

A Healthy Outlook at W&H Properties Low Debt, Capital Upgrades, and Delivery on Promises

In today's uncertain times, the last thing that tenants and brokers should worry about is the credibility and financial stability of the landlord with whom they will conduct business and develop a long-term relationship. With a 75-year track record of fiscal strength and a well-deserved reputation for delivering on promises, W&H Properties offers tenants and brokers stability, flexibility and peace of mind.

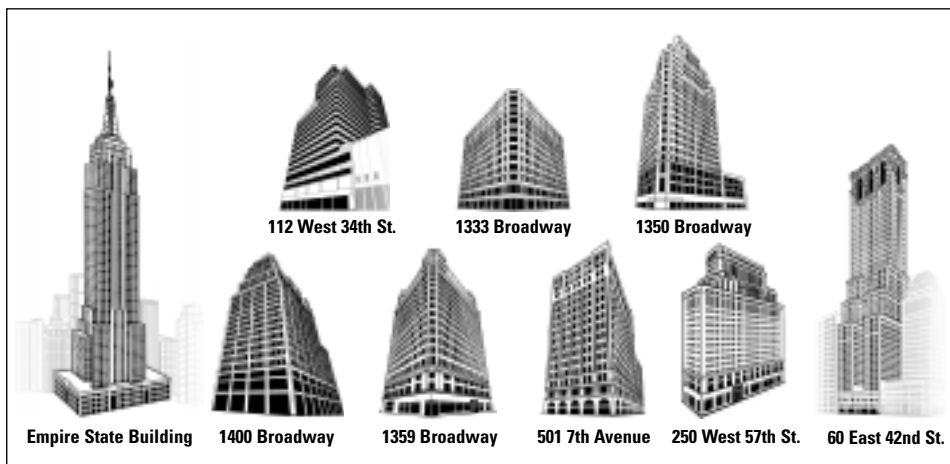
Tenants and brokers can count on W&H Properties to provide the finest office space and amenities in Pre-War Trophy buildings, in Manhattan's most convenient locations, with competitive terms – all with complete assurance that ownership will deliver on its promises, time and time again. Here's why:

W&H Properties' ownership has followed a strictly disciplined approach to real estate investment, and is recognized for the hallmarks of financial stability, low leverage, and strong institutional lender relationships. W&H ownership is not long-term by mistake, but rather by choice and guided by a far-reaching vision: to invest in the assets for the long-term.

While many owners competed against the REITs, hedge funds, institutions and foreign entities in bidding up real estate values for much of

this decade – relying heavily on easily available, high-leverage, investment bank-originated debt – W&H has maintained its property financing at conservative levels with institutional lenders with whom its supervisors, the Malkin family, have enduring, ongoing relationships.

Because capital structure is not an issue, W&H has been able to focus its energy and resources on upgrading and repositioning the superb portfolio that comprises the W&H brand: nine Manhattan Pre-War Trophy buildings, each one situated in a vital midtown neighborhood and served by an abundance of mass transit.



(continued on page 5)

W&H Celebrates Five Years and Honors Brokers At Annual Event at '21' Club

Celebrating five years since the inception of its portfolio, W&H hosted the city's top real estate brokers at its annual party at the '21' Club in November. Several brokers and brokerage firms were recognized for their achievements throughout the portfolio in 2008.

Andrew Goldberg, Eric Gelber and Matt Chmielecki of CB Richard Ellis won the award for Retail Deal of the Year in recognition of the

lease they negotiated on behalf of Sovereign Bank at 1350 Broadway. Joel Wechsler of Grubb & Ellis accepted his firm's award for the most pre-builts leased in 2008. Mitch Arkin of Cushman & Wakefield received the award for Most Creative Deal of the Year for representing ML Management, Inc. in the lease of the spectacular penthouse of 250 West 57th Street. Richard Bernstein, Ralph Giordano and Adam Ardise of Colliers ABR received the award for the Largest

Deal of the Year – Coty's lease of nearly 90,000 square feet at the Empire State Building.

In keeping with tradition, W&H donated \$10,000 to the Robin Hood Foundation, which funds community-based poverty reduction programs, in the name of the firm with the most signed leases in the W&H Portfolio for the year. This year, the honoree was CB Richard Ellis.



Pictured from left to right are Abe Wolf of Helmsley Enterprises with W&H deal award winners: Messrs. Chmielecki, Gelber and Goldberg; Mr. Wechsler; Mr. Arkin; Messrs. Giordano and Bernstein; Harold Meriam of Helmsley Enterprises; and Anthony E. Malkin of W&H Properties.

W&H's New Year's Resolutions

It's that time of year when people work hard to keep the resolutions they made for the New Year. We're very familiar with this process. After all, one of the W&H hallmarks is repeatedly keeping resolutions to deliver on our promises.

For instance, our fifth year anniversary this fall celebrated the fulfillment of many promises we made when W&H was established.

