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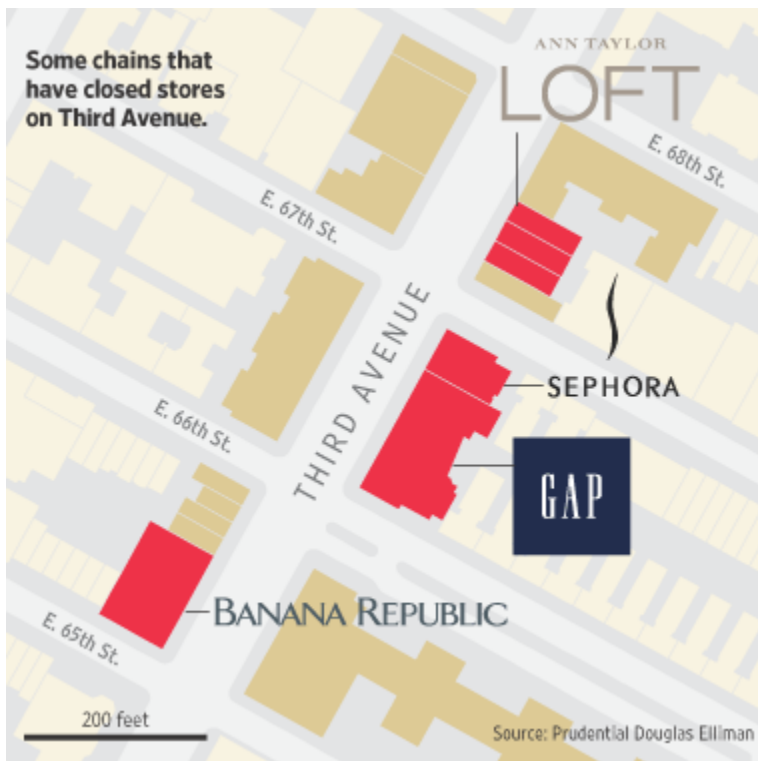
NY Real Estate Commercial

BLOCK PARTY: THIRD AVENUE SEES A CHAIN ROTATION

By **CRAIG KARMIN**

Don't tell the folks on Third Avenue that Manhattan is starting to resemble a suburban shopping mall.

The East Side Boulevard in the 60s, just north of Bloomingdale's, is experiencing a kind of reverse gentrification. National chain stores like the Gap, Banana Republic, Jamba Juice and Ann Taylor Loft have left the block or are on their way out.



Moving in: specialized or niche retailers, like Mona Lisa, which sells children's clothes, and Kusmi Tea, a Paris-based global importer of rare teas that is opening its first New York outlet.

Jimmy's Custom Framing landed a new store at Third and 61st Street. The owner already has two shops on the Upper West Side but had been frustrated in attempts to find an appropriate and affordable East Side outlet. "We've been looking for a long time for a Third Avenue location," says Jimmy Ahmedy,

He said the proximity to Bloomingdales brought foot traffic to the block, and the 700 square feet he's leasing for \$200 a square foot is larger than the vacant storefronts he viewed on other East Side avenues.



Mustafah Abdulaziz/The Wall Street Journal

Mr. Ahmedy has the big retailers to thank. Unwilling to renew on 10,000- to 15,000-square-foot properties during tougher economic times, many chain stores decided to let their leases expire.

Landlords knew it would be a challenge to fill those kinds of spaces with a single retailer, so some have subdivided the bigger stores into two or three units, says **Faith Hope Consolo**, a retail specialist with **Prudential Douglas Elliman**.

"It's a sea change," she says. "This used to be mall land."

Now, local residents can patronize some of the new arrivals by dropping off their dry cleaning at Jay's Cleaners or picking out new lingerie at Intimacy. Of course, that means locals may have to jump on the subway when it's time to buy T-shirts or jeans.