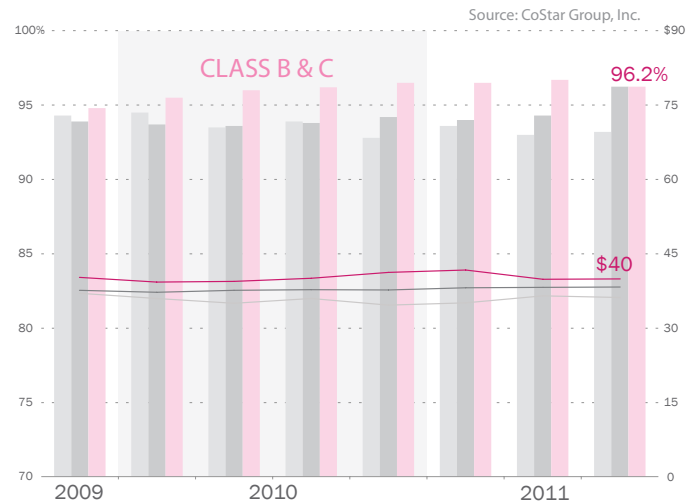
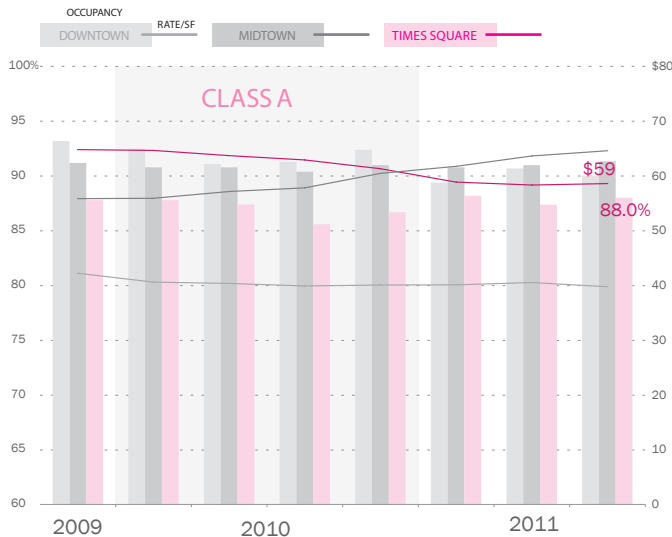


COMMERCIAL REAL ESTATE QUARTERLY RATES AND OCCUPANCY



LEASING ACTIVITY

	Address	Class	SF	Sign	Move	Term	Price	Tenant
CLASS A	3 Times Sq	A	31,002	7/20/11	12/17/11	2.5 yrs	-	-
	810 Seventh Ave	A	17,320	7/27/11	10/25/11	-	\$70/SF	-
	1540 Broadway	A	8,754	8/8/11	10/7/11	3.5 yrs	-	-
	135 W 50th St	A	13,877	8/12/11	9/1/11	8 yrs	\$49/SF	NBC Universal
	120 W 45th St	A	6,040	9/9/11	11/8/11	-	\$50/SF	-
	120 W 45th St	A	5,877	9/9/11	11/8/11	-	\$50/SF	-
	810 Seventh Ave	A	4,028	9/13/11	10/13/11	-	\$58/SF	-
	1500 Broadway	A	3,860	9/26/11	10/26/11	1.5 yrs	-	-
Total			90,758					
CLASS B	130 W 42nd St	B	5,000	6/30/11	9/1/11	-	-	-
	570 Seventh Ave	B	1,121	7/7/11	8/6/11	-	\$41/SF	-
	570 Seventh Ave	B	800	7/13/11	7/13/11	3 yrs	-	-
	115 W 45th St	B	700	7/20/11	8/1/11	3 yrs	\$35/SF	-
	1560 Broadway	B	3,700	7/27/11	8/26/11	-	\$35/SF	-
	1560 Broadway	B	1,602	7/27/11	8/26/11	-	\$35/SF	-
	230 W 41st St	B	934	7/27/11	7/27/11	-	-	-
	570 Seventh Ave	B	4,286	8/29/11	9/28/11	-	\$41/SF	-
	1560 Broadway	B	4,850	8/29/11	10/15/11	5 yrs	\$35/SF	TVI Actors Studio
130 W 42nd St	B	6,000	8/30/11	10/29/11	-	-	-	
Total			28,993					
CLASS C	300 W 43rd St	C	2,500	7/19/11	8/18/11	-	\$45/SF	-
	250 W 49th St	C	2,130	7/21/11	8/20/11	4 yrs	\$29/SF	-
	1674 Broadway	C	1,544	7/27/11	8/31/11	-	\$30/SF	-
	151 W 46th St	C	2,500	8/1/11	8/31/11	-	-	-
	151 W 46th St	C	2,500	8/1/11	8/31/11	3 yrs	-	-
	151 W 46th St	C	5,000	8/12/11	10/1/11	-	-	Neiger LLP
	1674 Broadway	C	808	8/25/11	9/1/11	-	\$30/SF	-
	155 W 46th St	C	1,800	9/7/11	10/7/11	-	\$28/SF	-
	250 W 49th St	C	1,870	9/9/11	10/9/11	4 yrs	\$25/SF	-
	250 W 49th St	C	1,332	9/9/11	10/9/11	4 yrs	\$29/SF	-
250 W 49th St	C	4,000	9/9/11	10/9/11	4 yrs	\$29/SF	-	
Total			25,984					