Here are a few examples:

- We established a widely recognizable, respected brand known for commitment, quality, and service.
- We installed top leasing and managing agents CB Richard Ellis, Cushman & Wakefield, and Newmark Knight Frank to provide responsive on-site management, construction, and turn-key leasing services.
- We paid more than \$33.2 million in commissions to brokers, all 100% upon signing.
- We committed \$1.5 billion in top-to-bottom upgrade programs that have transformed the properties into premier business environments.
- We leased in excess of 3.3 million square feet of space to such prestigious firms as Actimize, Aeropostale, Aetna, Coty, Ellen Tracy, Equifax, Funaro & Co., Li & Fung, Mandarin Oriental, Metropolitan Life Insurance Company, Océ, Paymentech, Pearson LLC, Skanska and Warnaco, among many others.
- We implemented successful space consolidation programs portfolio-wide, reducing total tenant count of the portfolio by 33 percent while substantially increasing occupancy with better credit tenants.

(continued on page 5)

In This Issue ...

- ◆ **Tenant Profile: ML Management Associates, Inc.** 2
- ◆ **Employee Profile: Theresa Morzello** 2
- ◆ **Leasing Update** 2
- ◆ **Heard in the Hallways** 3
- ◆ **Community Activities Update** 3
- ◆ **Spaces in the Spotlight** 3
- ◆ **Retail on the Radar** 4
- ◆ **Employee News** 4
- ◆ **Show, Lease & Win** 4
- ◆ **Tenants' Corner: Already Green, Going Greener** 4
- ◆ **W&H Tenants Enjoy Macy's Thanksgiving Day Parade** 5
- ◆ **Thinking of Commercial Real Estate As an Investment? Think of Us.** 5
- ◆ **Commissions Available to Pay At W&H Properties** 6
- ◆ **Q&A with Michael Burgio, Executive Vice President of Cushman and Wakefield** ... 6
- ◆ **Available Space** 6

Employee Profile:

Theresa Morzello

The area surrounding Macy's flagship location in the Penn Plaza district is widely recognized as one of the most vibrant and exciting in Manhattan, but for Theresa Morzello, 112 West 34th Street is the main attraction.



Theresa Morzello

Ms. Morzello has served as the building's property manager since late 2006, when ownership added the building to the W&H Properties portfolio, installed Cushman & Wakefield as the leasing and managing agent, and finalized plans for an \$80-million upgrade program that included a new lobby, renovated elevators and restrooms, renovated air-conditioned public corridors, upgraded building systems and a new modern, energy-efficient, sleek new glass curtain wall with operable windows.

The extensive scope of the program didn't faze Ms. Morzello. On the contrary, she welcomed the challenge. "Many property managers never get the opportunity during their career to be involved in major projects such as the re-cladding of the building, the installation of a new chiller or the implementation of a new building management system," she explains. "I've been able to experience all these projects – more or less simultaneously. It's exciting to be a part of a building that is experiencing such a dramatic transformation."

Fortunately, Ms. Morzello has had plenty of experience to draw upon in helping to make

the transformation a success. Previously, she was the vice president of property management for Emigrant Savings Bank, serving as the property manager for the bank's 400,000-square-foot headquarters. Before that, she was the director of technical services at Genergy, following several years in the real estate investments division of Metropolitan Life Insurance Company.

Another factor that contributed to the transformation's success was the commitment and involvement of the landlord, notes Ms. Morzello. "W&H is a very hands-on owner," she explains. "Everyone on the ownership side involved with the property brings a different perspective and expertise to the table for both leasing and operations, along with priorities and best practices to follow. As a property manager, I love that they are willing to invest money in the property to create a premier, Trophy office building."

The upgrade program is only one facet of Ms. Morzello's role, which also entails supervising all aspects of building operations, including the development and implementation of the expense budget, managing contractors, serving as the point person for tenant services, and supporting leasing initiatives. It's a somewhat different career from what she envisioned when she graduated from Loyola College with a B.S. in Engineering Sciences and took a job with the New York Power Authority at the Indian Point 3 Nuclear Generating Facility, where she stayed for four years.

(continued on page 6)

Tenant Profile:

ML Management Associates, Inc.

Most people don't associate accounting with glamour. But the work of the CPAs and financial advisors at ML Management Associates, Inc. (MLM), an entertainment business management firm, is about as glamorous as it gets, thanks to the firm's clientele: high-profile film and television personalities, including writers, directors, actors, producers, comedians and models.

MLM's role is to oversee both the financial and life management of these clients, providing everything from tax and accounting services to advice on investments, mortgages, major purchases, insurance, and estate and succession planning. "We help our clients to develop and achieve their financial goals and to focus on the future," says partner Paul Zukowsky.

MLM was established in 1988 by Mark Landesman, Mr. Zukowsky's partner. Both men started their careers as CPAs, but wanted something a little different. "Most CPAs deal with widgets,"

explains Mr. Zukowsky. "We wanted to deal with people."

A special firm requires a special space, and this is what MLM found at the penthouse of 250 West 57th Street, which has 25-foot ceiling heights, dramatic skylights and rooftop access. "I saw the 26th floor and my mouth dropped open," Mr. Zukowsky recalls. "It was the most unique space I could have dreamed of – a space that could become the antithesis of a standard CPA firm's office."

