excess" of \$25 million, would bring 1460 Broadway a new lobby, elevators and "spectacular" new double-height storefronts.

The work will also include installation of LED signs rising to 150 feet at the building's Broadway-side corners. But the main goal is to lure modern office tenants from the corporate, tech and media worlds. Asking rents will range from the high-\$50s to mid-\$60s per square foot.

Swig Co.'s other New York holdings include 1114 Sixth Ave. (the Grace Building), 1411 Broadway and 7 Hanover Square. Himmel + Meringoff's portfolio includes 521-533 W. 57th St. and 462 Broadway.

Leases brokered by Douglas Elliman's Faith Hope Consolo and Joseph Aquino usually involve high-end Manhattan retail. But this one couldn't be more different.

The team just negotiated a 40,000 square-foot lease in Queens for Mitchell's NY, the family-owned delivery service that moves products, including 1,500 types of beverages — but most famously, magazines and newspapers, including the New York Post.

Mitchell's is moving to Time Equities' 47-11 Austell Place in Long Island City, a 110,000 square-foot building previously used by a subsidiary of R.R. Donnelly & Son. The distributor is moving from 3200 Skillman Ave. nearby. The rent is \$20 per square foot.

Consolo, who picked up on our amusement over her involvement in a deal so remote

from glamorous Fifth or Madison avenues, noted that she and Aquino also handle some commercial work.

She said Mitchell's NY needed to stay in the Long Island City area, but it was a difficult assignment because "so many industrial buildings are being converted to residential."

Our story on Monday about JPMorgan Chase's real estate "review" — which might result in the bank leaving its 270 Park Ave. headquarters for a new Manhattan tower — drew some strangely spun follow-ups elsewhere.

One story suggested that the Jamie Dimon-led behemoth wanted to reshuffle its property deck because it has reduced its Manhattan workforce. It's true the bank has done that, for example relocating staff from One Chase Plaza downtown, which it sold to Brooklyn's Metrotech.

But the real estate re-evaluation has more to do with future job pruning. The Manhattan haircut has barely begun, and bank insiders told us the bean-counters are taking a hard look at how many positions in support areas can be transferred to buildings JPMorgan owns in New Jersey and in Delaware, where it recently bought a 357,000 square-foot complex.

We're also a tad skeptical of suggestions that Dimon's interest in development sites such as Related Cos.' 50 Hudson Yards is merely a passing whim of the sort every CEO entertains about new product. Nothing may come of it, of course — but no one should write it off as mere window shopping.