NOTE: a correction to CoStar's mapping of the Times Square BID led to removal of one Class A building (1441 Broadway) and nine small Class B/C buildings from the real estate survey. This change is reflected in the quarter 3 numbers, and accounts for a small proportion of the Class A increase in occupancy and rate.

Times Square figures include commercial properties within BID boundaries; Downtown and Midtown figures based on CoStar submarkets. Average monthly rates include direct and sublet figures.

Q3 '11 was quiet for commercial real estate, as 29 deals leased only 145,735 SF of office space.

In Class A buildings, occupancy rose slightly to 88% and the average rate went up a tick to \$59/SF. While the Times Square rate still lags behind Midtown (as it has since January), both markets appear to have stabilized while Downtown actually suffered a small decline. With only 90,758 SF leased in Class A this quarter compared to over 1 million SF in Q2, changes to the Times Square market were relatively minor over the last few months.

In Class B/C buildings, Times Square occupancy dropped to 96.2% while the average rate held steady at \$40/SF. The volume of leasing was up from last quarter, with 54,977 SF signed.

Source: CoStar Group, Inc.

RETAIL

Observed during district walks, Q3 2011.

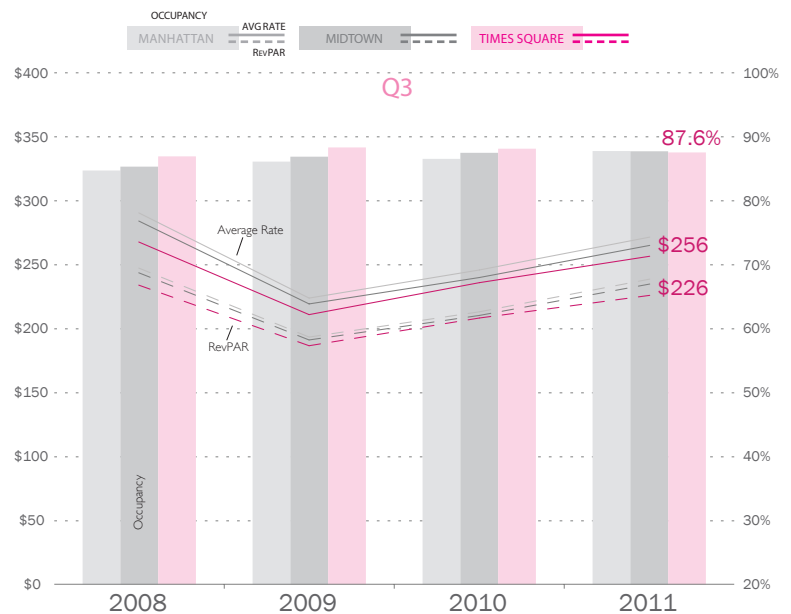


Q3 '11 was an exciting quarter for the Times Square retail market, as the Bowtie was listed for the first time as one of the 10 most expensive shopping streets in the world. With estimated retail rents at \$1350/SF, the Bowtie fell behind only 5th Avenue in the New York market, beating out the reknown retail strips of East 57th Street and Madison Avenue.

Q3 also saw the opening of the first Times Square subconcession, as Salume Panini made its debut in the 45-46 plaza in September. Several other subconcessions are planned for Q4, so keep an eye on the plazas for new dining options.