"Having a loft in Midtown is extremely rare," he continues. "The open and airy environment is great for our staff and fosters interoffice communication. We've never been fans of traditional environments."

It wasn't just the space itself that impressed MLM. "I drive past the building every day," says Mr. Zukowsky. "It's beautiful. And we were also impressed with the history of the building and all of its entertainment industry links."

Location, too, was an important consideration. "It's the only area my partner and I have ever considered," he notes. "We fell in love with it long ago. Now, we're moving further west from our current offices, which are located at 125 West 55th Street. The farther west you go, the quieter and more neighborhood-like it is, yet you still have all the convenience and services. It's a wonderful environment to work in, and it is also an extremely central location for our employees and clients. There are so many transportation options, which make commuting easy. "In short," Mr. Zukowsky says, "we're all very excited about the move."

For more information on ML Management Associates, Inc., please visit www.mlmgmt.com.



Paul Zukowsky and Mark Landesman

Leasing Update

W&H Properties' financially strong ownership and commitment to high levels of quality and service continue to provide a high degree of assurance to tenants and their brokers and led to another year of successful leasing throughout the portfolio. Please join us in welcoming our new tenants and congratulating tenants that renewed their leases:

- AT&T Mobility leased approximately 3,000 square feet of retail space on the ground floor at the Empire State Building for a store that will sell a wide range of communications services and products. Tenant representative: Steven Baker of Winick Realty.
- Business Instruments, an IT infrastructure and systems integration company, leased a portion of the 19th floor at 112 West 34th Street. Tenant Representative: Al Rosu of The Alfred Group.
- Central Mills, Inc., d.b.a. the fashion firm Freeze, leased in excess of 17,000 square feet on the 16th floor at 1400 Broadway. Tenant representative: Marc Kritzer of Millennium Realty.
- Cooper Creek Partners Management, LLC, a financial firm, leased a portion of the 25th floor at 60 East 42nd Street. Tenant broker: Ben Friedland of CBRE.
- Equifax (NYSE: EFX), a global leader in information solutions, leased a pre-built suite on the 15th floor at 1359 Broadway. Tenant representatives: Keith Funston and Barry Lewis of Grubb & Ellis.
- HKC Securities, a financial services firm, leased a portion of the 31st floor at 60 East 42nd Street. Tenant representative: Bert Rosenblatt of Vicus Partners.
- ML Management Associates, Inc. (MLM), an entertainment business management firm, leased the entire 26th floor (the penthouse) at 250 West 57th Street. Tenant representatives: Mitchell Arkin and Ethan Silverstein of Cushman & Wakefield. Please see article at right for a profile of MLM.
- The National Minority Supplier Development Council (NMSDC) leased 14,000 square feet at W&H's 1359 Broadway for its national

office. The organization provides increased procurement and business opportunities for minority businesses of all sizes. Tenant representative: Richard D. Duryea.

- NirvanaSoft, Inc. renewed its lease at the Empire State Building. The firm, which occupies 6,735 square feet on the 52nd floor, provides specialized software that enables energy companies to address complex retail billing requirements made necessary by competitive energy markets. Tenant representative: Eric Yarbrow of CB Richard Ellis.
- Océ USA Holdings, Inc., a leading international provider of digital document management technology and services, has leased a full floor of approximately 30,000 square feet at 1333 Broadway. Tenant representative: Michael Liss of CB Richard Ellis.
- Old Square Capital Advisors, LLC, which manages funds focusing on emerging and frontier markets, leased a portion of the 13th floor at 60 East 42nd Street. Tenant representative: Scott Greyson of Vortex Group.
- Rackable Systems, a computer systems company, leased a pre-built suite on the 21st floor at 1350 Broadway. Tenant representative: Robert Neborak of PBS Realty.
- SBI Consultants, a construction consulting firm, leased a pre-built suite on the 3rd floor of 60 East 42nd Street. Tenant representative: William Carr of Williamson Pickett Gross.
- SoHo Fashion Ltd., a men's apparel company, leased more than 7,000 feet on the 24th floor at 1400 Broadway.
- Sovereign Bank, one of the largest banking institutions in the northeastern United States, leased 4,000 square feet of prime retail space at 1350 Broadway.
- Standtex Inc., an apparel firm, leased a portion of the 3rd floor at 501 Seventh Avenue. Tenant representative: Evan Lieberman of Empire NYC.
- The United States Holocaust Memorial Museum leased a portion of the 25th floor at 60 East 42nd Street.

HEARD IN THE HALLWAYS

“I looked for space for three months and saw many buildings. It was clear to me that 60 East 42nd Street offered the best value for the dollar in Midtown. The pre-built unit we leased has a lot of light and great views, and we were also impressed by the professional atmosphere of the lobby and the way the building is run. Furthermore, we have people commuting into Grand Central from Connecticut and the Upper East Side, so the location is perfect.”

