Cloud comes down to earth on 6th Ave.

Since it opened in 1932 as the AT&T Long Lines Building, **32 Sixth Ave.** has been one of the most wired structures in the city. When Rudin Management bought the building in 1999, it began transforming it from a telecom tower into one of the premier locations for network-service providers and Internet companies eager for access to all those cables. T Systems, the IT arm of T-Mobile, and XO Communications, an Internet infrastructure provider, are among today's tenants.

Last week, Rudin inked a complex deal with Telx, one of the nation's largest providers of network services and cloud computing, which underscores the property's centrality in the new digital age. Telx signed a 20-year lease for the entire 45,000-square-foot 10th floor, where the company, whose clients include Google and Amazon, will install servers.

Under the deal, Telx will also operate the Hub, a 27,000-square-foot facility built in 2001 on the 24th floor that provides connections to more than 90 different network operators located in the building. That aspect of the lease is the real prize for Telx.

"People always think you make a phone call or send an email, and it just goes from me to you, but these networks have to connect somewhere," said Bill Rudin, chief executive of Rudin Management. "The 'cloud' isn't a cloud; it's located in buildings, and the Hub is where those connections get made."

Telx already has similar operations at 60 Hudson St.—another "server hotel" that was once the headquarters for Western Union. In addition, it has operations at 111 Eighth Ave., the former Port Authority Building that Google bought.

"We can offer our customers up to 600 different connections through our New York City properties," Telx President Chris Downie said.

For Rudin, the deal also brings a partnership with Telx. The company will now run the Hub, which had been managed by the Rudins, while sharing profits in that venture. "They have the expertise to maximize that business and take it to the next level," Mr. Rudin said. The deal also gives tenants in Rudin properties throughout the city access to Telx's vast network, which spans 19 hubs in 13 major cities. —MATT CHABAN

Dutch 3-D outfit outgrows office

Shapeways, one of a fast-rising crop of companies in the 3-D printing business, is expanding its Manhattan office just months after taking the space.

The firm, founded in the Netherlands, is nearly doubling the size of its outpost at **419 Park Ave. South** to 9,050 square feet, taking the 20-story building's entire ninth floor. Shapeways previously had occupied about 5,100 square feet of the floor, space it took in December in a 10-year deal. The new lease includes future expansion rights that will give the company the ability to stretch out across as many as three floors—for a total of nearly 30,000 square feet. Meanwhile, under the deal for the expanded space, the lease term remains intact.

The asking rents for the space are in the $50s per square foot, up sharply from rates in the area just a few years ago.

"A lot of emerging tech companies are being pushed out of the area because of the rising prices," said Steven Blair Strati, a broker at Cushman & Wakefield who represented Shapeways in the expansion. "But Shapeways wanted to be here; this is an important location for them that is close to venture-capital sources in the tech sector, not to mention transit hubs like Penn Station, Union Square and Grand Central."

Shapeways jumped into the Manhattan market last year, taking space at 419 Park Ave. South for its executive, administrative and sales staff. At the same time, it inked a lease for a 25,000-square-foot location at 30-02 48th Ave. in Long Island City, Queens, where it has set up an industrial 3-D printing facility. It handles printing jobs for clients using sophisticated equipment that can produce objects in a host of different materials, from metal to plastic.

Walter & Samuels Inc., the landlord of the 160,000-square-foot 419 Park Ave. South, was represented in-house by Jim Gladstone, an executive at the firm.

—DANIEL GEIGER

Wall St. lease gets re-engineered

HAKS, a firm specializing in design and construction management for large infrastructure projects, is re-engineering its offices at **40 Wall St**. The company has just signed a 15-year lease for 72,000 square feet, in a deal that expands the firm's footprint and extends its stay in the former Manhattan Trust Building, now owned by the Trump Organization.

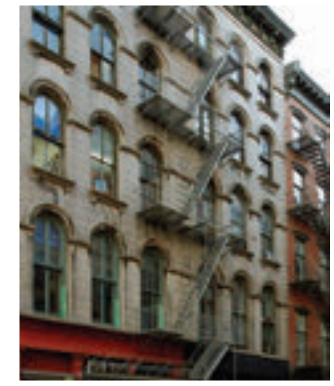
The firm first moved into the building in 2004, taking over the entire 36,000-square-foot 11th floor. In 2010, it added roughly 10,000 square feet on the fourth floor and extended its lease by 10 years. Only three years into that deal, HAKS has expanded and extended yet again. This time, the tenant is giving back its slice of the fourth floor and taking over the entire 36,000-square-foot ninth floor. The price on the renegotiated lease is said to be in the neighborhood of $35 per square foot. The new floor will be ready by the fall.

