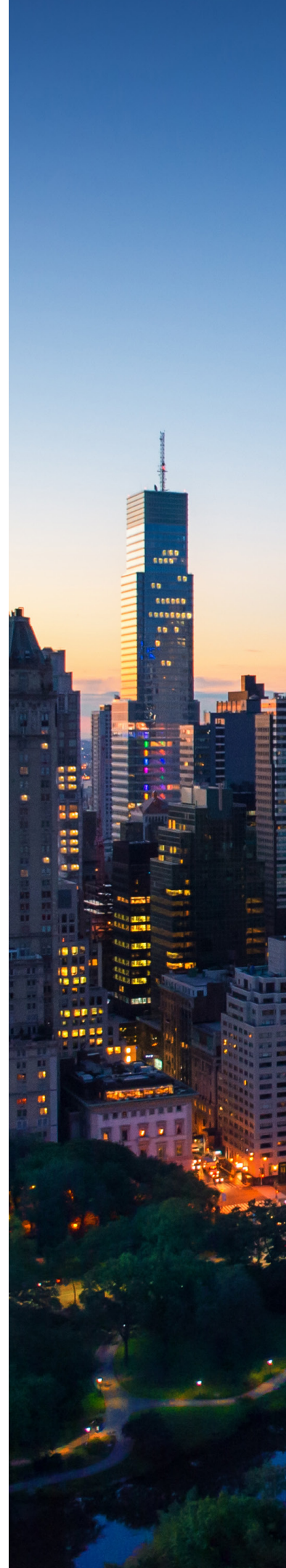


OFFICE ALPHA

LIQUID INVESTMENT FIRM OCCUPANCY REPORT
NEW YORK | 3Q 2019

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EVOLUTION OF A LIQUID INVESTMENT FIRM

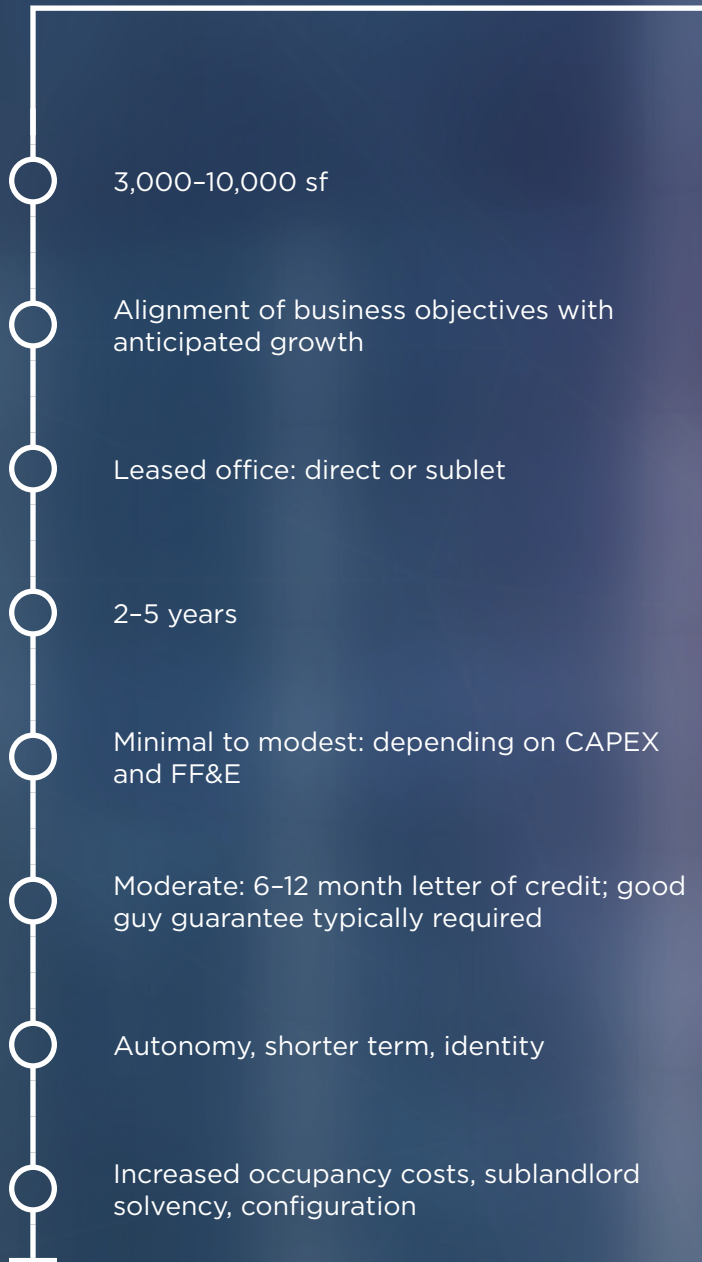
A startup fund is a unique specimen.