— Rob Schwartz, founder and managing member of Cooper Creek Partner Management

Community Activities Update

The fall and winter seasons at W&H were filled with many community activities and events. During the last week of October, tenants from all W&H buildings participated in blood drives at 60 East 42nd Street, 112 West 34th Street and the Empire State Building.

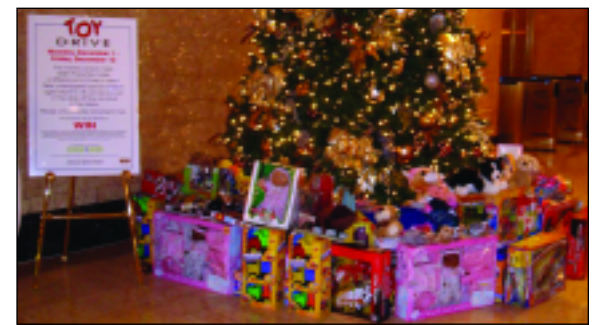
Only a few days later, on November 4th, one of W&H's most popular events took place: the semi-annual Girl Scouts Corporate Cookie Connection. During the event, the Scouts sold hundreds of boxes of Samoas, Thin Mints, Tagalongs and other cookies throughout the portfolio with proceeds going to educational and cultural programs for Girl Scouts in New York City. Participants also bought “Gifts of Caring” cookie boxes for military personnel stationed overseas.

From December 1-12, W&H held its annual Toy Drive in conjunction with the Robin Hood Foundation, which works to eradicate poverty by funding community-based programs. The following organizations thank our generous tenants:

- The Family Center (from 112 West 34th Street). The Family Center works to create a more secure present and future for children whose parents have a life-threatening illness by providing comprehensive legal and social services, education and research.

- Little Sisters of the Assumption (from 1359 Broadway and 1400 Broadway). The Little Sisters of the Assumption Family Health Service is a non-profit organization that has worked with the families of East Harlem for nearly 50 years, helping them address the dimensions of family health – physical, emotional, educational, and spiritual.
- Iris House (from 250 West 57th Street). Iris House, incorporated in 1992, is a Harlem-based 501(c)(3) nonprofit minority organization, and it was the country's first community-based organization whose services were designed specifically to meet the needs of women with HIV/AIDS and their families.
- Women in Need (from 60 East 42nd Street). Women In Need, Inc. serves homeless and disadvantaged families through a comprehensive program that includes transitional shelters, permanent supported housing, job training and placement, domestic violence prevention and counseling, alcohol and substance abuse treatment, HIV/AIDS prevention and education, and aftercare programs.
- SCO Family of Services (from 501 Seventh Avenue and the Empire State Building). SCO Family of Services is one of the largest multi-service nonprofit agencies in New York, delivering programs that help more than 30,000 of New York's most vulnerable children and

families annually. Specifically, SCO runs programs that house and provide services for young mothers and their babies, homeless families, and children with developmental disabilities. An additional 2,000 children, removed from their homes due to abuse or neglect, are cared for in SCO's foster care program.



The lobby of 60 East 42nd Street was filled with gifts donated during W&H Properties' annual Toy Drive, held at all W&H buildings during December.

- Abraham House (from 1333 Broadway and 1350 Broadway). Abraham House is a unique, cost-effective alternative to incarceration in the South Bronx that often accomplishes what prison fails to: the lasting rehabilitation of criminal offenders. Its remarkable success is based on a demanding but supportive approach that insists on personal responsibility and family involvement.

W&H appreciates the many tenants who support and participate in these community activities.

Spaces in the Spotlight

You can often judge a firm by its office – the décor, the layout, the color schemes. All of these elements contribute to your brand identity.

Firms that occupy full floors of a building have a better opportunity than most to brand their space. That's why we're excited to tell you about several full-floor and multi-floor leasing opportunities at two W&H properties:

1333 Broadway

At this new building in the (re)making, where a \$71-million upgrade program is well underway, there are four full floors available, each with 29,566 square feet. The

floors can be leased separately or as part of a block, and reasonable divisions of the floors would be considered.

It's hard to imagine a more convenient location. 1333 Broadway is situated in the heart of the Herald Square District, directly across from Macy's flagship and steps from Penn Station, Port Authority, Grand Central Terminal, the PATH and 14 subway lines.

And it's not just the location that's impressive. Thanks to the massive upgrades, the property is benefiting from recently completed new entrance,



New lobby at 1333 Broadway

lobby, windows, and elevators, as well as renovated air-conditioned public corridors and restrooms and upgraded building systems.

For more information, please call Brian Waterman of Newmark Knight Frank at 212-372-2299 or email him at bwateman@newmarkkf.com.

60 East 42nd Street

Perhaps you're seeking to carve out your identity in a different area of Midtown. There is no location more central than 60 East 42nd Street, directly across from Grand Central Terminal. Our full-tower-floor availabilities are setting the standard for Pre-War Trophy Office space in the area. In addition to the convenience and amenities of the location, you'll love the views from and the spectacular light in the tower floors on offer. Floor sizes range from 9,500 square feet to 12,725 square feet. The 55th floor is an even more unusual opportunity, with a clearstory 30-foot ceiling and a private wraparound rooftop terrace with incredible skyline views on all four sides. Also available is the entire third floor, totaling 48,902 square feet.

