

JULY 16, 2014 - **DUVAL & STACHENFELD** IN THE NEWS - By Monica Paquette

MARKETPLACE



1250 Broadway

NYLJ/Rick Kopstein

Varonis Systems Inc. is expanding its worldwide headquarters at a Jamestown property at 1250 Broadway, between W. 31st and W. 32nd streets. The class-A, mixed-use property overlooking Herald and Greeley squares has 39 floors with more than 770,000 square feet.

As a software and services provider, Varonis helps organizations manage and protect their unstructured data. The tech group's existing lease was for 15,356 square feet on the 31st floor. Under a new 10-year lease, it added the 28th and 29th floors, for a total of 46,068 square feet.

Eric Menkes, a partner at **Duval & Stachenfeld**, represented Jamestown.

Norman Berlin, a partner at Pepper Hamilton, and associate Lauren Balsamo, who are based in Philadelphia, represented Varonis.

The asking rental rate for class-A office space in Midtown Manhattan near 1250 Broadway is about \$76 per square foot, according to Cushman & Wakefield's first quarter of 2014 report.

Broadway between the Nomad and Flatiron districts is becoming increasingly attractive to tech, media and creative companies, Michael Phillips, Jamestown's chief operating officer, said in a statement.

Some of the recent improvements at the Jamestown property include an upgraded lobby, elevators and building systems. The building also has an indoor 150-car parking garage. It was the "first LEED-gold-certified office building in New York City," according to Jamestown's website. The building is 98 percent leased.

Jamestown is also working on a \$3 million plaza renovation, including a stainless steel canopy with LED lighting; a new glass curtain wall; and a new "white glass" primary façade with granite planter-box installations. The project is due for completion this fall.

"The growth of human-generated data inside businesses—both its volume and its importance—is causing organizations of all sizes to look for better ways to manage and protect that data," said Yaki Faitelson, CEO, president and cofounder of Varonis. To meet that demand, Varonis expects to increase its staff.

Varonis was cofounded in 2004 by Faitelson and Ohad Korkus, who is also the company's chief technology officer. Last month, Faitelson received an EY Entrepreneur of The Year 2014 Award in technology in New York. In response to the award, he said the goal was "to create a new software company that could thrive at the intersection of security and productivity and make the digital world a better place."

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As of March, Varonis had approximately 2,550 customers, across the financial services, public, health care, energy and utilities, industrial, technology, consumer and retail, education, and media and entertainment sectors.

Established in 1983, Atlanta-based Jamestown, a national integrated real estate group, manages a portfolio of some \$7.3 billion in assets. The Chelsea Market, at 75 9th Ave., and One Times Square are among its properties.

Douglas Regal and Evan Algier, brokers at ABS Partners Real Estate, handled the lease for Varonis. MHP formerly known as Murray Hill Properties, manages 1250 Broadway.

Cushman & Wakefield's Mitchell Arkin, executive director, brokerage; Justin Royce, senior director; Kelli Mekles, senior leasing associate; and Michael Blanchard, associate, acted on behalf of the tenant.

Looking to take the streets of New York City one fare at a time, Uber, a tech-based global transportation business, has leased 52,350 square feet at 636-638 W. 28th St. San Francisco-based Uber has a 10-year lease with Waterfront New York Realty Corp.

By using Uber's app, clients can use mobile devices to "request, ride and pay" for car services or e-hail one of its cars, according to its website. One of its other services, UberRUSH, provides messenger pick-up and services.

Constructed in 1891, the 1.2 million square-foot, mixed-use property, also known as the Terminal Warehouse or Terminal Stores, occupies an entire block, framed by 11th and 12th avenues and W. 27th and W. 28th streets. Uber did not provide information on the new lease.

Steven Honig, vice president and general counsel of WFNY 1, a subsidiary of Waterfront, represented the landlord.

Deborah Churton Aikins, a partner at Liuzzi, Murphy, Solomon, Aikins & Hale in San Francisco,

represented Uber.

The asking rents at the West Side property are in the mid-\$40s per square foot.

The Terminal Warehouse, which has unique architectural features such as large arched windows and exposed brick walls, once had a train running through the center on the ground floor. The space is now filled with galleries, restaurants, showrooms and office. The property also has access to 41 loading docks.

Uber, among the newer transport modes in the city, is regulated by New York Taxi and Limousine Commission as a livery service. As a private company, it has the flexibility of making fair adjustments, according to Crain's New York Business.

Fares, called UberX fares, are competitive and can be split among passengers. "We just dropped UberX fares by 20 percent, making it cheaper than a New York City taxi. From Brooklyn to the Bronx, and everywhere in between, UberX is now the most affordable ride in the city," the company said on its blog. A current trip from Grand Central Terminal to the Financial District runs \$22, down from an old rate of \$28. The same trip by taxi was estimated at \$24.

Uber was founded in 2009 and operations in more than 70 cities in the U.S., and is present in more than 40 countries.

Jones Lang LaSalle's Alexander Chudnoff, vice chairman; Dan Turkewitz, senior vice president; and associate Brittany Wunsch acted on behalf of Uber.

Waterfront New York Realty's Christopher Flagg, vice president; Chris Pachios and Peter Pachios, directors and brothers, internally handled the lease.

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