From incubator space to an established headquarters, these occupiers have an evolutionary pattern all their own.

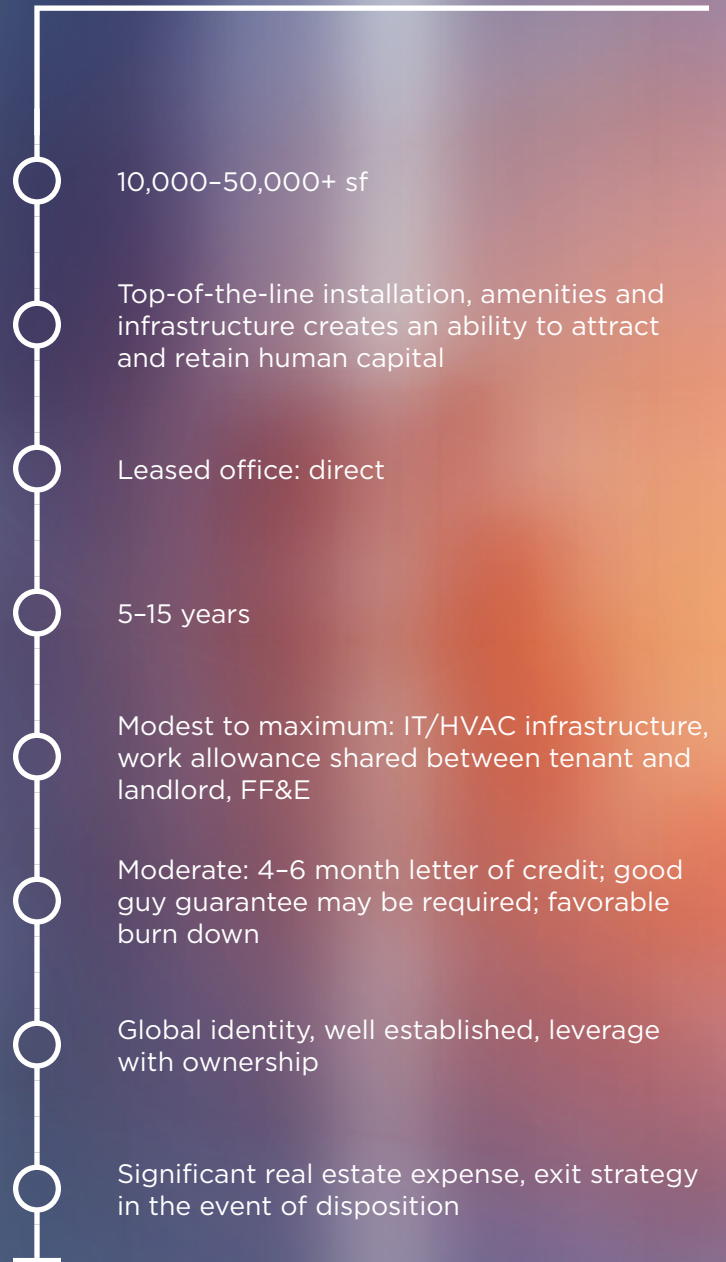
PHASE 1 COWORKING/SHARED/INCUBATOR



PHASE 2 FIRST OFFICE



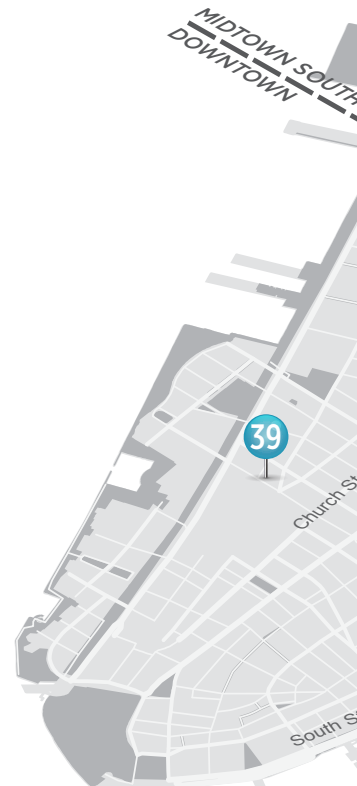
PHASE 3 ESTABLISHED HEADQUARTERS



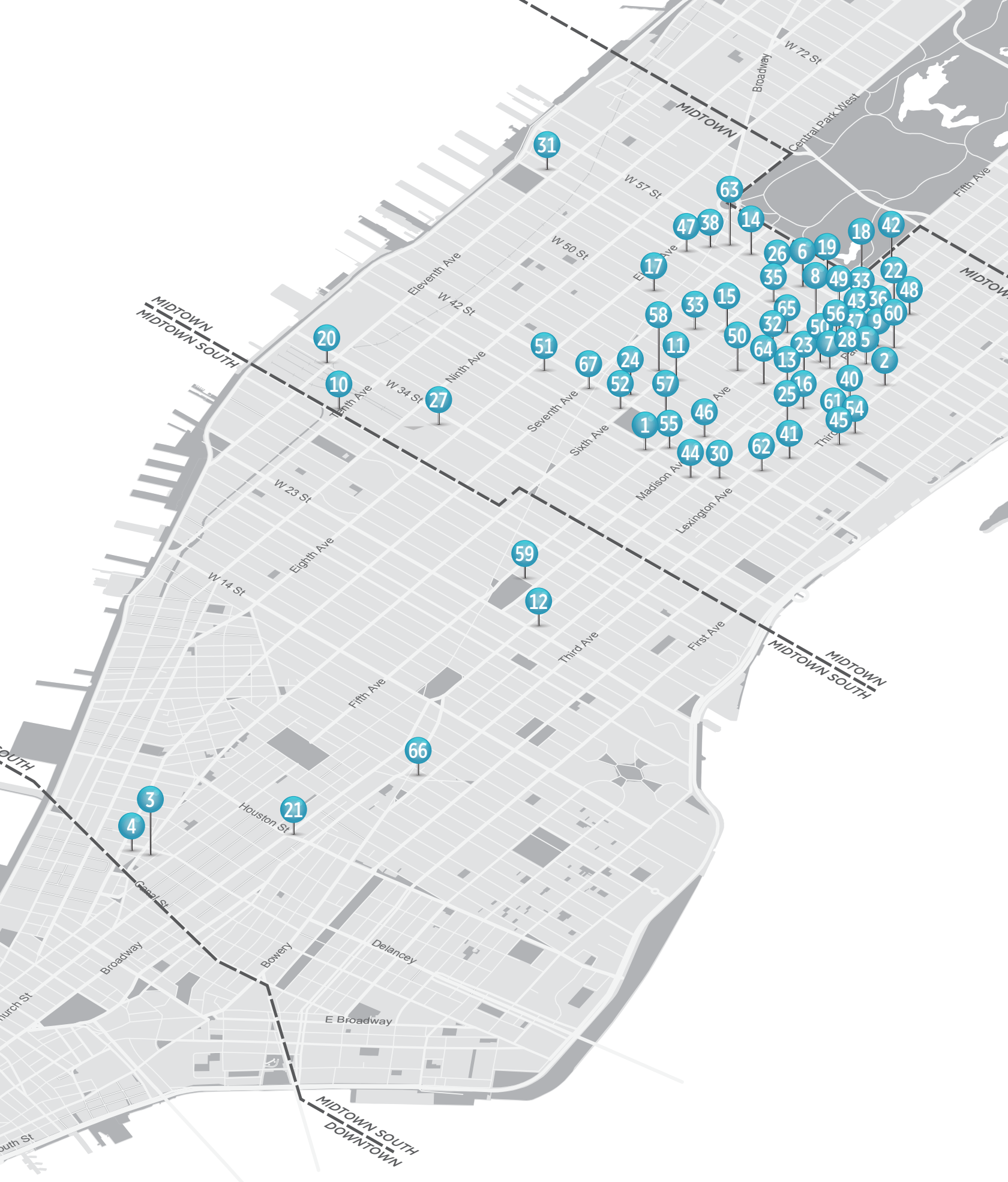
COMPETITIVE LANDSCAPE

SELECT LIST OF LARGEST FUNDS BASED ON AUM

- 1) **452 Fifth Avenue**
Man Group
Tilden Park Capital Management
Varadero Capital
- 2) **880 Third Avenue**
Renaissance Technologies
- 3) **100 Avenue of the Americas**
Two Sigma Investments
- 4) **101 Avenue of the Americas**
Two Sigma Investments
- 5) **399 Park Avenue**
Millennium Management
Brigade Capital Management
- 6) **40 West 57th Street**
Elliott Management
PointState Capital Management
Highbridge Capital Management
- 7) **350 Park Avenue**
Marshall Wace
- 8) **520 Madison Avenue**
Davidson Kempner Capital Management
Element Capital Management
TIG Advisors
Axonic Capital Management
- 9) **425 Park Avenue**
Citadel
- 10) **50 Hudson Yards**
BlackRock
- 11) **1166 Avenue of the Americas**
D. E. Shaw Group
- 12) **315 Park Avenue South**
Winton Capital Management*
- 13) **280 Park Avenue**
Viking Global Investors
BlueMountain Capital Management
Napier Park Global Capital
Triam Partners
Taconic Capital Advisors
- 14) **152 West 57th Street**
CQS
Kingdon Capital Management
Haidar Capital Management
- 15) **1270 Avenue of the Americas**
TCI Fund Management