For more information, please call William Cohen at 212-372-2233 or email him at wcohen@newmarkkf.com.

Other full-floor opportunities are available within the W&H Portfolio. These include the entire seventh floor at 112 West 34th Street (41,836 square feet), the entire 19th floor at 1350 Broadway (14,704 square feet), the entire 10th floor at 1359 Broadway (24,213 square feet), the entire 11th, 16th, 19th and 20th floors at 1400 Broadway (ranging from 27,236 – 35,182 square feet) and the entire 13th, 31st and 61st floors at the Empire State Building (ranging from 24,603 – 52,844 square feet).

For more information on these availabilities, please visit www.whpropertiesny.com or call the agents listed on page 6.

Retail on the Radar

One of the most impressive results of W&H's portfolio-wide \$1.5-billion upgrade program is our wide variety of prime retail offerings. Through our comprehensive repositioning program, we have been able to expand, consolidate and improve the retail space in our nine Pre-War



Rendering of available retail block at 1333 Broadway

Trophy office buildings to meet the needs of the nation's top retailers, enabling them to showcase their products and raise brand awareness at some of the most important retail corridors in Manhattan.

Our strategy is straightforward: create valuable, usable retail spaces that offer locations with great visibility, excellent transportation, high pedestrian traffic, complementary retailers, and high-occupancy office and residential towers in the surrounding area.

As a result, top retail brokers are recommending our properties to their clients. For example, one of the country's largest Starbucks just opened on three levels of the Empire State Building, which will also become the home of a high-profile retailer, an AT&T Mobility store. Billabong, the fast-growing global sports apparel company, has opened a flagship location at 112 West 34th Street. At 60 East 42nd Street, Pera, the Zagat-rated Mediterranean brasserie, occupies the Madison Avenue frontage. And Sovereign Bank, one of the largest banking institutions in the northeastern United States, recently leased 4,000 square feet of prime retail space at 1350 Broadway (The Herald Square Building).

Outstanding Opportunities

We still have several very exciting retail spaces available, including two unparalleled branding opportunities for big-box retailers. One is located at 1333 Broadway (3 Herald Square), next to Macy's flagship in the center of the Herald Square district, which boasts the heaviest pedestrian foot traffic in all of New York City, with peak counts of more than 15,000 people per hour. The area is home to Manhattan's busiest transportation hubs (with access to Penn Station, the PATH and nine subway lines), which service 83 million riders annually. Local retailers also benefit significantly from the outstanding media coverage and brand exposure provided by the legendary Macy's Thanksgiving Day Parade.

The space at 1333 Broadway is a three-level, 62,000-square-foot block (subdivisions available) that offers 500 feet of wrap-around frontage on Broadway, 35th and 36th Streets, with exceptional visibility. Neighbors include Madison Square Garden, Penn Station, Manhattan Mall and many national retailers. For more information, please contact Andrew Goldberg of CBRE at 212-984-8155 or Andrew.goldberg@cbre.com.

The other big-box opportunity, at 250 West 57th Street, is in the heart of the West 57th Street corridor, perfectly situated on the corner of 57th Street and Eighth Avenue, across from the Hearst world headquarters. The neighborhood is rapidly

becoming a destination retail environment, thanks to its proximity to the hugely successful Time Warner Center, where sales per square foot are among the highest in the country. Furthermore, the Columbus Circle/59th Street subway station, which connects seven subway lines, is one of the busiest

stations in New York City, with an annual ridership of more than 19.3 million.

The 52,233-square-foot, multi-level retail space offers 18-foot ceiling heights, direct access to the



Rendering of available retail block at 250 West 57th Street

in-building subway station, and more than 240 feet of spectacular wrap-around frontage and visibility. For more information, please contact Joanne Podell of Cushman & Wakefield at 212-841-5972 or joanne.podell@cushwake.com.

Additional retail availabilities are listed on page six and at www.whpropertiesny.com. Please give us a chance to compete for your business.

Employee News

W&H congratulates Ursula Szewc, an office cleaner who works at 60 East 42nd Street, for her recent honor as Our Town newspaper's Midtown Office Cleaner of the Year.

Show, Lease & Win®

W&H congratulates the latest winners of its quarterly Show, Lease & Win® raffle: **Daniel Katcher** of Newmark Knight Frank, **Andrew Flint** of Jones Lang LaSalle, and **Bill Melville** of Lansco. Each winner received a Sharp Aquos 19-inch LCD television.

Remember, every time you show space in any of W&H's Pre-War Trophy Properties, you are automatically entered into the Show, Lease & Win raffle. In addition, each person to show space in a W&H property will receive a thank-you gift at the end of the quarter. No appointment is ever needed.

Just make sure to drop off your business card.

Good luck!



