



The evolution of Midtown Manhattan: Area is changing into a bustling 24/7 neighborhood

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Midtown is an area of infinite change, over the past decade the center of Manhattan has transformed into numerous micro-neighborhoods catering to the evolving needs of New Yorkers. One of the many beauties of New York City is its ability to reinvent itself to cater to the demand of the current times, and Midtown Manhattan is the most recent example.

An area known as the largest central business district in the United States is quickly changing into a bustling 24/7 neighborhood. Adams & Co. is seeing a significant boost in tenant demand for Midtown as the area is now becoming known for around-the-clock amenities such as top-rated dining, sleek rooftop bars and in-demand shopping.

Since 2000, Midtown - specifically between Fifth and Ninth Aves. between 45th and 23rd Sts. - has seen a huge turn around in terms of tenant type. This area has begun to see hotels, restaurants, more entertainment options, such as bars, lounges and night clubs, and an influx of residential developments. Since last year rents per s/f for office and retail have increased; according to recent reports, rents increased by \$8.21 per s/f from this time last year, now reaching \$74.29 per s/f in Midtown.

Change might not always happen easily, however in New York City it's the key ingredient for success.

Recently, Parson's School of Design made the decision to leave their headquarters and relocate their entire school to SoHo, creating the opportunity for a Dream Hotel to take its old address. While this move may have been a shock for many, as this section of Midtown, known as the Garment District, has always been home to the design school, most real estate experts will tell you this was no surprise. With the current revitalization and renovation of class B and C office buildings, Midtown has been attracting both professional services and innovative office and retail tenants. Each of these new tenants are adding to, yet slightly altering, Midtown's organic identity.

The Midtown office and retail leasing has been at its strongest in the first two quarters of 2014 than it has been since 2002. The area is even seeing a drop in availability, with only 11.4% available space in Midtown compared to last year's 12.2%. The Adams & Co. team is certainly seeing record levels of demand throughout all of their 27 commercial buildings.

An area known for its convenient commuting and transportation hubs is vastly popular, as many tenants are eager to capture the immense foot traffic throughout the neighborhood. Over the next few years we will continue to see Midtown active with new developments, high-profile office tenants, quality retailers, diverse hotels and well-regarded restaurants as they continue to transform this area of Manhattan into a live, work, play environment.

Adams & Co.'s strong knowledge of Midtown and overall market expertise allows us to guide tenants to stable landlords and advise clients on industry-specific locations that place them near

like-minded companies.

Adams & Co. has a long-standing strategy in niche markets including the micro-neighborhoods within Midtown, a constantly changing and evolving area. Our ongoing success is evidence of our market knowledge and robust relationships with local brokerages; Adams & Co. knows the landlords and real estate community on a local level.

With 100 years of experience, Adams & Co. has always, and will continue, to play a critical role in the Midtown value-driven commercial real estate market.

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