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## Retail representatives, including American Dream's builder, are optimistic on filling space

BY JOAN VERDON

Retail real estate brokers and leasing agents — including representatives of the American Dream project in the Meadowlands — sounded optimistic about filling empty and prospective store spaces Monday as the industry gathered in New York City for an annual deal-making conference.

Brokers said they are seeing pre-recession levels of leasing activity, and developers of North Jersey properties said they are encouraged by the amount of interest they are seeing in their available retail spaces.

“Things are certainly better than they were a few years ago,” said George Jacobs, president of development firm Jacobs Enterprises of Clifton. Jacobs said the firm’s Clifton and Ridgewood retail properties are 100 percent leased and he is seeing strong interest in new urban mixed use developments in Newark and Bloomfield. The firm and its partners broke ground on a retail and residential project in Bloomfield on Monday.

Jacobs and more than 7,500 retail real estate professionals gathered at the Hilton New York hotel Monday for the two-day conference hosted by the International Council of Shopping Centers. Attendance at the conference increased about 15 percent this year compared to 2012.

One of the rare mega malls currently under way, the American Dream project’s agents were at the conference to meet with prospective tenants. The project’s leasing team had a meeting room in an adjacent hotel and were conducting meetings throughout the day Monday.

Don Ghermezian, president of Triple Five, the developer of American Dream, said during a break in meetings that the mall is attracting a lot of leasing interest, although the company is not yet able to announce tenants. “We have eight or nine leasing agents talking to us right now” he said, gesturing toward the crowded meeting room.

Michael Kercheval, president and chief executive of the shopping center council said attendance at the New York conference usually is a barometer for the health of the retail real estate industry. The 15 percent increase in attendance this year “bodes very well for our industry in 2014,” he said.

Chuck Lanyard, president of The Goldstein Group, a retail brokerage firm in Paramus, said he uses a different measure to gauge the industry’s robustness - how crowded the aisles are at the conference. “If at 12 noon the aisles are too crowded to walk through, that’s a good sign, and they were,” Lanyard said.

In addition to being more crowded than last year, the mood at the conference is more upbeat, Lanyard said, with deals being done.

Most of the deals being negotiated at the conference involve repositioned properties rather than new developments.

David LaRue, chairman of the International Council of Shopping Centers and president and chief executive of development firm Forest City Enterprises Inc., said in an address to the attendees that there has been virtually no construction of new malls recent years. The prevailing trend, LaRue said, is renovating existing properties. "The retail industry may not be so much overstored as under demolished," he said.

North Jersey remains a strong magnet for retail, and well able to hold its own against Manhattan, said Faith Hope Consolo, chairman of the retail group at Douglas Elliman Real Estate, who hosted a panel on new growth areas in Manhattan's outer boroughs. Consolo said Jersey City also could be considered a hot "sixth borough" and is expected to attract retailers to serve the growing residential population along the waterfront.

Westfield Garden State Plaza remains the mall where "everyone wants to be" Consolo said.

Of the five boroughs, Brooklyn is the hottest for retail development, said Consolo, predicting the Bronx will soon be the new Brooklyn.