HAKS, founded in 1991, continues to grow, with projects ranging from the Tappan Zee Bridge to rebuilding the catenaries on MetroNorth.

HAKS was represented by David Hoffman of Cassidy Turley, while Trump's brokers were Jeffrey Lichtenberg and Jared Horowitz of Cushman & Wakefield.

—MATT CHABAN

BARE BONES



38 WALKER ST.

ASKING RENT; TERM: $85 per square foot; 10 years

SQUARE FEET: 4,600

TENANT; REP: David Weeks Studio; Simone Lillian of Sinvin Real Estate

LANDLORD; REP: 38 Walker Street; Michelle Ball of the Rudd Group

BACK STORY: The Dumbo, Brooklyn-based lighting and furniture design company will open its first Manhattan location.

SMALL BUSINESS

Lender aims for comeback under new name

The former Seedco Financial Services separates from its erstwhile parent

BY KEN CHRISTENSEN

Andrew Simmons has owned Lashay's Construction and Development Inc. in the Bronx for 15 years. But when Mr. Simmons went to his bank last October to increase his line of credit to $600,000 from $75,000, he said, the profitable firm, which has about $3 million in annual revenue, was denied.

Instead, Mr. Simmons turned to a group then known as Seedco Financial Services Inc., a community development financial institution, or CDFI, that focuses on lending to underserved groups of low- and middle-income entrepreneurs. He received a loan and line of credit totaling $304,000 at 9.5% interest to finance his firm's concrete-reinforcement job on the Metropolitan Transportation Authority's East Side Access project and other work.

"You need capital up front on these jobs to keep the payroll going," said Mr. Simmons, who employs up to 40 people at a time.

Recently renamed TruFund Financial Services Inc., the former Seedco Financial Services has emerged from a trying period and is stepping up lending this year. It has approved $5.8 million worth of loans so far for 2013.

The institution's lending in the New York City area plummeted from $13 million in 2011 to $6 million in 2012 as it focused on splitting with its parent company, Seedco, a national nonprofit that was sued for civil fraud by federal prosecutors last year. Seedco declined to comment on the split with Seedco Financial.

"During those moments, you can't provide the level of service that you had over time; it's all-consuming," said James Bason, president of TruFund since 2011.

The slowdown in its lending left an important gap in the market for small businesses seeking financing, according to Cristina Shapiro, vice president in the Urban Investment Group at Goldman Sachs Group Inc., which in 2009 made a $20 million grant to TruFund as part of a small-business lending initiative. "These are loans to businesses that traditionally can't get loans," she said.

Initially agreeing to deploy the funds from Goldman Sachs by the end of last year, TruFund was granted an extension until the end of 2013, Ms. Shapiro said.

Trouble began brewing for parent organization Seedco after *The New York Times* broke a story in August 2011 that said the nonprofit falsified reports to the city while it was contracted to operate two federally funded job-placement centers, in upper Manhattan and the Bronx.

In late May 2012, federal prosecutors sued Seedco for civil fraud after the city's Department of Investigations said the nonprofit filed 528 phony claims. The parties reached a $1.725 million settlement in December, according to court documents.

TruFund could face some tough competition for clients as it returns its focus to lending, now that big banks are approving small-business loans at higher rates, according to Rohit Arora, CEO of Biz2Credit, an online loan broker based in Manhattan.

BUCK ENNIS

ANDREW SIMMONS (left) won financing from TruFund, led by executives James Bason (center) and Demetric Duckett.

"They have a small window of opportunity because the market doesn't wait for anyone," Mr. Arora said.

However, TruFund's specialization could work in its favor. It makes loans between $50,000 and $750,000 at 8% to 10% interest and offers technical assistance, primarily for entrepreneurs who can't qualify for loans at traditional banks, as well as for nonprofits and real estate developers.

"They do larger loans than most CDFIs, excluding credit unions," said Melanie Stern, senior program officer at the New York State Coalition of CDFIs. TruFund is also one of the few CDFIs in the state that participate in the New Markets Tax Credit Program, she added. That program is focused on revitalizing disadvantaged communities. "They have a very specific niche," she said.

And many entrepreneurs still need alternative sources of funds. Mr. Simmons is now ready to return to TruFund's team to finance two big jobs he expects to win. "They really worked well with me," he said. ■