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Real estate agent talks growth despite recession

Rick Stassa of NAI Friedland

By Patrick Rocchio

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Although unemployment is high and the economy remains in turmoil, some Bronx residents still have cash to invest. Just ask NAI Friedland senior commercial real estate broker Rick Stassa, who has inked several news leases on University Avenue.

An urban real estate expert, Stassa understands the challenges and benefits of different retail locations. The economic recession has magnified the importance of a solid location for retailers. It's also changed dynamics between retailers and landlords, Stassa explained.

"Business owners looking to lease can be aggressive because there aren't a lot of other people looking," he said. "A lot of landlords are giving reduced rent in exchange for shortening the length of a lease or in exchange for rent increases deeper into the lease. Leases are long-term agreements."

Stassa's lease of a 1,875-square foot store at 2364 University Avenue to 99 Cent Discount King is typical of deals he negotiates these days, he said.

"[The lease] at 2364 University Avenue is a prime example of successfully matching properties with clients in industries that are doing well despite the economy," Stassa noted. "There are very few retailers expanding right now. The tenant, 99 Cent Discount King, expressed interest in the space and through some tough negotiations we were able to complete the deal."

Indeed, many businesses in search of leases are discount stores like 99 Cent Discount King. Discount clothing and shoe retailers are also on the market, Stassa said. 99 Cent Discount King belongs to Mohammed Salman Khan, whose family runs two more stores, 99 Cent Center at 2025 Jerome Avenue and 99 Discount City at 2481-85 Creston Avenue.

"[Stassa] was really helpful because he negotiated with the landlord, who was originally looking for a big-name chain store," Khan said. "We negotiated a price that we could both agree on."

Stassa persuaded the landlord that Khan was a responsible business owner, Khan said. He was able to negotiate a 12-year lease. Stassa represented Khan and the landlord in the transaction. Khan needed to add a third location and didn't have time to wait for the recession to end, he said.

"I have to make a living," Khan said. "I have a wife and kid."

Khan has plenty in common with other business owners determined to expand.

"Mohammed is exactly the type of person leasing right now," Stassa said.

Stassa's boss praised his work.

"Rick brings a unique perspective to urban retail leasing," NAI Friedland Realty CEO Tony Lembeck said. "He has the ability to match tenants to locations that will support and enhance their businesses."

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