TENANTS' CORNER

Already Green, Going Greener

You've probably heard the phrase "going green" a lot lately. At W&H, however, the concept is not new: We've always been ahead of the curve and continue to be as we roll out a range of sustainability initiatives portfolio-wide.

These new initiatives will supplement the many green procedures and policies that are already in place at every building in the portfolio, including a comprehensive recycling program, and the use of Green Seal or U.S. Green Building Council (USGBC) Certified cleaning and paper products, Green Shield Certified Integrated Pest Management (IPM) programs and low VOC (Volatile Organic Compound) paints, wall covering, carpet, base and adhesives.

Our goal is for every W&H building eventually to be an Energy Star Partner, a status that the Empire State Building already has attained, with a future goal of attaining and maintaining Energy Star certification. Energy Star is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy that helps us all save money and protect the environment through energy-efficient products and practices. Energy Star Partners measure, track and benchmark their energy performance, develop and implement plans to improve that performance, and educate staff and the public about the partnership and achievements with Energy Star. An Energy Star plaque confirms that the building's energy efficiency is in the top percentile of buildings in its class.

We are also following guidelines established by the USGBC. For example, we are designing and constructing pre-built suites according to LEED-CI® certification criteria. LEED (Leadership in Energy and Environmental Design), developed by the Council, is the nationally accepted benchmark for the design, construction and operation of high-performance green buildings.

Furthermore, we are reducing water usage, promoting water conservation efforts, and increasing the recycling diversion rates and the types of materials recycled, both in terms of daily waste and in renovation/new construction projects, with a target of recycling 90 percent of cartable waste.

Many of our new initiatives focus on indoor environmental quality. These include upgrades of systems to improve efficiencies and enhance tenant comfort levels, improvements in indoor air quality through increased ventilation and the installation of more efficient air filters, and the implementation of energy efficiency strategies in upgrades of common areas.

"From its inception, W&H always believed that commercial landlords and their tenants have a responsibility to protect the environment," explains Fred C. Posniak of W&H. "Therefore, we are at the forefront of green initiatives."

For more information about W&H's sustainability program, please contact your building manager or visit whpropertiesny.com.

Resolutions... (continued from page 1)

- We earned four Building Owners Management Association (BOMA) New York Pinnacle awards, among other honors.
- We delivered market-ready, high-quality spaces ranging from smaller pre-built units to build-to-suit full-floor opportunities.
- We standardized leasing procedures throughout the portfolio to ease the leasing process from the first property tour to tenant move-in.
- We guaranteed hands-on, flexible, broker- and tenant-friendly ownership.

But we're not done yet. One of our ongoing resolutions is not to rest on our laurels. So, like many people, we have several resolutions for the upcoming year. And we're going to keep them. Here's what you can expect:

- Continuation, and completion in some of our buildings, of our \$1.5-billion-dollar portfolio-wide upgrade program.
- Continued payment to brokers of 100% of their commissions upon signing. Currently, there are approximately \$30 million of commissions to be paid on available space (see page 6 for details).
- Consolidation of more space to create room for mid-size to larger, credit-worthy companies that require multi-floor blocks, full floors or partial floors.
- Expansion of the offerings of our hugely popular pre-built program.
- Creation and/or further enhancement of outstanding retail opportunities in Manhattan neighborhoods with the highest pedestrian traffic counts.
- Continuation of the easy, quick and efficient leasing process you've become accustomed to at W&H Properties.
- Expanded sustainability initiatives at each building. (See page 4 for details).
- Continuing rewards to tenants and brokers through Refer, Lease & Win® and Show, Lease & Win®, respectively.
- Sponsorship of a wide range of programs and events that benefit our local community.
- Easier access for tenants and brokers to W&H information, viewing availabilities, and services requests online.
- Continuation of more than 75 years of financial stability and dedication of ownership, along with low-leveraged debt-to-value properties.

Now, it's your turn. Make a resolution to visit our Pre-War Trophy towers in the near future and see what we can offer you and your clients. Since our properties are all in the most convenient locations in Midtown Manhattan, and no appointment is ever needed, it's one resolution that's easy for you to keep.

Happy New Year!

W&H Tenants Enjoy Macy's Thanksgiving Day Parade From Best Seats in the House

This past Thanksgiving, many W&H tenants took advantage of the great views from their office windows to watch the Macy's Thanksgiving Day Parade as it passed by 250 West 57th Street, 1400 Broadway, 1359 Broadway, 1333 Broadway, and 112 West 34th Street.

Carr Business Systems, a new tenant at 112 West 34th Street, had never been in a location with a view of the parade before. This year, employees were invited to bring their children to the office to see the floats. "It's a great thing for little kids to see," says Jo Del, who organized the event.

1359 Broadway tenant Ipreo, in contrast, has been holding Thanksgiving parties for several years, says Billy Gottlieb, the firm's director of facilities. This year's party attracted approximately 300 people. "We're on the second and third floors, right on Broadway, and the third floor is right in line with the big balloons. The kids love it," Mr. Gottlieb notes.

Broadreach Medical Resources and J.N.Savasta Corp., which share an office at 1350 Broadway, also appreciate their view overlooking Broadway.



