



Long Island City becoming more desirable for tenants looking to escape Manhattan rent prices

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As the price per s/f continues to increase throughout commercial buildings in Manhattan neighborhoods including Midtown South and Downtown, tenants are seeking better, larger and less expensive spaces across the East River to Long Island City (LIC). The LIC neighborhood is witnessing pent-up demand from tenants who are looking to escape from Manhattan's rising office rents but maintain a fresh and innovative environment. Specifically, as some Manhattan neighborhoods continue to evolve and prices rise, the relocation case will be made for new hubs in the outer boroughs, specifically LIC.

Time Equities Inc. owns and manages the Silks Building, a 110,000 s/f former Silk Manufacturing plant converted to a loft office building. Here we continue to see strong demand for the area, with asking rents moving from \$18 per s/f to \$25 in the last year, marking a 30% increase. Not only is the area in demand for the location, but creative and innovative tenants are taken with the overall aesthetic of the Silks Building and LIC properties as a whole, as these converted buildings offer an industrial style environment equipped with high-ceilings, massive glass windows and floor plans well situated for open formats. In the Silks Building, we converted a former lower level warehouse space for a tenant moving out of Manhattan named Media Place. The building's exposed brick, polished concrete floors and architectural columns aligned closely with the tenant's brand.

Already on the map with PS1, the Hunters Point redevelopment and JetBlue headquarters, we expect to see demand for commercial office space in LIC increase and further push asking rent prices. With buildings like Jamestown Properties' Falchi Building, Atlas Capital's The Factory, Acumen Capital's Standard Motors Building and Madison Marquette's Center Building, there is a clear sign that LIC is developing to serve this new influx of tenants.

In addition to the architectural appeal of the buildings and pricing, one of the area's major draws is its undeniable accessibility. The neighborhood offers an eased commute to Midtown through the N, Q, R, 7, E, M and F subway lines as well as the G line providing a route to Brooklyn. In addition, the LIRR is available for those coming from Long Island. For individuals commuting by car, LIC is one of the few commercial hubs with ample parking opportunities and access to the Queens Midtown Tunnel and the Brooklyn Expressway.

As trendier Manhattan areas continue to see asking prices increase, inventory decrease and taxing commutes remain, LIC's location, affordability and aesthetic elements will continue to attract interested parties.

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