

A Retail Focus

**An Interview with Lee Block,
Executive Vice President, Winick Realty Group**

EDITORS' NOTE *Lee Block became a leasing agent with Winick Realty Group in 2008. He is a graduate of the University of Maryland College Park and the Robert H. Smith School of Business.*



Lee Block

COMPANY BRIEF *Winick Realty Group (winick.com) is one of New York's prominent real estate firms specializing in retail leasing and advisory services. Over the years, Winick Realty has served a broad range of domestic and global clients, with a strong emphasis on long-term representation and expansion and growth strategies. Winick Realty Group, based in New York City, is highly recognized as a forerunner in the retail real estate market.*

Looking from the inside at the strength Winick has, especially in the retail space, what is the secret to that success?

We have been around for over 30 years and the relationships we have cultivated over that time have stuck with us and grown as the company has expanded over the years.

We're trying to grow the relationships developed through Jeff Winick, who started the company. We're also trying to pull in new business and opportunities, and venture into other avenues we might not have approached in the past, such as development and design.

Will retail always be the foundation for this firm?

Our entire core is about retail, specifically retail leasing. We also do investment sales, all with a retail focus.

Many of my colleagues have a retail background if they're not formerly in real estate. This gives us all a better perspective as to how the market functions, how tenants see the market versus how landlords see the market. It also gives us a step up on everyone else when it comes to how to put deals together so that both parties can move forward successfully.

Where does the New York City market stand today and is it strong?

Tourism drives much of the retail business, especially in New York. We have seen record tourism numbers throughout the city and they've only grown over the past few years. Markets like Times Square, Fifth Avenue, Wall Street, and Lower Manhattan are all thriving.

We hear reports about vacancies rising and there is probably an uptick in available spaces in terms of retail but, in the strong markets, retailers are doing really well. We're bringing new product to the market and we're excited about talking with new international tenants coming to New York in search of great opportunities to put their flag down in the U.S.

Are you surprised to see how popular certain areas of the city have become for retailers?

Retailers are trying to differentiate themselves. We see growth in areas like the Bowery and certain pockets in Brooklyn. There are restaurateurs in New York that are going to offbeat-type locations like the far West Side and other areas where a retailer or restaurateur typically would not have gone to in the past.

Edgy and hip are in. There has been much growth in Williamsburg over the past five to 10 years, and rents have gone up.

The Bowery is one example above Houston Street, where there has been a great deal of growth and many national tenants opening for business. It's starting to trickle down south as well.

Is Fifth Avenue still the number-one destination when it comes to retail even though many are talking about moving out?

Fifth Avenue is still the most sought after. There are stretches on Fifth that are very difficult to enter as it's tough to find space. There are other parts that have more opportunity right now. Overall, for any retailer in the world, their number-one location would be Fifth Avenue and likely upper Fifth Avenue, 49th to 60th Streets. That's where some of the strongest brands in the world are, and some of the highest sales figures and highest rents have been achieved.

What will the impact of Hudson Yards be on the city?

It's a great addition to the city – it's almost like a city within a city.

They're going to have their own residential components between what Brookfield and Related are building; there is going to be a large office/daytime component, and they're going to focus on the retail and the experience. This is not only going to play to the people working and living at that site but it's also going to bring people from the outside, which is what retailers look for.

They're going to program plazas and buildings for events and other activities to bring people in from all over and that will help the retailers distinguish this as an important neighborhood and destination for Manhattan.

As more of the development for Winick occurs outside of Manhattan, is it important that your focus broaden into those markets as well?

Personally, I've done work in Brooklyn and we're working on several large projects there now.

We have a great presence and handle on the markets in the outer boroughs, especially Brooklyn and Queens. We are also extending out to Long Island and throughout New Jersey.

It all functions as one. If retailers are looking to enter the tristate area, many times they will start outside Manhattan, which requires less rent stock, to establish their brand. Once they have more brand recognition, they will enter the city.

At the core of your business, how important are what many would consider smaller deals?

What people read about in the papers are the multi-million-dollar rent deals, but 90 percent of the space is not super flagship type space. We work on mom-and-pop deals as much as we work on national and international deals. It's a balance.

Aside from managing our time efficiently, those relationships are important with local tenants because they're the ones who really made the city what it is. It's about keeping the integrity and uniqueness of Manhattan and New York City as a whole.

It's important that those tenants are taken seriously, and they're successful and can pay the rents. Many landlords want to keep that character and look and feel to the city in their buildings.

What characteristics make for a successful broker today?

It's important to understand the market as a whole and what affects real estate.

Having a general understanding of the marketplace itself is important, but one has to be a go-getter. One has to be a cold-caller and want to work long and hard because there are no hand-outs. If one proves oneself, opportunities will come.

Does technology today detract from that personal interaction?

Technology certainly helps with efficiency and effectiveness, but there is nothing like a face-to-face meeting to really build a relationship. That will always be important. ●