



Once a freight stop, later a nightclub, New York office building now takes on prominent rivals

Terminal Warehouse marks one of the largest adaptive-reuse projects in city history



By **Andy Peters**

CoStar News

July 6, 2025 | 8:07 P.M.



Weathered bricks, industrial windows and cast-iron shutters form the exterior of Terminal Warehouse in New York, a colossal structure that for well over a century has loomed over an entire Manhattan block near the Hudson River. Now this

vestige of a bygone era is about to square off for office tenants against some of the nation's most prominent modern buildings.

The distinctive Terminal Warehouse building that opened in 1891 as a freight-train stop — and later even served as a nightclub — is under renovation as one of the largest adaptive-reuse projects in New York history. The project is transforming 1.3 million square feet of industrial space into mostly offices with some retail and restaurant space. But as construction wraps up, so far there are no announced tenants.



(Courtesy of: terminalwarehouse.nyc)

It will compete with other recent office projects in this part of town that have had little trouble signing leases. Four blocks north, at the Hudson Yards project, silvery-blue glass shimmers in the sunlight at the [Spiral](#), a 1,031-foot office tower that opened in 2023, where greenery-laced balconies swirl around its sides. The Spiral is 95.5% leased, according to CoStar data.

Also at Hudson Yards, the **30 Hudson Yards** tower opened in 2019 and features the Western Hemisphere's highest outdoor observation deck and also draws attention for its sharp-angled structures that project upward at its pinnacle. According to CoStar data, 30 Hudson Yards has only a few unoccupied floors.

More competition is on the way. Construction recently started at 70 Hudson Yards, a 717-foot-tall office tower developed by Related Cos. and Oxford Properties. The building will supply an additional 1.1 million square feet of office space to the neighborhood.

While Terminal Warehouse comes from a different era than the glass, steel and modern architectural flourishes a half-mile away at the Hudson Yards towers, Terminal Warehouse's developers at L&L Holding, Columbia Property Trust and Cannon Hill Capital Partners have their eyes on the same caliber of tenants. The Hudson Yards complex has attracted tenants such as private equity firm KKR and pharmaceutical developer Pfizer.



At a glance: Terminal Warehouse. (L&L, Columbia Property Trust and Cannon Hill Capital Partners)

The commercial property industry is waiting to see if those types of tenants want to set up shop in the Chelsea neighborhood housing Terminal Warehouse and

Hudson Yards.

“The whole idea behind this was really to create an office environment that exists nowhere else,” Ted Koltis, head of real estate at Columbia Property Trust, told CoStar News during a recent tour of Terminal Warehouse. “We actually went around the country and just looked at what tenants were looking for in office.”

What a certain type of tenant is looking for, Koltis said, is a building with the latest in indoor healthy environmental features, comfortable places to collaborate with colleagues and plenty of amenities, all set within a building overflowing with historic character. Koltis, development partner Jonathan Tootell at L&L and design architect Darin Reynolds at CookFox believe they have completed such a product in Terminal Warehouse.

Others already agree. The Terminal Warehouse redevelopment was [named a finalist](#) this year for the best conversion project award at Mipim, an annual real estate conference in Cannes, France. It was beat out for the award by a [renovated air raid shelter](#) in Hamburg, Germany.

New York office market

Manhattan’s office market has recovered in recent months with the likes of [Universal Music Group](#) and trading firm [Jane Street Group](#) taking large leases, according to CoStar data. But Terminal Warehouse presents the market with a different challenge from the shiny trophy towers at Hudson Yards or [One Vanderbilt](#), where tenant rosters are full of financial services companies, law firms and commercial real estate investors.

“This type of building [Terminal Warehouse] works better for some tenants more than others,” said Victor Rodriguez, CoStar senior director of market analytics covering the New York City market. “You probably wouldn’t see Bank of America want to lease office space here.”

That dramatic difference is exactly what will work in Terminal Warehouse's favor, said Reynolds, a principal at CookFox in New York.



6 of 6

Tree ring analysis performed on a sample core taken from the original wood columns dated the timber to trees from the 16th century that were grown in the Southeast U.S. (Alex Ferrec/CookFox)

Terminal Warehouse has “irreplaceable authenticity and people know it when they see it,” and that’s the type of space companies in creative industries like entertainment and advertising, or from the high-tech world, are looking for, Reynolds told CoStar News. Terminal Warehouse’s developers are [betting that](#)

[New York's strong recent market](#) for office leasing with tech companies has more room to run.