- 16) **299 Park Avenue**
King Street Capital Management
Bardin Hill Asset Management
- 17) **1633 Broadway**
PIMCO
- 18) **767 Fifth Avenue**
York Capital Management
Perella Weinberg Partners
Glenview Capital Management
Maverick Capital
Reservoir Capital Management
Icahn Enterprises
- 19) **9 West 57th Street**
Sculptor Management*
DI Capital Partners
Coatue Management
- 20) **55 Hudson Yards**
Third Point
Point72 Asset Management
Engineers Gate
Centiva Capital
Nokota Capital Management
Arosa Capital Management
Healthcor Management
- 21) **610 Broadway**
Anchorage Capital Group
- 22) **500 Park Avenue**
Magnetar Capital
Samlyn Capital
Caxton Associates
- 23) **300 Park Avenue**
GoldenTree Asset Management
- 24) **One Bryant Park**
SRS Investment Management
Marathon Asset Management
- 25) **245 Park Avenue**
Angelo, Gordon & Co.
- 26) **1370 Avenue of the Americas**
Pharo Management
Canyon Partners
- 27) **1 Penn Plaza**
SECOR Capital Advisors
- 28) **510 Madison Avenue**
Senator Investment Group
Varde Partners
400 Capital Management
Stone Ridge Asset Management
Chieftain Capital Management
- 29) **375 Park Avenue**
Carlson Capital
EnTrustPermal
- 30) **101 Park Avenue**
Tiger Global Management
Hound Partners
- 31) **787 Eleventh Avenue**
Pershing Square
- 32) **650 Fifth Avenue**
Systematica Investments
WorldQuant
- 33) **590 Madison Avenue**
Brevan Howard
DW Partners
- 34) **1251 Avenue of the Americas**
Waterfall Asset Management
