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KATZ IN THE NEWS

featuring Scott Sher



New York's Williamsburg Adds Apparel Brands UpWest, Frank and Oak

North Brooklyn Retail Market Has Outperformed City Average, CoStar Data Shows

Leap, a startup that helps retail brands run physical stores and assumes leasing risks, has signed 10-year leases to bring two sustainable fashion labels to New York's Williamsburg neighborhood in Brooklyn.

UpWest's store spans 1,200 square feet at 107 N. Third St., while Frank and Oak occupies 3,500 square feet at 106 N. Third, brokerage firm Katz & Associates, the exclusive real estate broker for Leap, said in a statement this week.

The Williamsburg locations mark the first New York store for UpWest, which is based in Ohio, and the second city store for Canadian company Frank and Oak after a location in Manhattan's SoHo.

Leap, which also manages retail locations for other brands such as Goodlife and Naadam clothing, has been eyeing store locations for retailers in the SoHo, Williamsburg and Upper East Side neighborhoods to expand beyond its current stores in Manhattan's West Village and Hudson Yards, Amish Tolia, co-founder and co-CEO, has told CoStar News.

The retail platform in January said it raised \$50 million in Series B financing. In 2021, it quadrupled its store fleet. It plans to open more stores in Williamsburg, following a similar template that it has used in SoHo and other neighborhoods, a spokesperson told CoStar.

"Leap is creating a cluster of stores in Williamsburg, bringing great brands to the hottest retail market in Brooklyn," Scott Sher, managing director at Katz, said in the statement.

Retail leasing activities have shown residential neighborhoods such as Williamsburg and Manhattan's Upper East Side outperforming tourist-dependent corridors such as Fifth Avenue and Times Square. Outdoor apparel retailer Patagonia, for instance, last year said it was making its first foray in Brooklyn, in Williamsburg, after its four stores in Manhattan.

The North Brooklyn retail market, which includes Williamsburg, has seen vacancies decline over the past year with higher average rents than the New York metro area, according to a CoStar report, adding rents are increasing again following a sharp decrease in 2020. The area's vacancy rate of 3.1% also is below the city average of 4%, CoStar data shows.

For the Record

Katz's Sher represented Leap in leases for UpWest and Frank and Oak. Garry Steinberg and Brendan Reichenbacher of Lee & Associates represented the landlord.