



REAL ESTATE WEEKLY

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The shoe fits ...

Peter Braus and Peter Levitan at Sierra Realty Corp. have secured a five-year retail lease at 254 Elizabeth Street with eco-friendly shoe boutique, Terra Plana, representing both the tenant and the landlord, KGS Elizabeth LLC in the transaction.

The 2,200 s/f space, which was previously occupied by Cadeau Maternity, was delivered in move-in condition after sitting vacant for just four weeks.

Terra Plana is tripling the size of its New York store, relocating from a smaller space two doors down. The new space also affords the hip purveyor of ethical footwear 30 feet of frontage, plus 15-foot ceilings inside. Occupancy is slated to begin immediately.



ects, loyalty to a particular service company or contractor can cost building owners a lot of money. It makes sense to pay a little more for a top contractor in certain cases, but overall it is better to bid out.

Given the economy, there is a real hunger for business out there that has some of the top service providers and contractors negotiating fiercely. The same is true for suppliers.

Moreover, banks are lowering fees and competing for accounts. Sometimes it just pays to go shopping.

Offer Concessions, Retain Tenants

In this market, tenants have an array of options unimaginable one year ago while landlords are competing to fill vacant spaces. This means that building owners with vacancies are now offering incentives to lure tenants from their current residences.

Luckily no one enjoys moving, so retaining good tenants is easy enough if a landlord brings the terms of a lease into line with today's market. These days it is vital to avoid "penny wise, pound foolish" choices, no matter how alluring that penny may be.

Making reasonable concessions to remain competitive is straightforward enough, especially given the massive revenue that is so quickly lost when a unit becomes vacant.

Moreover, making minor upgrades to occupied apartments is a great public relations move. It shows good will on the part of the landlord and offers tenants a "new" apartment without

having to pack a single box. Installing new cabinets, for instance, can be done for less than the cost of a single month's missed rent.

Hire the Best Managing Agent

Hiring a top managing agent is the best way to retain value by keeping cash flow smooth and healthy, ensuring compliance with all applicable laws, negotiating lease terms and more.

At Sierra for instance, our services also include making recommendations as to necessary repairs and improvements, responding promptly to tenant concerns and supervising and monitoring building services.

Moreover, we monitor lease compliance by tenants, screen all prospective tenants, and, in the event that major improvements are required, we act as project manager and supervise all phases of the project.

Boosting Building Income

Finally, landlords should get creative to boost building income. As an example, Sierra manages a multi-family building at 101 Ocean Parkway, where installing a cell tower on the roof has substantially increased the revenue it generates each month.

Another simple option is installing storage lockers or a bike room in an empty basement and charging tenants for their use.

Also, building owners should consider selling advertising space directly on their buildings, or on scaffolding if exterior maintenance projects are underway. ■