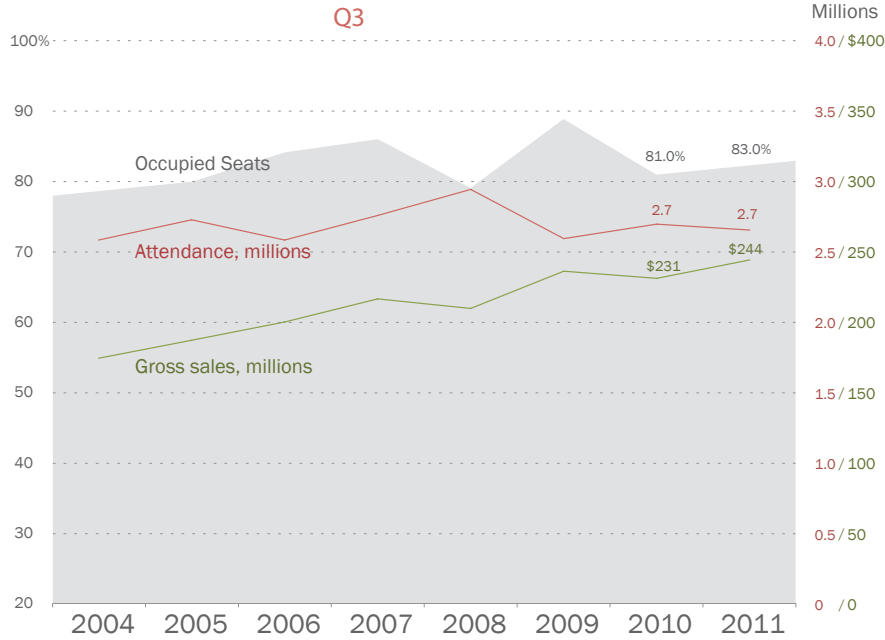
HOTELS RATES, REVENUE & OCCUPANCY

Mixed quarter for Times Square hotels, as average rate and revPAR rose from Q3 2010 to \$256 and \$226 respectively. Unfortunately occupancy dropped a tick to 87.6%, putting Times Square narrowly behind both the Midtown and Manhattan markets for the first time since Q1 2009. This drop in occupancy led to an increasing gap between Times Square and Midtown revPAR, which at over \$12 is the largest since 2008.



