



Tri State Commercial Realty: The Brooklyn office market has room for growth

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Shlomi Bagdadi, Tri State Commercial Realty

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Brooklyn, NY According to Tri State Commercial Realty, the office market has room for growth and the borough's niche commercial market continues to attract creatives.

As 2019 wraps up and 2020 quickly approaches, one thing, according to Tri State Commercial Realty, is certain: "The Brooklyn office market will continue to flourish in 2020."

Tri State Commercial Realty, having served the area commercial market since 2014, has been instrumental in the changes the borough has experienced over the last five years. The team has a deep understanding of what the various neighborhoods require as each area continues to develop and modernize. Commercial properties are needed throughout each neighborhood, but some areas of the borough are “riper” for office locations given the workforce demands. This includes areas such as Downtown, with the thriving MetroTech Center being the focal point of the office market in that neighborhood.

While rents have shown some stabilization over the last 12 months, the demand for office space, especially in the under 10,000 s/f market, largely situated in North Brooklyn, continues to thrive. It may seem that there will be oversupply to the office market as a bulk of new construction is expected to be delivered by 2022; however, there will certainly be big-name companies taking on long-term leases, helping the borough continue its upward trajectory.

Many companies entered the borough before the area was ready and the demand was greater than the supply. The creative workforce – those in professions within the arts, fashion, media, music, etc. – have long been intrigued by this area. They continue flocking into the borough as, over the years, the attraction has only grown. Neighborhoods throughout Bushwick, Williamsburg and Dumbo, DOBRO have seen tremendous growth. Some areas of Williamsburg have completely transformed over the last decade.

One segment of the market that continues to draw attention is the co-working office spaces. WeWork has been in the news on the daily and more and more companies like them have cropped up over the last few years, especially as new residential developments continue to rise. People want to work closer to their homes as long commutes can infringe on productivity, and more and more companies are making this a reality. The demand for office space through 2019 has resonated with commercial leasing firms and Tri State Commercial is well-equipped to provide the knowledge, insight and square footage to those seeking to make the borough their professional home base.

According to Shlomi Bagdadi, president, Tri State Commercial, “Brooklyn is no longer a second office; it is becoming headquarters to more and more companies. While large co-working spaces work well in Manhattan, those seeking to develop in Brooklyn need to understand the below 10,000 s/f market. That is a specialty area, and one that is firmly planted in our wheelhouse, although we help companies of all sizes find the best work spaces.”

Avi Akiva, vice president at Tri State Commercial said, “In order to service and advise our clients properly, we have invested in technology and people. We have grown our team of best-in-class professionals, equipping each Tri State agent with in-depth market knowledge. We are ready for what we expect to be a strong year.”

The firm, as Bagdadi said, endeavors to grow the team. While they have a competitive edge already, as “The Brooklyn Experts,” they don’t plan to relinquish that title.

As the emerging neighborhoods continue to develop into their own, such as the Brooklyn Navy

Yard, more and more amenities are expected of the landlords before tenants sign long-term leases. The firms that know the fabric of Brooklyn, how it has grown, are the ones that can make the right matches between owners and tenants.

Tenants in the New York City market, even in the most difficult economies, will always have the need for commercial space, affording landlords with the ongoing opportunity to rent in-demand spaces. At this moment, we are in a tight market, especially in the hottest areas of the borough, and that will only continue.

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