



Ernst Young to move Manhattan HQ, highlighting corporate shift

Herb Lash, Reuters, 11.2.17

NEW YORK (Reuters) - Ernst & Young LLP said on Thursday it will move its U.S. headquarters from Times Square to Brookfield Property Partners LP's Manhattan West project in the latest move marking a westward shift of New York's corporate landscape toward the Hudson River.

Advisory firm EY agreed to lease 17 floors of a 67-story tower rising on Manhattan's west side in a massive new business, retail and business district named Hudson Yards after the adjacent rail yards.

Richard Jeanneret, a regional managing partner at London-based EY, said moving the firm's U.S. headquarters out of Times Square to Brookfield's One Manhattan West tower aligns its focus on business innovation and appeals to millennial workers.

"We're in the midst of another industrial revolution," Jeanneret said in an interview, referring to the adoption of blockchain, artificial intelligence, robotics and the disruption that digitalization is bringing to industry and business.

"This is going to be one of the most exciting places in New York to have office space," he said. "Seventy percent of the workforce is millennials, so they're under 30. This is where they want to be."

EY's 600,000 square-foot lease was sparked by the looming termination of its 900,000 square foot lease at 5 Times Square on 42nd Street in several years, Jeanneret said. Whether EY renews some of that lease or moves its growing workforce elsewhere in the city has still to be decided, he said.

To encourage EY's expansion in New York, which is expected to create up to 1,152 jobs over the next seven years, the state offered the firm up to \$12 million in performance-based tax credits.

The new headquarters, to be completed at the end of 2019, will be across the river from 170,000 square feet of office space EY will soon occupy in Hoboken, New Jersey. That site may be directly accessible by ferry.

Hudson Yards has attracted Amazon.com, BlackRock Inc., Coach Inc. and L'Oréal, among other marquee names, in moves that have taken the gleam from the corporate image of Midtown Manhattan.

EY will join consultants Accenture, law firm Skadden and the National Hockey League, among others, in the 2.1 million square foot building at Ninth Avenue and 33rd Street, the first of two office towers at Brookfield's 7 million-square-foot project.

In October 2015, Brookfield sold a 44 percent stake in its Manhattan West development to the Qatar Investment Authority, creating a joint venture that valued the five-building project at an estimated \$8.6 billion when finished.

<http://www.reuters.com/article/us-trump-effect-coal-retraining-insight/awaiting-trumps-coal-comeback-miners-reject-retraining-idUSKBN1D14G0>