

Hobby Lobby inks massive Tribeca lease

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The Oklahoma-based arts-and-crafts retailer known for its ownership's conservative political leanings is coming soon to Manhattan.

Hobby Lobby, which opened its first chain in the city on Staten Island in March, has now signed one of the largest leases in Manhattan so far this year, inking a deal for 70,716 square feet at 270 Greenwich St. in Tribeca, according to a new report from JLL on the state of the retail sector for the second quarter of 2024.

Hobby Lobby has more than two dozen locations across the Empire State but so far only one is currently open in the five boroughs, at 280 Marsh Ave. on Staten Island, where former President Donald Trump received 61.6% of the vote in 2020.

A representative for the faith-focused store, whose core values include "Honoring the Lord in all we do by operating in a manner consistent with Biblical principles," indicated that the retailer was looking to expand elsewhere across the city and would have "more exciting news soon" after the March opening on Staten Island.

Hobby Lobby's Manhattan debut was the highlight of the recent JLL report, released July 3, which shows that, overall, the city's volatile retail market continues to bounce back as the average asking rent is up this year compared to last, while the availability rate is down, reaching its lowest level on record. The average retail availability rate hit 15.3% last quarter, down from 21% before the pandemic in 2019 and significantly lower than the peak at 28% in 2021, according to data from JLL, which tracked several Manhattan neighborhoods, including Times Square, SoHo and the Meatpacking District.

Conversely, as the law of supply and demand goes, the average asking rent, for the most part, has increased 5.9% since last year, from \$517 during the second quarter of 2023 to \$548 this year — although it is still below the average prepandemic.

Zooming in, the availability rate on Madison Avenue has plummeted to a new low, falling from a whopping 16% this time last year to 5.9% during the first quarter of 2024 and to 5.3% for the second quarter of this year — breaking its own record again. And along the lower portion of Fifth Avenue, where the same trend is playing

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out, the availability rate has similarly dropped to 11.3% during the second quarter of 2024, down from 21% during the same quarter last year and 14.5% during the first quarter of 2024. The upper part of Fifth Avenue, however, has seen a jump in vacancies — from a record low of 10% during the second quarter of 2023 to 17.1% this year, according to JLL.

Another notable move this quarter was Ikea's purchase of 80,000 square feet of retail space in the new Extell Development tower going up at 570 Fifth Ave.

It's unclear how much per square foot Hobby Lobby is paying for its new Greenwich Street space at the base of a 35-story luxury building between Murray and Warren streets. A Barnes and Noble bookstore closed in the building earlier this year and a Whole Foods is on the ground floor. Hobby Lobby did not immediately respond to a request for comment, and Sam Martorella of Ripco Real Estate, who is listed as the broker for 270 Greenwich St., declined to comment.