Construction is almost complete on Terminal Warehouse, and the trio of New York-based developers is “in the final stages of negotiations for about 100,000 square feet” of leases for ground-floor retail space, said Justina Lombardo, a spokesperson for the developers. Cushman & Wakefield represents the developers on office and retail leasing for Terminal Warehouse.

The developers are “also in active discussions with a number of potential large space users” for the office space, Lombardo told CoStar News.

In addition to its 1.1 million square feet of offices, the renovated Terminal Warehouse will also have about 67,000 square feet of retail and restaurant space.

Freight history

Terminal Warehouse opened as a place where freight was unloaded from ships docked along the nearby Hudson River and placed on train cars that ran through the building, from 11th Avenue to 12th Avenue. It also provided cold storage space for perishable goods and was home of the Tunnel nightclub in the 1980s and 1990s.

Railroad tracks are still visible through transparent blocks embedded in the ground floor of Terminal Warehouse, a design touch intended to emphasize the building's connection with the Manhattan waterfront's industrial past.



The Spiral (shown in the center of the photo) at Hudson Yards is one of the buildings that will be in competition with Terminal Warehouse for tenants. (CoStar)

That's the kind of design touch that won't be found a few blocks away in Hudson Yards' office towers, said Gustavo Rodriguez, founder and principal at New York-based architecture firm GR Design Lab.

"These big conversions have a great sense of place," he told CoStar News. "Office buildings that have character and details are doing better than generic ones."

Gustavo Rodriguez isn't involved in the Terminal Warehouse project.

The task assigned to CookFox is categorically different than the work of superstar architects like Norman Foster and Bjarke Ingels at Hudson Yards, Gustavo Rodriguez said. CookFox needed to arrange everything from addressing mechanical and structural issues to performing deferred maintenance to assessing earthquake resistance to improving ingress and egress.

Meanwhile, CookFox also needed to make the space comfortable for tenants accustomed to creature comforts in the 2020s while also maintaining historic design elements, Gustavo Rodriguez said.

While employers are focused on cost-control, they have also realized that "real estate decisions directly impact employee experience, engagement, and overall business performance," Despina Katsikakis, global lead for total workplace consulting at Cushman & Wakefield, wrote in a June 18 report issued in partnership with CoreNet Global.

As a result, about 85% of office tenants who participated in the Cushman and CoreNet study said they expect landlords to provide "enhanced amenities, services and workplace experiences," and about half are willing to pay a premium for those upgrades.



Terminal Warehouse will also compete with the 30 Hudson Yards office tower (shown in center of the photo) at Hudson Yards. (CoStar.)

That was a major challenge that CookFox faced — how to transform a building more than a century old and that experienced long periods of vacancy, to something that meets the demands of 21st-century office tenants, Gustavo Rodriguez said.

“How you take a space that was big, industrial, flat, low, dark and dingy and create a whole different dynamic?” Gustavo Rodriguez said. “The key thing is to do no harm. You don’t want to renovate it to the point of not recognizing it.”

Creating a central courtyard

One of the primary ways CookFox achieved a brighter, airier space was to demolish and remove a portion of the building’s interior, like scooping the seed out of the center of an avocado. That provided a new source of sunlight to the structure’s interiors while also creating a space for a large outdoor courtyard, surrounded by rooftop decks, accessible to tenants.

“In order to take a warehouse that was never meant for people to occupy and turn it into a space that people could occupy, we had to figure out a way of bringing light and air into those, sort of, inner spaces,” Reynolds said.

The developers didn’t lose space that could generate revenue, however. They were allowed to take the space that was demolished and relocate it elsewhere on the property. That variance led to the construction of a new office complex called the Penthouse, a seven-story, 270,000-square-foot structure with floor-to-ceiling windows and panoramic views of the Hudson River. The new structure is one of the largest rooftop additions permitted in New York for a historically landmarked building, Reynolds said.

In addition to the Penthouse and central courtyard, Terminal Warehouse has other amenities located just a few feet outside its western entrance. The Hudson River Greenway riverside walking and biking paths run alongside Terminal Warehouse, passing [Chelsea Piers](#), [Pier 76](#) and other recreational piers.

