



NEW YORK RETAIL LEASING ACTIVITY

The Faith Report

Sleep and Dine Where you Shop

New York City is known for its fabulous dining and the most elite in accommodations. Let's face it, we never disappoint. Our great city will live up to its stellar reputation this year with the addition of spectacular new restaurants to please even the most discriminating tastes and luxurious hotels that will allow the city's visitors a most enchanting place to rest their heads.

New York diners demand delightful décor as well as top-notch fare and the choices are endless. Here's a look at some of the newest entrants for the best in entrees:

Rare Bar & Grill, 228 Bleecker Street at Sixth Avenue, in the West Village is an offshoot of the original Murray Hill burger joint located inside the Shelburne Hotel, and has recreated the tavern décor. Mixing Italian and Brazilian cuisine, Chef Patrick Amori opened **Samba-Le** in the East Village, 23 Avenue A. The Lower East Side is home to another Italian-American Restaurant -- **The Orchard** at 162 Orchard Street -- by John LaFemina, cofounder of Peasant. Gourmet legend **Balducci's** has a new flagship in the historic New York Savings Bank building and will soon offer a dining area at 81 Eighth Avenue and 4th Street. Vegan fare is on the menu at **Blossom Restaurant & Café**, a Chelsea restaurant with a retro bar, fireplace and amazing selection of organic wines and beers, at 187 Ninth Avenue.

In the space formerly belonging to Pearson's Texas BBQ, 170 East 81st Street, **Antonucci** by Francesco Antonucci, the former chef-owner of Remi, is serving Italian. Mangia! Bill Telepan has unveiled his American restaurant **Telepan** at 72 West 69th Street at Columbus Avenue. **Juan Valdez Café** has opened its second New York location at 1451 Broadway, pleasing even more coffee-lovers. **Philippe**, by Philippe Chow, formerly of Mr. Chow, has opened an upscale Chinese restaurant in the former RM space, at 33 East 60th Street. **A Voce**, at 41 Madison Avenue and 26th Street, is a sleek Italian eatery by Andrew Carmellini, who is James Beard's "Best Chef New York City 2005" and chef of Café Boulud for the past six years. **Ureña**, 37 East 28th Street, serves up modern Spanish cuisine from chef Alex Ureña, who cooked with legend David Bouley and was mentored by Spain's fabulous Ferran Adria. **Whym**, at 889 Ninth Avenue at 58th Street, by Sean Connolly and Evan Kushner is a take on modern New York fare. **donà** by Donatella Arpai of davidburke&donatella will launch a new restaurant on the site of Bellini -- 208 East 52nd Street -- combining Southern-European tastes with strong Italian and Greek influences. The highly anticipated **Gilt** has finally opened its gilded doors in the former Le Cirque space in the Palace Hotel, where



Paul Liebrandt is debuting his quirky European cuisine. Newly opened **Peacock Alley**, the legendary dining inside the Waldorf-Astoria at 301 Park Avenue, is serving neo-modern French by Cedric Tovar. **The Shoreham**, inside the hotel of the same name, is headed by chef Tim Reardon and offers creative American cuisine, at 33 West 55th Street. The San Carlos Hotel is now home to the exotic **Mint**, spotlighting cuisine from Goa and Sikkim, 150 East 50th Street. **Papillon** replaces Typhoon Restaurant and Brewery at 22 East 54th Street and is a brasserie-style eatery. **Lobby Restaurant**, part of the lounge in the Four Seasons Hotel, has been turned into an all-day dining area and Fifty Seven Fifty Seven has closed its doors and will soon become **L'Atelier de Joel Robuchon**, at 57 East 57th Street. **Brasserie Ruhlmann** has opened at 45 Rockefeller Plaza, bringing another French brasserie to the masses. Famed chef Gordon Ramsay plans to open in the Rihga Royal hotel, to be renamed the London NYC hotel. **Dave & Buster's** family friendly entertainment restaurant will light up Times Square when it debuts at 234 West 42nd Street.

Created by former Windows on the World employees, **Colors** has opened at 417 Lafayette Street and serves a

multi-national menu. Right around the corner from Dean & DeLuca, Giorgio DeLuca and Jorge Neves have opened a café-style offshoot of their trattoria Giorgione, **Giorgione 508** at 508 Greenwich Street. **Craftsteak**, 85 10th Avenue at 15th Street, features chef Tom Colicchio's personalized preparation of meat, fish and vegetables. **Dani**, located at 333 Hudson Street and Charlton, is a new Sicilian restaurant by former Tribeca Grill chef Don Pintabono featuring Mediterranean food with an emphasis on Sicily. **Blaue Gans** has taken up residence at the former Le Zinc space in Tribeca, bringing an Austro-German flair to 130 Duane Street.



In the Financial District, **Flames**, at 5 Gold Street and Maiden Lane, is a steakhouse branch of the Westchester original. **P.J. Clarke's** has opened a second location of the famed original at 4 World Financial Center at Vesey Street and will open another branch in the former Iridium space on West 63rd Street at Lincoln Center.

Shelly's New York, at 104 West 57th Street, will move its steak and seafood staple to 41 West 57th Street, formerly Wolf's Deli. Craft chef Tom Colicchio

will expand his **'wichcraft** sandwich shops at 555 Fifth Avenue and 60 East 8th Street.

After shopping until they drop and enjoying to-die-for dining, New York City visitors will no doubt seek out superb places to stay the night.

