



SL Green Realty Corp. completes 100 Park Ave. - The new modern classic of Grand Central

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SL Green Realty Corp., Manhattan's premier office landlord, is transforming the city's skyline with its redevelopment programs which have taken numerous office towers including Midtown's 485 Lexington, 750 Third Avenue and 521 Fifth Ave., and turned them into desirable class A assets. The company is now beginning similar efforts at 810 Seventh Ave. and 711 Third Ave. and is also working to reposition 16 Court St. in Brooklyn, the borough's tallest office building.

The largest capital program in the firm's history, however, has been the transformation of the 36-story, 100 Park Ave. between 40th and 41st Sts. Although it was by far one of the most complicated renovations the company has ever undertaken, it has also been the most rewarding, with rents that are materially higher due to the quality of the redevelopment program.

100 Park Ave. is now the "New Modern Classic" of the Grand Central Terminal submarket in keeping with the surrounding new construction along the West 42nd St. corridor. SL Green acquired a lackluster building in 2000 in partnership with Prudential Real Estate, but, as the market evolved, they saw the opportunity to position the building at a higher level in the market - and seized it.

Steven Durels, executive vice president, director of leasing and real property said, "We really saw a place to go head-to-head with the class A market. The profile of our tenants had changed and we were seeing tenants that were prepared to pay a higher rent for a higher caliber product."

To do this, however, the company needed to undertake expansive renovation work, most visible today by the installation of a soaring two-story atrium lobby, stunning glass facade with 2,000 new insulated windows, and sleekly designed elevator cabs with glass and stone accents. 100 Park Ave. is now also equipped with upgraded electrical capacity to meet the needs of the growing ranks of tenants involved in the financial services industry.

"One of the most challenging things in this project was replacing 2,000 windows, as well as installing the glass curtain wall on the Park Ave. side while the building was fully occupied," said Edward Piccinich, executive vice president and director of management and construction. "To install the facade, we had to methodically chop out 2 x 2 foot sections along the entire surface of the building. The size of the curtain wall is the equivalent of a football field, to give you a sense of how vast the work was."

But how did SL Green keep all of their tenants (the building had a 95% occupancy rate throughout the renovation) happy during this period?

"As you can imagine, the curtainwall program, especially the chopping, had the potential to become the most intrusive part of the project. The trick was to avoid rent stoppage. To that extent, to accommodate our tenants, we created an elaborate swing space with full business services providing 2 large conference rooms, 12 private offices and 30 workstations" said Piccinich.

Durels added, "It's not uncommon that with this extensive a renovation, rent interruption and litigation can occur. However, none of that happened in this case because we communicated with tenants constantly. Everyone saw the vision that we had, and realized the eventual benefits of our comprehensive redevelopment design."

Today home to leading corporations including J. & W. Seligman and Co. Incorporated, Seligman Data Corporation, Impala Asset Management, and General American Investors, 100 Park Ave. is widely acknowledged as the new destination headquarters in midtown Manhattan.

It is not just the physical upgrades to the building that have been such a success, but the image of the building as a whole. "A different caliber of tenant is now attracted to the building," said Durels. "By the end of the year, we expect 100% occupancy. Despite the slowdown in the financial services industry, there is still a lot of demand in the market, especially for class A buildings located one block from Grand Central Terminal. "

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