What’s the Deal
A roundup of New York-area real-estate news
Dentsu Aegis Expands at the Mobil Building

London-based Dentsu Aegis Network is expanding its New York offices at Midtown’s Mobil Building, the latest sign that media companies are stoking the city’s economic growth.

Dentsu, which specializes in marketing and communications through digital media, is leasing an additional 57,000 square feet at 150 E. 42nd St. for a total of 206,000 square feet over four floors, according to Christopher Bendowski, vice president of real estate. The New York office has grown over the past three years to 900 employees.

The new deal will “accommodate continued expansion of our businesses and to ensure the availability of growth space,” said Mr. Bendowski. The expanded office will also have an “open” design popular with media companies.

“Since we first started working with Dentsu, there’s been a 180-degree change in how to utilize office space for media and tech companies,” said Adam Ardise, senior managing director at DTZ, which brokered the deal. Mr. Ardise said that when the office first expanded in 2012, it took the opportunity to “reinvent its workspace with an open plan.”

“For this latest expansion, the floor will be built from scratch,” Mr. Ardise said.

Dentsu operates in more than 110 countries.

—Emily Nonko

O’Connor Closes Sale to City University

O’Connor Capital Partners closed the sale of a Long Island City property to the City University of New York’s graduate center, completing an almost decadelong effort to develop the former industrial site.

The Graduate Center Foundation Housing Corp., a supporting organization of The Graduate Center of The City University of New York, closed on a $22.5 million deal to purchase roughly
half of a 2-acre site at 5-11 47th Ave. The Graduate Center, CUNY’s doctoral-granting college, intends to erect a building that could be as large as six stories with 200 apartment units that will house graduate students and faculty. The site’s proximity to several subway lines allows for an easy commute to the college at 365 Fifth Avenue, near East 34th Street, said Sebastian Persico, senior vice president of finance and administration.

O’Connor Capital began assembling the 2 acres of industrial land in 2006 and later secured approval for a cleanup plan and zoning changes, said Chief Executive Bill O’Connor. The firm envisioned a luxury rental building and student housing, Mr. O’Connor said. About two years ago, O’Connor Capital completed construction on the site of The Maximillian, a 188-unit luxury rental building, which it now owns with Rose associates. The building was leased in four months.

The appeal of the Long Island City location was obvious, Mr. O’Connor said.

“It’s so close to transportation, close to Midtown [Manhattan] and had great access to the waterfront,” Mr. O’Connor said.

—Keiko Morris

**Situation Interactive Expands Near Home**

Situation Interactive, a digital marketing agency with clients such as Disney, Bravo and the Guggenheim, has decided to keep its New York office in the Garment District for an expansion.

“They had a lot of choices for a new location,” said Bob Tunis, vice chairman of Colliers International, which helped arrange the deal. “But the Garment District has really transformed over the last three to four years to try and become a go-to for tech companies.”

The Garment District gets its name from the industry that moved to the area after World War I. More recently, some landlords began advocating changing the neighborhood’s name to give it a hipper image.
But the name stayed and media and technology companies migrated there anyway to find lower rents and more choice than in pricey Midtown South.

Situation Interactive will move from two floors at 1372 Broadway to 469 Seventh Ave., where it is leasing a single floor of 13,000 square feet. The company signed a 10-year lease at an asking rent of $54 a square foot.

The decision to move from two floors to a single floor was to help foster a more collaborative atmosphere, according to Mr. Tunis.

“The new space will be tremendously utilitarian,” he said.

—Emily Nonko