



Marx Realty begins \$24 million repositioning at 545 Madison Ave.; Lobby design by Burns of Studios Architecture; suites by OTJ Architects

May 19, 2020 - Design / Build



Manhattan, NY Marx Realty revealed a \$24 million repositioning strategy after taking control of its 18-story office building at 545 Madison Ave. late last year. The hotel-like repositioning of 545 Madison—including two floors of pre-built office suites, a reimagined lobby and exterior entrance and 5,000 s/f of new amenities that represent the perfect combination of form and function as well as health and wellness – is a strong driver of asking rents in the building, which are in the \$87-115 range. A Cushman & Wakefield team led by Tara Stacom will manage leasing and marketing efforts at 545 Madison.

As part of the repositioning, Marx Realty is programming materials such as brass and copper and specialized fabrics that tend to be anti-microbial in nature while the doorman and lobby personnel will work in tandem to reduce the need for tenants and visitors to come in contact with surfaces. Marx Realty's proprietary Marx Connect software interface will be implemented in order to minimize physical interaction and these wellness attributes have been part of Marx Realty's signature design style since 2018. Various mechanical upgrades are also under consideration as part of the plan to reposition this asset for a post-Covid-19 office world.

Marx Realty's plans to transform the lobby and entryway are reminiscent of a boutique hotel with a striking marquee and sophisticated neon signage created by a Brooklyn-based artist. The entry will be attended by a uniformed doorman and will feature rounded, fluted glass doors and blackened bronze finishes. Walnut wood and bronze finishes in the lobby will infuse the space with a hospitality feel while a variety of seating options and a well-stocked library create a sense of community.

Suspended walnut wood panels will add texture and depth while golden lighting will create an ambience reminiscent of the world's finest hotel lobbies and complement the International Style of the building. Gentle curves will replace hard corners throughout the space and a signature scent, combined with mood music will round out the soothing experience.

"The success we've had in repositioning our asset at 10 Grand Central really punctuates the fact that today's tenants will pay a premium for space in a building that offers its employees a package of beautiful places to spend their work days. That includes a welcoming lobby and entry-way, serene gathering spaces and a thoughtful design aesthetic," said Craig Deitelzweig, president and CEO of Marx Realty. "The results of our repositioning at 10 Grand Central were immediate in terms of increased occupancy and asking rents and the work was completed in less than a year. Our reputation for distinctive transformation with a keen eye on the well-being of tenants and guests is already attracting interest from high-profile private equity, hedge fund, fashion, and technology firms. We intend to translate the top-to-bottom hospitality-like experience we created at 10 Grand Central to 545 Madison."

"Industry pros are calling Craig Deitelzweig the Ian Schrager of the office space," said Stacom. "He rethought the office experience and his vision of bringing hospitality to office through the building results in a very unique and in demand offering."

"We pioneered the hospitality aesthetic in the office sector and know how to quickly execute a transformation that makes tenants feel like they are walking into a luxury hotel," said Deitelzweig. "It starts at the front door by introducing a complete sensory experience and continues throughout the building with thoughtfully designed amenity spaces and common areas," continued Deitelzweig.

As part of the repositioning, Marx Realty will also add a new club floor at 545 Madison with a lounge space, terrace and boardroom in order to provide tenants with additional space to work or unwind in a space outside of their traditional office setting. The lounge will feature various intimate seating options and walnut wood and bronze finishes. A café with built-in appliances will afford tenants the ability to host catered events in the lounge. With outdoor space at a premium, the terrace will provide tenants with an urban oasis overlooking Madison Ave. In order to accommodate large meetings and company gatherings, the boardroom will feature seating for 40. The Marx Realty signature scent will also infuse the amenity spaces to complete the hotel-like experience.

David Burns of Studios Architecture is the architect working with Marx on the redesign of the lobby and creation of the amenity spaces. OTJ Architects will create the pre-built suites on the 3rd and 14th floors.

Within weeks of taking control of this asset, Marx Realty signed a five-year, 25,000 s/f lease renewal and expansion with financial software and applications developer Strike Technologies, and its electronic market making subsidiary Global Trading Systems (GTS). The firm will occupy 14,000 s/f on the 15th and 16th floors and an additional 11,000 s/f on the 17th floor. The asking rent was \$95 per s/f.

Additional tenants at 545 Madison include corporate offices of Home Shopping Network, investment firm Permanens Capital and top-tier wealth management companies. The building was renovated in 2009 with major upgrades including a new glass curtain wall and a reconfiguration of the building's architectural setbacks as well as mechanical, technological, and eco-friendly upgrades.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540