



Extell to develop 400,000 s/f class A medical office on the Upper East Side

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Manhattan, NY Extell Development Company will be developing the first prime class A medical office building on the Upper East Side at 403 East 79th St. The 30-story, 400,000 s/f building will have a new-build facility to meet the 21st century needs of the healthcare industry.

Drawing on the company's proficiency in developing both premier residential and commercial properties in the city, Extell is bringing the same superior level of quality and craftsmanship found at all its buildings to developing their first medical office and research building.

The full block site, located on the east side of First Ave. from 79th St. to 80th St., consists of 10 different parcels that took Extell over a decade to assemble. With the site fully entitled and cleared, the company anticipates breaking ground at the end of first quarter 2022 with completion slated for early 2025.

Designed by Perkins Eastman Architects, the mixed-use building will set a new bar for medical office and research space. The project will feature the latest in modern, user-centered design, infrastructure, and technological specifications. In addition to oversized windows that will offer views and natural light, the building will incorporate post-COVID enhancements and specific healthcare solutions, including increased ventilation and enhanced filtration throughout the building. There will also be accommodations for both Department of Health (DOH) and Article 28 requirements for uses such as an Ambulatory Care and Surgical Facilities.

The building's anchor tenant will be Hospital for Special Surgery, (HSS) has signed a long-term lease for 200,000 s/f spread across the first eight floors. The space will be filled with HSS physician offices and ancillary services for treatment of musculoskeletal conditions, which affect one out of every two people over the age of 18.

The site's large footprint allows for efficient floor plates with mostly column free spaces permitting maximum flexibility for tenant fit outs and future improvements and changes in configuration. The building will also include prime retail space on the cellar and ground levels.

"As the population ages and in anticipation of increased life expectancy, several medical expansions and redevelopments are already underway on the Upper East Side; however, the current medical office inventory is not equipped to meet the modern tenant's needs," said Gary Barnett, chairman and founder of Extell. "403 East 79th St. will provide a much-needed new facility to complement the

area's growth. We are pleased to be partnering with HSS, the foremost hospital for orthopedics and rheumatology to anchor the base of the building."

"We are grateful to Extell for building a superb facility that will help us to continue lead the world in specialized patient care, research, innovation and education," said Louis Shapiro, president and CEO of HSS. "This is an important step in the multi-year transformation of our main campus, and complement to construction of the HSS Kellen Tower over FDR Drive, which is now underway."

Avison Young president & managing director of New York City operations Mitti Liebersohn and principal & Tri-State chairman Arthur Mirante represented HSS in the negotiations in collaboration with the hospital's in-house team of Michael Calabrese, Stephen Bell and Stacey Malakoff. Extell was represented in-house in addition to Avison Young principal Vincent Carrega.

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