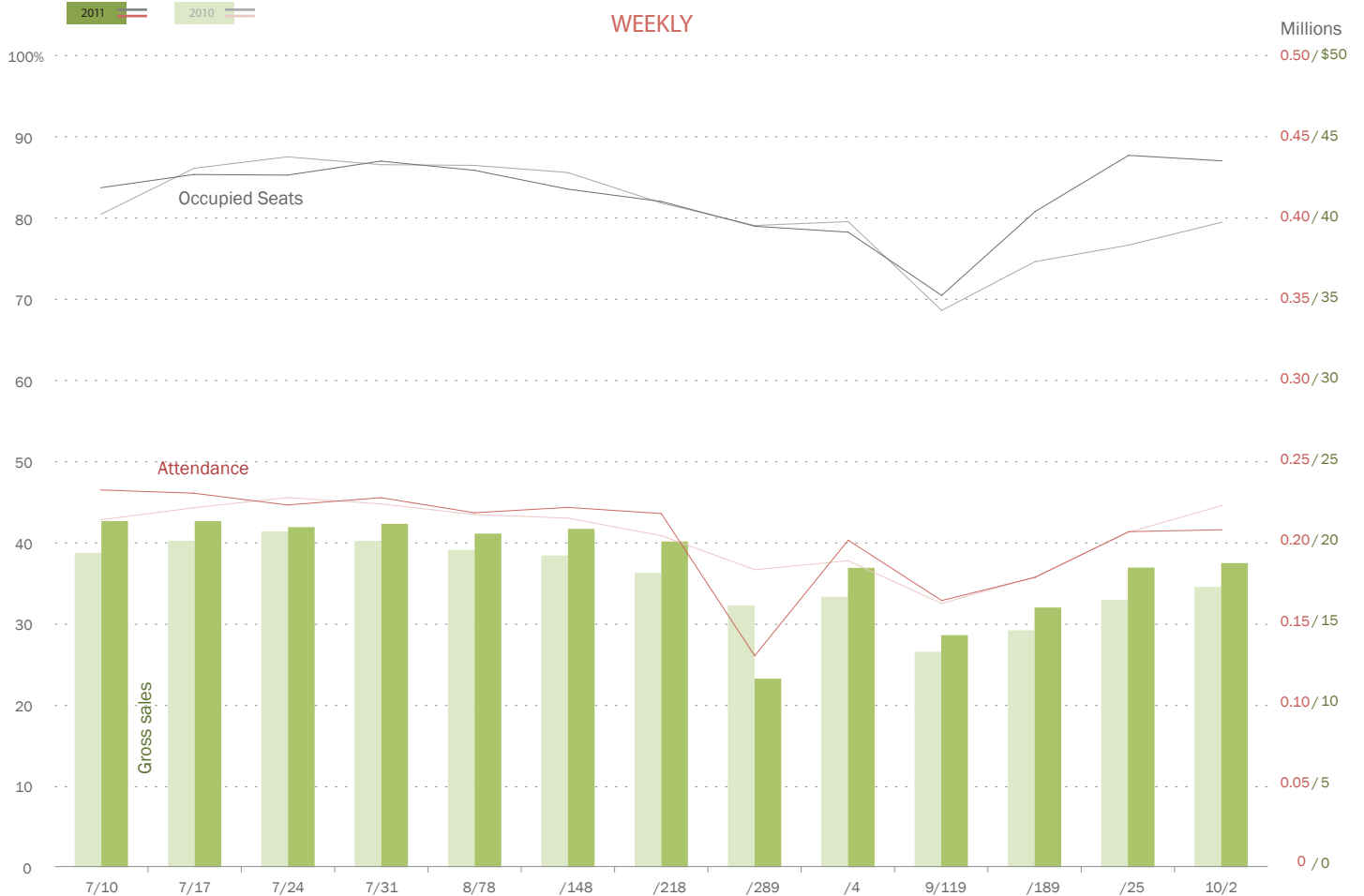
BROADWAY THEATERS

Source: The Broadway League



Broadway continued its strong year in Q3, with gross sales reaching \$244 million and occupancy hitting 83%, both up from Q3 '10.

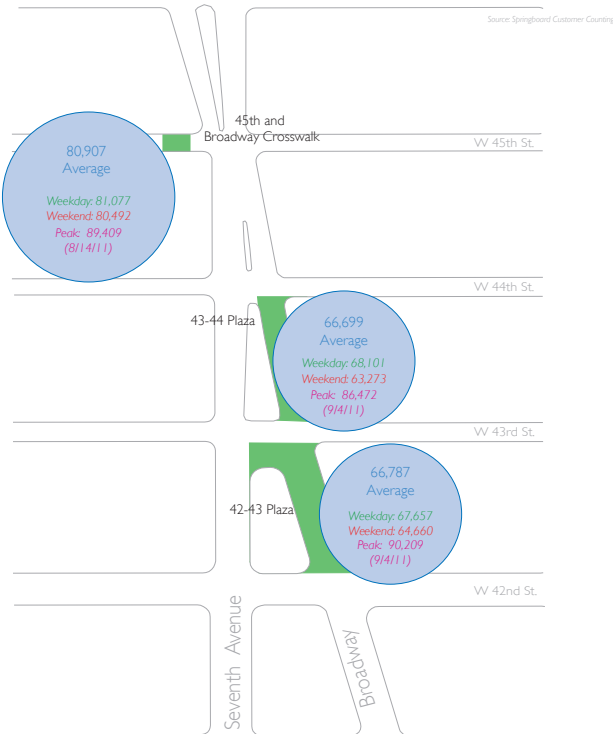
Interestingly attendance held steady at 2.7 million as an unusually small number of shows opened in the last three months. Broadway's strong numbers were bolstered by a core of consistent hits with >95% occupancy (*Anything Goes*, *Jersey Boys*, *Rock of Ages*, *The Book of Mormon*, *The Lion King*, *War Horse*, and *Wicked*) and relatively few shows with occupancy under 75%. As openings pick up in Q4, sales are expected to rise even higher.



