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## **Chelsea – The neighborhood that continues to attract commercial tenants - by Aleksandra Scepanovic**

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Ideal Properties Group has had many milestones in its 11 years since foundation. We started as a two-person firm operating out of a spare bedroom in a brownstone apartment. Since then, we opened four offices in Brooklyn in the neighborhoods of Gowanus, Cobble Hill, Park Slope and Williamsburg. In January of this year, in our latest burst of activity as a New York business, we expanded to Manhattan. We selected the neighborhood of Chelsea to lead our Manhattan operations for many reasons. The area resonates well with our Brooklyn roots, and adds its vibrant and dynamic commercial and residential landscapes to our roster of real estate activities.

Chelsea has long been a hub for smaller tech firms, who join fashion and design houses in their preference for the neighborhood's iconic loft buildings over traditional office space. Startups are attracted to the area, with its older buildings and youthful feel, surrounded by an endless array of companies looking to make it big in the Big Apple.

Chelsea is gaining momentum in attracting new commercial tenants across all industries including Fresh&Co and Aetna. WeWork recently announced it is expanding its headquarters in the neighborhood, in a company-wide effort to bring its corporate operations to one location.

Just like our fellow Chelseans, we feel that the biggest news in the neighborhood is Google. The tech behemoth is set to purchase the iconic Chelsea Market building at 75 Ninth Ave. for a record \$2.4 billion, and is moving toward acquiring over 350,000 s/f at neighboring Pier 57. Tech is growing faster than any other sector in New York City, and Google joins Facebook and Amazon in their quest to expand their Manhattan footprint and influence.

Google's expansion places the spotlight on Chelsea and solidifies a trend for corporations, specifically tech companies, towards Midtown South, outpacing and outperforming Midtown or Downtown office space.

Chelsea is also seeing significant growth in luxury residential development, and tech is attracting more and more of those occupants who can walk or bike to work, and who enjoy leisure amenities such as restaurants and the world's easily best-ever repurposed urban park – the Highline. This means a consolidation of the live-work-play triad, breaking with the old formula of working in Midtown or Downtown, and hanging out where you live only on weekends.

Another notable trend across Manhattan is that retail is languishing, Chelsea not being exempt from this development. The retail sector continues to assimilate and process shifts in shopping patterns driven by millennials, who tend to shop online. Alongside its industry compatriots, retail in Chelsea has also seen a decline in recent years, but this has made room for other industries to swoop in for the much-desired locations.

Micro-elements affecting the demand are events such as the opening of The Avenues World School back in 2012, the educational facility still exerting a strong pull on the families moving into the West Chelsea and Chelsea Proper.

Purchaser preferences nowadays are geared toward experiences over items, and Chelsea neatly fits into that trend, with countless restaurants, gallery spaces, the Highline, and of course, the world-famous gourmet food court on the ground floor of Chelsea Market.

Ideal Properties Group is one of the latest businesses to make a new home in Chelsea, and we are happy to discover that we're far from alone in our admiration of the neighborhood.

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