Historic preservation

Terminal Warehouse is the latest of many historic industrial buildings in New York converted to new uses.

The 517,000-square-foot [Empire Stores](#) in Brooklyn opened in 1890, was converted into offices and restaurants in 2015 and now counts Boston Consulting Group among its office tenants. [Kingsbridge Armory](#) in the Bronx, one of the city's few remaining militia armory buildings, is in the planning stages for conversion to multifamily.

CookFox already has a project similar to Terminal Warehouse under its belt, the conversion of the former [St. John's Terminal](#) in Manhattan, a 1.5 million-square-foot building now occupied primarily by Google.

The [Starrett-Lehigh Building](#), a 1.9 million-square-foot property next door to Terminal Warehouse, opened in 1931 and was converted into offices in 2003. Fashion designer Ralph Lauren is the anchor tenant.

Repurposed historic structures are inherently a better option for promoting environmental conservation than new construction, Erica Ceder, an architect at DLR Group in Portland, Oregon, [wrote in a May 30 report](#).

"The most sustainable construction choice is nearly always going to be adaptive reuse," wrote Ceder, principal and head of DLR's historic preservation group. DLR is not involved in the Terminal Warehouse project.

"Constructing new buildings consumes vast amounts of resources and energy, contributing significantly to global carbon emissions," she said. "In contrast, adaptive reuse architecture capitalizes on the embodied energy of existing structures, minimizing the need for new materials and reducing construction waste."

But the quality of the space is also important, and CookFox appears to have balanced the sometimes-competing goals of historic preservation and

renovations, Gustavo Rodriguez said, based on his analysis of the firm's description and images of the product. That combination of historic authenticity and modern amenities should make Terminal Warehouse a prime target for many tenants looking for office space.

"People are still investing in offices, and architecture firms' workplace practice groups are still a thing," Gustavo Rodriguez said. "The quality of workspace has become ever more important."

For the record

Richard Cook, Darin Reynolds and Bethany Borel at CookFox were lead partners at their firm in charge of the Terminal Warehouse project. New Line Structures is general contractor. Thornton Tomasetti is providing construction and engineering services.

Josh Kuriloff, Andrew Braver, Gus Field, Anthony Lopresti, Nicholas Dysenchuk and Eric Hazen at Cushman & Wakefield represent the developers on office leasing, and Alan Schmerzler, Steven Soutendijk, Patrick O'Rourke and Sean Moran at Cushman are retail leasing agents.

Follow us on Social Media

Have feedback or questions? Email us at news@costar.com

IN THIS ARTICLE

Properties

[The Courtyard at Terminal Warehouse](#)

271 11th Ave, New York, NY

[The Timbers at Terminal Warehouse](#)

271 11th Ave, New York, NY

[Retail at Terminal Warehouse](#)

271 11th Ave, New York, NY

[The Penthouse at Terminal Warehouse](#)

271 11th Ave, New York, NY

[The Foundry at Terminal Warehouse](#)

271 11th Ave, New York, NY

Companies

[L&L Holding Company, LLC](#)

Real Estate

[Columbia Property Trust, Inc.](#)

Real Estate

[Cushman & Wakefield](#)

Real Estate

Contacts

[Jonathan Tootell](#)

Executive Vice President - Leasing, L&L Holding Company, LLC

[Steven Soutendijk](#)

Vice Chairman, Cushman & Wakefield

[Sean Moran](#)

Executive Director, Cushman & Wakefield

[Andrew Braver](#)

Executive Director, Cushman & Wakefield

[Alan Schmerzler](#)

Vice Chair, Cushman & Wakefield

RELATED ARTICLES

European real estate volumes 11% up in first half of year

Business parks take half of office lettings in Greater London and South East

Aware Super and Delancey complete circa £140 million City offices acquisition

US tech companies renew push to own their office real estate

Los Angeles-area commercial compound with hidden workshop hits market

Get In Touch
888-226-7404

REQUEST DEMO

Company

About CoStar

CoStarGroup.com

Careers

Press Room

Privacy Notice

CA: Do Not Sell My Personal Info

Cookie Preferences

Terms of Use

Help Fight Data Theft

Accessibility

Contact Us

Social

© 2025 CoStar Group