

The McGraw-Hill Companies

BusinessWeek

FEBRUARY 24, 2003

www.businessweek.com

Up Front

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AFTER 9/11

GETTING IN ON THE GROUND FLOOR



NEW WTC: *One contender*

IT'S DOWN TO THE WIRE FOR the two finalists vying to redevelop the World Trade Center (page 110). A winner will be declared by the end of February. But is Lower Manhattan ready for all that new office space? The market is

already weak, and leases on 44 million square feet there will expire over the next four years, according to the Lower Manhattan Development Corp. So no matter how cool the new project is, if you build it, will they lease?

Yes, according to a survey of 85 major companies, prepared for *BusinessWeek* by CoreNet Global, an association of corporate real estate professionals. (A fifth of the companies were located downtown pre-September 11.) Only 10% of those surveyed would balk at moving in because of perceived risk or stigma. By contrast, 69% said they would rent if costs were on par with other New York office space. And 6% said they would even pay more to be in such a new, prestigious location.

Their biggest worries? Skittish employees: 51% are unsure how their people would feel working there. And lack of adequate transportation: 55% said improving transit would have "some" effect on a decision to lease there, while 28% said the effect would be "dramatic."

Rebuilding it will take years. But someday, the site may again teem with tenants. *Robert McNatt*