



## **Meridian Retail Leasing closes first quarter with a bang - by James Famularo**

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James Famularo

It's no secret that the commercial real estate industry has faced hurdles over the past 24 months, and I'm frequently asked how I've been able to work through current hardships given the uncertainty surrounding future demand and occupancy rates. I feel fortunate to have built my career in leasing during times like these, and thus have learned resiliency and the importance of creativity in the dealmaking process. Coupled with the fact that the leasing sector has not been as directly impacted by interest rates as other parts of the market, Meridian Retail Leasing has been on an upward trajectory, closing our most successful quarter one since the platform's origination.

Meridian Retail Leasing closed nearly 100 deals in the first quarter of 2024, spanning more than 500,000 s/f of retail space totaling \$90 million in rent value. I believe our success was due to a combination of having a growing team and the motivation that is carried throughout the office. Instead of being intimidated by a tough market, our team viewed it as an opportunity.

We negotiated deals for various restaurant and bar operators, beauty salons, and other tenant types that are typical for our team, but also noticed some new concepts rolling out in Q1. Legal cannabis dispensaries are on the rise, and our team has been inundated with calls and tours with operators looking to get a license and open shop. Meridian Retail Leasing senior director, Greg Goldberg, leased a 9,500 s/f space in SoHo to a prominent dispensary tenant from California. Located at the epicenter of Manhattan's shopping district, Goldberg managed bidding wars between high-end retailers desperate to have a presence in the area.

"When I started working on this assignment, I wouldn't have guessed we would sign a lease with a cannabis tenant," Goldberg said. "But after seeing how the dispensary trend has taken off, it's no shock at all."

The team closed another cannabis deal at 70 Canal St. We originally marketed the spaces as three separate units, but ultimately closed a deal with a dispensary, Smelly Nelly, who leased the full 2,000 s/f. I believe that one of the most opportunistic times for brokers is when a new trend begins to emerge. This is clear when I look back at how well we were able to capitalize on and turn this demand for dispensaries into a success.

The complex current market and lingering effects of the COVID pandemic have forced our brokers to get creative and think out of the box on our assignments. We leased a few floors of a Midtown office building that we previously would have pitched to a corporate company to a new fitness concept instead. We analyzed the greatest needs in this area, researched fitness operators, and tailored our outreach to those kinds of tenants, ultimately signing the third floor of 940 Third Ave. to a tenant that utilizes electrical muscle stimulation and has had great success since opening.

The early triumphs the Meridian Retail Leasing team has had since the beginning of the new year leave me feeling optimistic for what's to come as we continue to navigate a more challenging environment.

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