Here's an overview of Manhattan's dynamic hotel market:

Hotel income is said to be the strongest in five years and 2006 is expected to rocket forward at an even faster pace. Not to mention that hotel revenue in the Big Apple is increasing twice as fast as the rest of the country. There is a massive morphing of hotels to condos and new and exciting developments are coming fast and furious to fill the void.

Conversions are a hot topic as developers are rapidly converting hotels into residences. **The St. Regis Hotel New York** and **The Gramercy Park Hotel** will open in the spring with residential units as well as hotel areas, and the **Stanhope Hotel** will reopen as an entire residential complex. **The Mark** hotel on East 77th Street, between Madison and Fifth Avenues, and **Swissotel's The Drake**, at 440 Park Avenue and 56th Street, are the latest New York hotels going residential for cooperative apartments following the leaders -- **The Plaza**, **St. Regis**, **Mayflower** and **Stanhope**. CB Richard Ellis is also pitching the Amalgamated Bank Building at 15 Union Square West as a possible hotel and condo conversion.

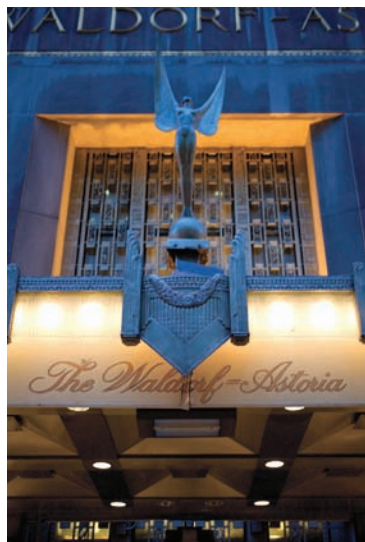
Let's focus for a moment on new hotels entering the ring in 2006. Out with the old – also known as ex-hotels, now condos – and in with the new. Booming tourism equals a need for accommodations. By the end of 2007, New York City is adding nearly 5,000 new hotel rooms to the current inventory of around 79,000. According to NYC & Co., sixteen new hotels will open in 2006.

Brand hotels gracing our bustling city will include a 210-room, 16-suite **Courtyard by Marriott** at 410 East 92nd Street, and another in Harlem, at 125th Street and Park Avenue. The first **Residence Inn by Marriott** has opened a 357-suite hotel at 100 West 39th Street. **Wingate Inns** will open in Queens as well as in

Midtown, at 235 West 35th Street. **Holiday Inn Express** is coming to Brooklyn and will also add a location at 232-238 West 29th Street. **Hilton Garden Inn** will debut in Tribeca, at 2 York Street, and **Four Points by Sheraton** will head Downtown to Soho, at 66 Charlton Street, between Varick and Hudson. Andre Balazs's eagerly anticipated 344-room **Standard Hotel** on West 13th Street, between Washington and West Streets, will be constructed at 848 Washington Street this year. **The Downtown Hotel** at Greenwich and North Moore streets also plans to open during 2006. Also on the scene to fill tourists' void of accommodations is the **Rockefeller Center Hotel** at 25 West 51st Street. Downtown **Loft Hotel Tribeca**, at 130 Duane Street, are slated to debut. Newly unveiled by developer Vikram Chatwal is his new **Night Hotel**, at 132 West 45th Street. The Pomeranc family will complete the renovation of **6 Columbus Circle**, neighboring shopping haven Time Warner Center.

Two brand-named mid-priced hotels are planned near Times Square. Sharing a rooftop restaurant and lounge, The Lam's Group plans to build a 250-room **Sheraton Four Points Hotel** on the site of West 40th and Eighth Avenue, as well as a **Marriott Fairfield Inn**. Both hotels are scheduled for 2007 openings.

Starwood Hotels & Resorts has sold 38 of the properties within its vast portfolio (including hotels under the Sheraton, W, Westin, St. Regis and Luxury Collection brands) to Host Marriott Corporation for \$4.1 billion. Starwood plans to focus on building more "W" hotels in Europe and expanding in Las Vegas with several sites, including a casino.



Hotelier Ian Schrage is considering a deal to convert the former MetLife headquarters, at One Madison Avenue and 23rd Street, into a grand hotel and condominium complex.

Harlem's historic Victoria Theater may be transformed into a hotel and cultural complex on West 125th Street. The 25 stories would include a hotel with condos, a ballroom, a community theater, exhibition space for Studio Museum in Harlem and a BB King supper club.

335 Bowery is now being transformed into a boutique hotel by developers Richard Born and Ira Durkier (of the Mercer) and Eric

Goode and Sean MacPherson (Bowery Bar and the Park). The 16-story hotel at the corner of Third Avenue will open this summer and is not going to be modern; instead it will look like it is from the early part of the last century.

Major renovations will take place at **Hilton New York**, including a \$49 million renovation, the creation of a 14,000-square-foot spa, the addition of plasma televisions to its rooms and refurbished public spaces. **Sheraton New York** is investing in upgrades as well, spending \$50 million on renovation.

Within the hotel industry, it's not only about comfort anymore. As the industry faces fierce competition and customers with a more sophisticated and demanding taste, larger chains are trying to catch up to boutique hotels by redesigning their properties to appeal to a younger, more modern consumer. The Hyatt Corporation, Marriott Hotels and Ritz Carlton have announced plans to launch new brands with location-specific designs, more comfortable lobby spaces that would work for intimate meetings and updated rooms with complete technology. The rooms will even feature more modern lines and spectacular décor.

Here's a toast to all of the great new places to visit in New York! From fine dining to fine lodging, our city continues to be at the center of it all.

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