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LEASE BEAT

Zara Headed to FiDi

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Fashion retail giant Zara signed a 15-year, 30,000-square-foot lease at 222 Broadway, between Ann and Fulton Streets, in the Financial District.

L&L Holding Company and Beacon Capital Partners are moving the building's lobby entrance to Fulton Street to make room for Zara, the flagship retail brand of Spanish fashion giant Inditex. The two-story wrap-around store, slated to open late this year or early next year, will have space on the ground, second and lower levels of the building.

The deal marks part of a multi-million redevelopment of the lobby, elevators and ground-floor retail space at the building.

"Zara is a prime example of the world-renowned retailers who are discovering Downtown Manhattan's vitality in terms of transportation, live/work opportunities, proximity to dining and shopping and other exciting features," said L&L CEO David Levinson.

C. Bradley Mendelson and Alan Schmerzler of Cushman & Wakefield represented Zara and L&L in-house broker David Berkey represented the landlord.

"We believed Zara's flagship store format would be better suited to a strong Broadway street location, as opposed to the more mall-like environments of Brookfield Place or the World Trade Center retail," Mr. Mendelson told the *New York Post*.

Mr. Schmerzler spoke to the *Post* about the "incredible foot traffic on Broadway, proximity to the transit hub, and of course the large block of space we were able to assemble for them."

Asking retail rents for the space at 222 Broadway were \$500 per square foot for the ground floor, \$125 per square foot for the second floor and \$50 per square foot for the basement.