- 35) **1350 Avenue of the Americas**
Cheyne Capital
- 36) **450 Park Avenue**
Steadfast Capital Management
Harbinger Capital
Junto Capital Management
- 37) **410 Park Avenue**
Solus Alternative Asset Management
- 38) **1745 Broadway**
PDT Partners
- 39) **7 World Trade Center**
Capstone Investment Advisors
- 40) **800 Third Avenue**
Graticule Asset Management
- 41) **140 East 45th Street**
Greenlight Capital
- 42) **660 Madison Avenue**
Birch Grove Capital
- 43) **65 East 55th Street**
Eminence Capital
ExodusPoint
- 44) **90 Park Avenue**
Autonomy Capital
Bridger Capital Management
Tenaron Capital Management
Abdiel Capital Management
- 45) **767 Third Avenue**
Rubric Capital Management
- 46) **330 Madison Avenue**
HG Vora Capital Management
- 47) **250 West 55th Street**
Soros Fund Management
Sachem Head Capital Management
Warlander Asset Management
Squarepoint Capital Management
- 48) **499 Park Avenue**
Empyrean Capital Partners
Cantillon Capital Management
- 49) **535 Madison Avenue**
Garda Capital Partners
Gotham Asset Management
Aurelius Capital Management
Melvin Capital Management
Monarch Alternative Capital
- 50) **One Rockefeller Plaza**
Highline Capital Management
- 51) **11 Times Square**
Kecos Capital
Moore Capital Management
SIR Capital Management
- 52) **1095 Avenue of the Americas**
Pine River Capital Management
- 53) **600 Lexington Avenue**
LibreMax Capital
MKP Capital Management
KCL Capital Management
- 54) **777 Third Avenue**