The SpongeBob balloon passes by 1359 Broadway, one of six W&H Properties along the Macy's Thanksgiving Day parade route.

President and CEO Joseph N. Savasta says, "It's an unbeatable location for enjoying the parade, and being on a lower floor helps because you have a great view of both the parade and the balloons." This year, the firms' party attracted approximately 100 people, including employees, their children and their friends.

Remember, six W&H properties are along the parade route. Stop by anytime and we'll show you the great views from our Pre-War Trophy towers. No appointment is ever needed. Start planning now for Thanksgiving '09!

A Healthy Outlook at W&H... (continued from page 1)

As a result, W&H buildings are benefiting today from an upgrade program underway totaling more than \$1.5 billion, while maintaining low loan-to-value ratios on each property. Few if any other commercial property owners can demonstrate that kind of financial strength going into the troubled economy of 2009.

What does this mean to tenants and brokers? It means that regardless of where the real estate markets go in the months and years ahead, W&H can compete effectively, close deals, and meet its obligations to tenants, unburdened by crushing debt service or concerns about refinancing in constricted capital markets.

"The value of our disciplined approach has been proved again, as it has in previous real estate and economic cycles," says Anthony E. Malkin, president of W&H. "We have made our path based on four generations of experience, and avoided over-leveraging. At W&H, we're in a position of strength, able to make deals that others cannot and continuing to fulfill the promises we've made to tenants and brokers."

He cites as an example a large recently closed transaction with a prestigious new tenant with an unusual requirement: that the owner place all the tenant construction funds into an escrow account pending fulfillment of certain obligations. "This could have meant a hunt for cash or negotiation with a lender for some owners, but it was not a problem for us. The funds were readily available from our cash reserves," Mr. Malkin notes.

"The value of our disciplined approach has been proved again, as it has in previous real estate and economic cycles."

W&H's financial resources provide the flexibility not only to make deals, but also the ability for us to continue to pay 100% of broker commissions upon signing and to maintain the highest standards of quality throughout the W&H portfolio. "Brokers know they can count on us," says Mr. Malkin. "We are here to do business for now and for the future."

Thinking of Commercial Real Estate As an Investment? Think of Us.

The community of our tenants and the brokers who bring them to us may not be aware that the W&H Properties portfolio is owned by a myriad of smaller investors who have partnered through generations with Wien & Malkin, the nation's oldest real estate syndication company. The firm's founder, Lawrence A. Wien, created the practice of syndicating income-producing property in 1934 so that ownership could be shared by investors who were not extremely wealthy. The concept was soon widely embraced.

In the early 1950s, Mr. Wien structured the first public real estate syndications. Together with his son-in-law, Peter L. Malkin, and Harry Helmsley

(the "H" in W&H), he then assembled an enduring portfolio of syndicated properties, now known as the Pre-War Trophy W&H Properties portfolio.

Today, under the direction of chairman Peter L. Malkin and president Anthony E. Malkin, Wien & Malkin-led partnerships own some 10 million square feet of trophy office property in the Greater New York area, and 2.0 million square feet of retail, 1.4 million square feet of warehouse/distribution, and 2,700 multi-family units.

In addition, the firm's Strategic Capital program originates yield-oriented mezzanine loans and preferred-equity investments nationwide to assist real estate entrepreneurs in recapitalizing

and acquiring properties.

Wien & Malkin is recognized for its highly disciplined approach to investment, its financial stability, conservative use of leverage, and strong institutional lender relationships.

The credit freeze and softening markets are likely to produce many choice opportunities for value-oriented investments in the next few years. If you are considering real estate as a means of diversifying your investment portfolio, think of Wien & Malkin. For information, visit www.wienmalkin.com, or contact Ned H. Cohen, Executive Vice President, Wien & Malkin Securities Corp., 212-850-2695; ncohen@wmsecurities.com.

COMMISSIONS AVAILABLE TO PAY AT W&H PROPERTIES

Building	Commissions paid in 2008	Commissions available to pay
250 W. 57 th	\$774,695	\$577,647
112 W. 34 th	\$179,765	\$1,947,718
501 7 th Ave.	\$158,486	\$132,183
1333 Bwy	\$1,004,058	\$2,171,065
1350 Bwy	\$1,796,149	\$812,400
1359 Bwy	\$555,395	\$523,178
1400 Bwy	\$1,997,720	\$2,478,600
60 E. 42 nd	\$1,407,453	\$4,407,885
ESB	\$4,278,276	\$16,500,000
TOTAL	\$12,151,998	\$29,550,676

100% commissions paid on lease signing.

Theresa Morzello... (continued from page 2)

Today, Ms. Morzello enjoys a different kind of "dynamic environment" at 112 West 34th Street, as well as the camaraderie of her colleagues. "We have a great management and leasing team here, and excellent support from ownership and Cushman & Wakefield Corporate," she says. "And luckily, everyone on the team has a sense of humor, so we have been able to get a tremendous amount of work done and still find something to chuckle about at the end of the day."

