

New York Law Journal

Justin Smulison
12-10-2008

Swedish-based H&M signed on for nearly 30,000 square feet at 497 Fulton St. in Brooklyn.

The clothier will take 12,600 square feet on the ground floor and 17,000 square feet on the top floor of the two-story retail building which is still being developed on an 80,000-square-foot lot.

Jonathan Eiseman, a name partner at Eiseman Levine Lehrhaupt & Kakoyiannis represented the landlord, Laboz Family of United American Land, LLC.

Pryor Cashman partner Bradley Kaufman, who represented the tenant, said H&M will occupy 40 percent of the building, which will be the clothier's second Brooklyn location.

Hard bargaining was needed to close the deal, Mr. Kaufman said. He added that he had "never seen a market so stagnated," with both "tenants and landlords afraid" to commit to long-term leases.

"The summer was the beginning of a threshold. What I'm hearing in the retail market is that if a deal's not signed, the tenant wants a significant reduction in rent immediately or they're prepared to wait until mid-2009," he said. "This is from the low-price retailers to the luxury retailers."

Robert Gibson, executive director of retail services at Cushman & Wakefield, served as the sole broker.