Hudson Bay Capital Management
Medalist Partners
- 55) **475 Fifth Avenue**
Ionic Capital Management
- 56) **527 Madison Avenue**
Long Pond Capital
SkyBridge Capital
- 57) **500 Fifth Avenue**
Hildene Capital Management
- 58) **1177 Avenue of the Americas**
Seer Capital Management
- 59) **15 East 26th Street**
Holocene Advisors
- 60) **126 East 56th Street**
Quest Partners
- 61) **780 Third Avenue**
Tricadia Capital Management
- 62) **405 Lexington Avenue**
Saba Capital Management
- 63) **888 Seventh Avenue**
Tourbillon Capital Partners
Wildcat Capital Management
- 64) **12 East 49th Street**
Argentem Creek Partners
Brave Warrior Advisors
- 65) **666 Fifth Avenue**
Atlantic Investment Management
- 66) **51 Astor Place**
Tudor Investment Corporation
Perceptive Advisors
Maplelane Capital
- 67) **7 Times Square**
TimesSquare Capital Management



*Space on the market for sublease



MOST NOTABLE TRANSACTION OF 3Q 2019

Brevet Capital Management 441 Ninth Avenue

Cove Property Group (Cove) purchased 441 Ninth Avenue from owner-occupier EmblemHealth in 2016 with an elaborate renovation plan to build an 18-story glass and steel superstructure atop the existing eight-floor building. After purchasing additional air rights, Cove completed the 420-foot extension without adding a single column to the existing structure. The owner looked to build upon the asset's historical roots as an industrial factory while ensuring that the renovation would stand the test of time.

