



Executive of the Month: Q&A with Brittany Bragg, chief operating officer at Crown Acquisitions

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As the chief operating officer for Crown Acquisitions, Brittany Bragg is involved with acquisitions, structuring and operational processes, and shaping new business initiatives for one of the largest, private owners of retail and office property in North America. Since joining the firm, Bragg has also been instrumental in the launch of Crown Retail Services (CRS), a division of Crown, which has quietly built a reputation with retailers as the go-to firm for creative real estate services and solutions. Bragg recently gave us a candid glimpse into the workings of CRS, discussing what sets them apart, some of the deals she is most proud of, and her vision for the future of the brokerage business.

Q: Before we jump into specifics about Crown Acquisitions and CRS, how did you get started in the business?

A: Starting out as a consultant at Bain & Co., where I advised Fortune 500 retail and media clients, I quickly realized that many of them did not consider real estate a core competency, whereas I was fascinated by the space - it affects everything we do, from where we work, to how we live and play. I decided to make a career change and joined Acadia Realty Trust. Subsequently, I spent some time with Vornado, focusing on the company's India platform.

Q: What attracted you to Crown Acquisitions?

A: While at Acadia, I worked on a transaction with Crown. Their team and unique approach to deal making impressed me immensely. The first-hand experience I gained about how they made decisions and treated their partners-financial, tenants, employees-stayed with me. We remained in touch over the years and I thought they were doing some of the most interesting and creative deals in the urban retail landscape. When they approached me about joining the team I thought it was a great opportunity. I was particularly compelled by the fact they were real estate owners with deep roots in the retail industry, which has been key to the company's success. It was also important for me to work for a firm that promoted an entrepreneurial spirit.

Q: So with that said, what specifically sets Crown and CRS apart from the competition?

A: Two fairly simple things: one, we are able, and often do, invest alongside a retailer. We can act as both a broker and a real estate acquisition/development partner, which allows us to get deals done in a way many others can't. When we approach an assignment, we never look at just one tenant or one property, but rather the total retail landscape. So if what's being actively marketed doesn't meet a client's needs, we in conjunction with our acquisitions division, will invest with the retailer to create a space that does. The second is something we discussed before; the partners' roots as retailers, means we inherently understand the needs of our clients in a way that only comes from having three generations of hands-on experience.

Q: Can you give us some examples that speak to this creativity?

A: An example is our work at 720 Lexington (at 58th St.) Steve Madden had been looking for a New York flagship location for over two years unsuccessfully, and engaged Crown to help find the perfect space. From the potential sites we identified, they picked 720, which of course was not for sale or rent. Crown and Steve Madden signed a contingent lease and we purchased the property. We bought out the existing retailer's lease, facilitating a dramatic redevelopment of the property. We made the deal happen, when and where no one else could. As a result, CRS is now Steve Madden's exclusive, non-mall representative. This transaction was actually one of the catalysts for formally launching CRS, because it helped clarify the need for these types of tailored solutions in the marketplace.

Q: What would you consider your biggest accomplishment since launching CRS?

A: Having a really great team to brainstorm and work with in order to bring our ideas to fruition. It would be hard to pick just one achievement. Also, maintaining our focus. CRS is not out to be all things to all retailers. We selectively represent brands we believe in, and that want differentiated services and broader options from their broker.

Another favorite deal was 490 Fulton St. in Brooklyn, a neighborhood where the firm opened its first retail store in the mid-1900s. In 2010, we bought a 250,000 s/f, five-story building that was formerly a department store. When we closed, we had leased the upper three floors to Long Island University for student housing. While not a retail use, it facilitates the entire project and I believe is a win for both the university and retailers. We worked with existing tenants to coordinate our construction schedule and keep them in the space through the holiday shopping period. We also relocated those who wanted to stay in the same neighborhood, without disrupting their businesses. As a firm we take tremendous pride in being able to work successfully with the property's existing tenants and new ones, to deliver a great project for the community, across the board.

Q: Where are we in today's retail market, any new trends you're following?

A: A big part of what makes us good at what we do is that we don't hop on different market trends. We're committed to advising clients on the best locations for their brands, and buying great buildings in strong markets. While Crown's portfolio is known for many high-profile addresses, a la Fifth Ave. and SoHo, we are equally focused on solid N.Y.C. submarkets like Downtown Brooklyn, Jamaica Queens, and Fordham Rd. in the Bronx, and other great urban centers including Chicago, Baltimore, Toronto and Boston. So while the market will impact how quickly companies expand or how many deals we acquire, the fundamentals of our business remain the same. Crown has done business successfully this way for 80 years. CRS is an evolution of what we do, not a departure from it.

Q: What challenges are you seeing in the retail real estate market?

A: The biggest challenge is one of perception. Landlords see rents on the rise, while tenants feel the market is still soft. We're working on bridging this gap. There aren't 'steals' on upper Fifth Ave. or on Broadway between Spring and Houston St. These retail areas have held up well. We're going to continue to see shopping destinations-with New York leading the pack-do well if you're willing to take an innovative lease or position.

Q: What is your vision for the future of Crown Retail Services?

A: We will continue to creatively meet our partner's retail real estate needs, whatever that specific requirement is. They drive our business, not the other way. Our value proposition is to not only perform traditional searches, but also to offer retailers access to off-market, structured and development deals. By providing access to greater inventory and the opportunity to customize sites,

we can deliver spaces that meet each client's unique specifications. My vision for CRS is to continue to employ this inventive approach in order to be the best-in-class tenant representation firm, that selectively works with clients and partners who view the world as we do: real estate is critical to their success, it's something to invest in long-term, and it provides an innovative and creative way to create incremental value for their business.

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