Q AND A

with Michael Burgio,

Executive Vice President of
Cushman & Wakefield



W&H: Mr. Burgio, you recently negotiated a full-floor deal at the Empire State Building with Funaro & Co, which moved from One Penn Plaza. What prompted you to show Funaro this space?

MB: The Empire State Building is an American icon. It has a fabulous location equidistant from both Grand Central and Port Authority/Penn Station, and the views are phenomenal. Plus, thanks to the recent rebuilding and rebranding efforts, it is truly a quality property.

W&H: What did Funaro like about the space?

MB: Funaro's deciding factors were the same things that appeal to the brokerage community: the location, the quality of the building, and, in this case, the magnificent views from, and the unique high ceilings on, the 41st floor.

W&H: What were the leasing negotiations like?

MB: I would describe them as decisive and pleasant. The result was that I felt that my client got a good deal and that W&H got a good deal.

W&H: In general, how would you characterize your interactions with W&H?

MB: They were wonderful. I enjoyed working with the leasing people – Fred Posniak and Steve Eynon, in particular – and the technical people. They were a real pleasure to deal with. It's all about time, and the process was completed expeditiously. W&H was also very fair about compensation and fee issues, and paid on time. In short, my experience with W&H was excellent.



PROPERTIES®










We Perform For You

Available Space

Below is a partial listing of space availabilities. For more information, please visit www.whpropertiesny.com or contact the appropriate leasing agent listed below.

*Pre-built units available for immediate occupancy

www.whpropertiesny.com

	Suite #	Square Feet	Suite #	Square Feet
60 EAST 42ND STREET William Cohen 212-372-2233 wcohen@newmarkkf.com 	ENTIRE 3RD	48,902	ENTIRE 32ND	12,560
	*520	4,395	ENTIRE 44TH	12,724
	*1007	2,999	ENTIRE 49TH	12,431
	1035	4,915	**ENTIRE 53RD	12,090
	*1663	3,512	**ENTIRE 54TH	9,429
	2206	2,919	**ENTIRE 55TH	9,553
	2330	4,785		
	2410	3,807		
	2527	2,629	**CAN BE COMBINED FOR 31,072 SQUARE FEET	
	112 WEST 34TH STREET Audrey Coe 212-695-3617 audrey.coe@cushwake.com 	*843	7,601	1500
908		6,446	1712	3,569
918		3,394	1800	3,129
*1403		5,704	ENTIRE 7TH	41,836
*1405		6,067		
250 WEST 57TH STREET George Fabian 212-246-2247 georgef@250west57th.com 	*715	3,136	1825	2,614
	*718	3,191	2223	2,147
	*1414	3,389	*ENTIRE 25TH	11,409
501 SEVENTH AVE Paul Walker 212-984-7117 paul.walker@cbre.com 	202	4,871	412	2,885
	314	1,412		
1333 BROADWAY Brian Waterman (212) 372-2299 bwaterman@newmarkkf.com 	*PART 3RD, STE A	8,032	PART 7TH	7,707
	*PART 3RD, STE B	4,868	PART 7TH	21,380
	*PART 3RD, STE C	3,371	ENTIRE 8TH	29,566
	*PART 3RD, STE D	2,949	ENTIRE 9TH	29,566
	ENTIRE 5TH	29,566	PART 10TH	10,971
Retail handled by CB Richard Ellis Andrew Goldberg, 212-984-8155				
1350 BROADWAY Jonathan Fanuzzi 212-372-2084 jfanuzzi@newmarkkf.com 	301	3,841	ENTIRE 19TH	14,704
	305	3,545	*2101	3,426
	*406	3,483	ENTIRE 23RD	11,075
Retail handled by CB Richard Ellis Andrew Goldberg, 212-984-8155				
1359 BROADWAY Michael Frantz 212-372-2203 mfrantz@newmarkkf.com 	*732	2,375	ENTIRE 10TH	24,213
	*822	2,180	PART 12TH	2,305
	*908	2,298	PART 12TH	13,079
	912	2,214	*PART 15TH	4,086
1400 BROADWAY Michael Frantz 212-372-2203 mfrantz@newmarkkf.com 	RETAIL:		*1202	3,367
	GROUND FLOOR	4,791	*1206	3,586
	*405	9,374	ENTIRE 16TH	14,044
	*520	3,944	1707	7,742
	*603	4,367	ENTIRE 19TH	31,930
	818	7,068	PART 21ST	6,500
	PART 9TH	10,296	*2203	3,275
	ENTIRE 11TH	35,182	ENTIRE 30TH	15,088
EMPIRE STATE BUILDING 350 Fifth Avenue Stephen Eynon 212 400-3351 stephen.eynon@cbre.com 	ENTIRE 13TH	52,844	*4219	3,692
	2405	18,838	5304	15,131
	*2621	2,911	5601	11,439
	*2826	3,972	ENTIRE 61ST	26,958
	*3001	5,167	6501	11,377
	ENTIRE 31ST	24,603		

To view this newsletter online please visit
www.whpropertiesny.com