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REALTY CHECK

Bryant Park resurgence continues with billion-dollar sale

BY STEVE CUOZZO



The \$2.2 billion purchase of 1095 Sixth Ave. by Ivanhoé Cambridge and Callahan Capital Properties, announced last week, is the latest milestone in the ongoing transformation of the avenue and intersecting streets near Bryant Park.

The 1.2 million square-foot tower is 100 percent leased to MetLife, Verizon and Dechert LLP.

My colleague Lois Weiss recently reported that MetLife might leave its pricey higher floors to consolidate elsewhere, which would position the new owners to find new tenants paying upward of \$80 a square foot.

The building has annoyingly been renamed 3 Bryant Park (just as 1065 and 1071 Sixth have annoyingly become 5 and 4 Bryant Park).

It's across 42nd Street from the Durst Organization's 1 Bryant Park and two blocks north of Hines' under-construction 7 Bryant Park, which Bank of China plans to buy for around \$600 million.

(What happened to 2 and 6 Bryant Park is a question mark.)

All this would have flabbergasted New Yorkers in the 1970s and '80 who remember the park as a gunfire-strewn drug marketplace until it was closed for a four-year redesign in 1988.

Today's boom reflects the new energy all around the park. HFZ Capital is developing a 32-story luxury condo and hotel tower on a long dormant site at 20 W. 40th St.

At 1095 Sixth, retail spaces that sat empty for years are now mostly leased — including to athletic wear giant Asics, now open, along with a Whole Foods "concept" and luxury watchmaker Tourneau, which are under construction.

The commercial zone radiating from the Sixth Avenue and 42nd Street corner has a buzzing vibe and human feel despite the area's corporate concentration.

The three-level Kinokuniya bookstore at 1073 Sixth Ave. is usually packed despite being half-hidden behind a scaffold — and the fact that most of its titles are in Japanese.

Although it might not have been what Douglas Durst and Bank of America had in mind when they built 1 Bryant Park, the tower's street-level public lobby has become one of Midtown's favorite meccas for chess players — not buried deep inside, but at sidewalk-facing windows.

The something-for-everybody phenomenon extends around the 42nd Street corner toward Times Square.

The new Knickerbocker Hotel opens on Feb. 12 and a Hilton Garden has opened next to it.

And it has spread east as well.

At Brookfield and the Swig Company's Grace Building, at 1114 Sixth Ave., where 1.56 million square feet of offices are 93 percent leased, acclaimed chef Gabriel Kreuther, formerly of The Modern, will soon open a 14,000 square-foot restaurant and gourmet shop on the ground floor, where it will have 60 feet of 42nd Street sidewalk frontage facing Bryant Park.

Kreuther's as yet-unnamed spot joins pricey steakhouse STK in the Grace Building.

Meanwhile, Charlie Palmer's Aureole is thriving on 1 Bryant Park's 42nd Street side, and he's going to run new venues as well in the Knickerbocker across the street.

Retail spaces on upper Lexington Avenue don't usually stay vacant for long.

In the latest deal, contemporary art gallery Diamondocity has signed at 958 Lexington at East 70th Street, replacing the former tenant, Roberta Freymann.

Douglas Elliman's Faith Hope Consolo and Joseph Aquino represented both the tenant and landlord Marolda Properties.

The 1,000 square-foot space went for \$515 per square foot, according to the brokers.

Diamondocity first launched its "jewelry for the walls" collection online and had a pop-up space in East Hampton last summer. This is its first permanent location.

Consolo predicted the "dazzling artwork displayed on a highly visible corner will attract even more patrons."