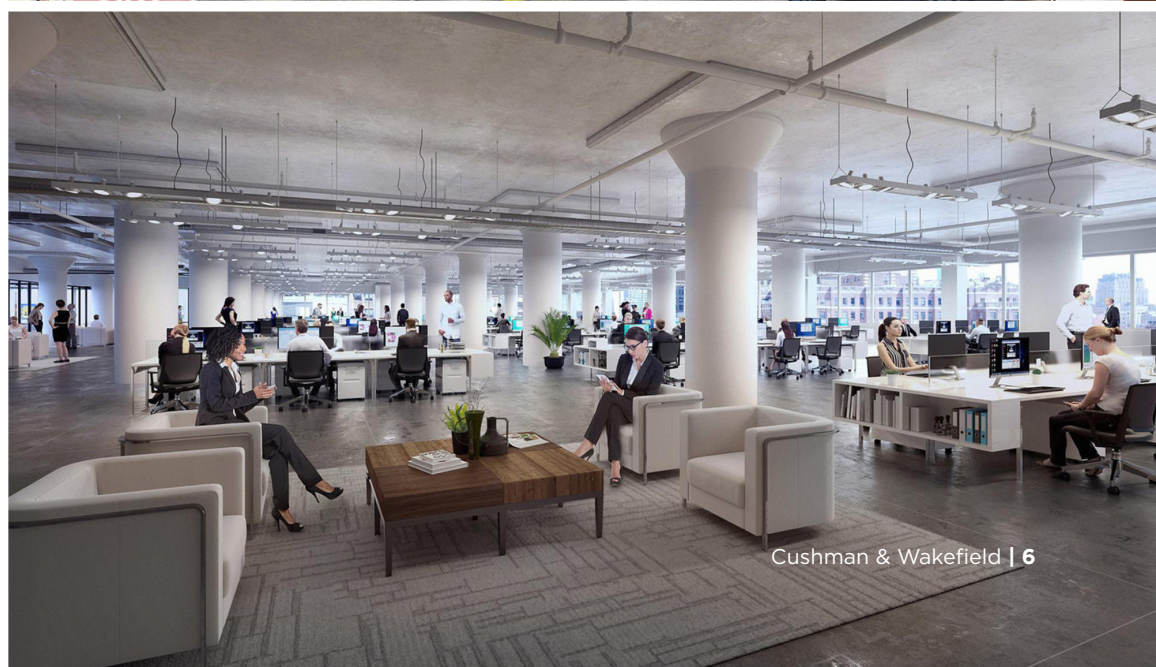
Brevet Capital Management (Brevet Capital), a traditional Plaza District occupier, shocked the market with its lease at 441 Ninth Avenue. The firm grew more than twice its existing footprint at 230 Park Avenue when it elected to lease 16,178 sf on the 20th floor of the new tower. Brevet Capital will benefit from all of the perks of new construction, including high ceilings, abundant natural light, state-of-the-art heating and cooling systems and outdoor space.

“The open floor plan, abundant light and air, and industrial details will allow us to deepen our culture of collaboration and cross-pollinating information to create dynamic financial solutions and partnerships.”

- Doug Monticciolo, CEO, Brevet Capital

Brevet Capital is one of many financial services firms looking to the Far West Side for new offices. Its neighbors will include Point72 Asset Management, Third Point Management, Nokota Management, Arosa Capital Management, and Engineers Gate.





OFFICE MARKET SNAPSHOT

At the time of publication, Cushman & Wakefield's research team tracked 14 liquid investment firm transactions this quarter. The breakdown is below:

Midtown

Ten leases were executed, accounting for 201,171 sf. The average taking rent was \$105.65 psf, a 19.3% increase from last quarter. Concessions for new leases averaged seven months of free rent and \$80.00 psf in tenant improvement allowance.

Midtown South

Four leases were executed averaging \$133.25 psf, a marginal increase in leasing activity compared to last quarter when three transactions occurred.

Downtown

No new lease transactions were tracked.