PEDESTRIAN COUNTS

DAILY PEDESTRIAN AVERAGES

Q3 2011 SPRINGBOARD PILOT PEDESTRIAN COUNTS
AUGUST 2ND - OCTOBER 2ND

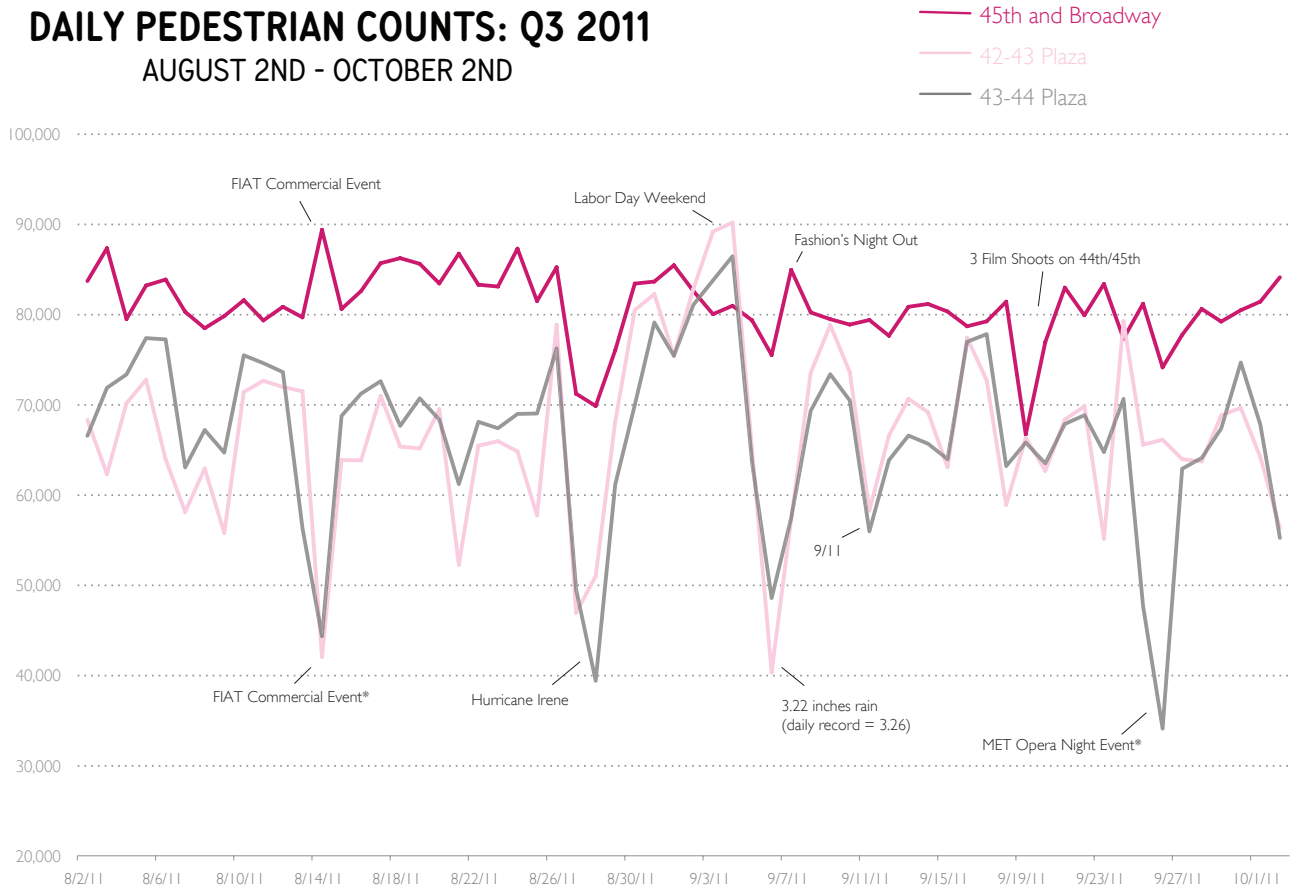


Times Square Alliance is excited to announce we are piloting a new camera-based automated counting program. The new system would replace biannual hand counts with hourly data on pedestrian traffic in more than a dozen locations throughout the Bowtie.

The pilot project began in August, as cameras on One Times Square and a DOT traffic pole captured pedestrian movement at three locations: the 42-43 plaza, the 43-44 plaza, and the crosswalk at 45th and Broadway. The Alliance tested the accuracy of these counts, which are provided by technology from UK firm Springboard Customer Counting LLC, and was happy with the results, which showed significant weekly trends in pedestrian flow and also allowed us for the first time ever to assess the effects of events, weather, and seasonal changes on Times Square's pedestrians.

The Alliance is currently in the process of expanding the camera program to cover all parts of the Bowtie, with the first complete counts expected to go online in December.

DAILY PEDESTRIAN COUNTS: Q3 2011 AUGUST 2ND - OCTOBER 2ND



Source: Springboard Customer Counting LLC

* Springboard cameras measure pedestrian flow, not crowd size. Both the FIAT and MET events brought considerable but static crowds to the plazas, resulting in the relatively low pedestrian counts.