- New Launch
- Relocation
- Expansion
- Renewal

**Financial terms and conditions of these transactions are kept in strictest confidence.*





WILSON CAPITAL
 Hudson Yards
 Partial 22nd floor
 16,007 sf

BREVET CAPITAL MANAGEMENT
 441 Ninth Avenue
 Entire 20th floor
 16,178 sf

PDT PARTNERS
 1745 Broadway
 Entire 24th-25th floors
 53,490 sf

SQUAREPOINT CAPITAL
 250 West 55th Street
 Entire 38th floor
 24,265 sf

YORK CAPITAL
 767 Fifth Avenue
 Entire 17th, Partial 21st floors
 55,430 sf

BIRCH GROVE CAPITAL
 660 Madison Avenue
 Partial 15th floor
 8,320 sf

ATLANTIC INVESTMENT MANAGEMENT
 1301 Ave. of the Americas
 Partial 38th floor
 7,305 sf

CANYON PARTNERS
 1370 Ave. of the Americas
 Entire 30th floor
 10,776 sf

MANA PARTNERS
 600 Fifth Avenue
 Partial 2nd floor
 2,600 sf

ECHO STREET CAPITAL
 12 East 49th Street
 Entire 44th floor
 16,200 sf

CHALKSTREAM CAPITAL GROUP
 444 Madison Avenue
 Entire 22nd floor
 7,208 sf

TOLIS ADVISORS
 809 Broadway
 Entire 8th floor
 2,508 sf

IN THE SPOTLIGHT

NEW DEVELOPMENT

The Six | 106 West 56th Street Savanna Real Estate Fund

The Six, Savanna Real Estate Fund's 26-story new office development, caters specifically to boutique financial tenants. The building is expected to deliver in January 2020.

Surrounded by New York landmarks such as Carnegie Hall and Central Park, the 90,000-sf building's design includes 13'6" ceiling heights, column-free floor plates, numerous terraces, and floor-to-ceiling windows that frame spectacular Central Park views.

Given the limited number and stature of its tenancy, The Six will offer smaller tenants an exclusive and bespoke office product unlike anything else in New York City. Asking rents range from \$105.00/sf on base floors to \$150.00 psf on the tower floors.

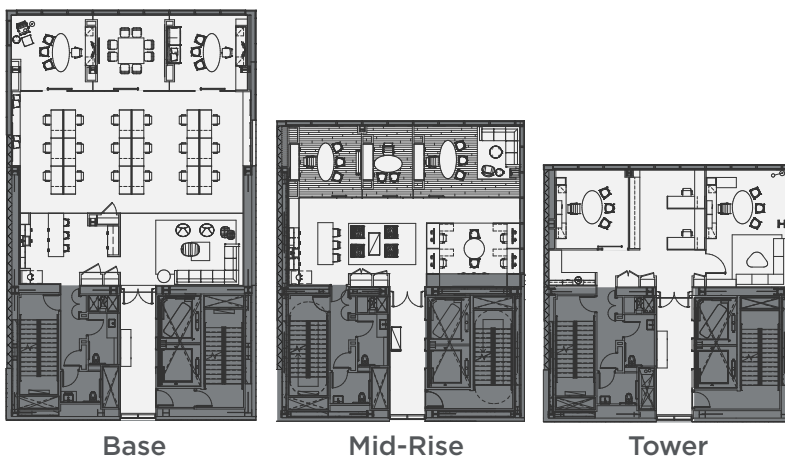
Total Building Size: 90,000 sf

Typical Floor Size: 2,500-4,500 sf

Delivery: January 2020

Asking Rent: \$105.00-\$150.00/sf

Sample Test-Fits





IMPORTANT CREDIT CONSIDERATIONS

Key business drivers that owners evaluate when determining security deposit

- GP and LP diversification
- Fund/investment management contract structure
- Investment strategy
- AUM, fee and redemption restrictions
- Number of funds
- Fund performance history
- Number and nature of regulatory issues

Source: Tenant Risk Assessment



Jeffrey R. Lovell
212 841 5994
jeffrey.lovell@cushwake.com

William T. Yeatman
212 841 7681
will.yeatman@cushwake.com

Winston C. Schromm
212 841 7873
winston.schromm@cushwake.com



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