



Bronx RETAIL LEASING

YEAR END | MARKET REPORT | 2021

Yearend Takeaways

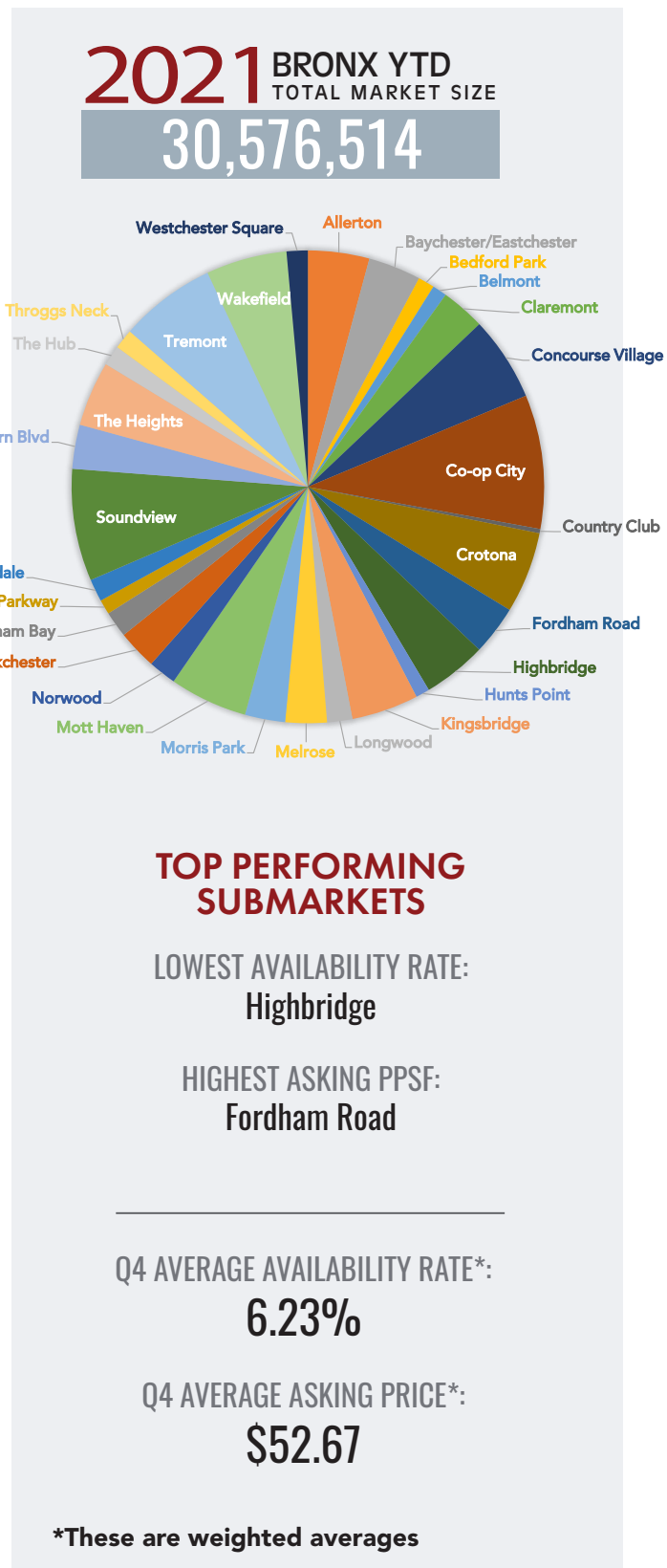
- The Bronx continued to garner attention from national retailers in 2021.
- Availability rates are up year over year but remain low, the expiration of the eviction moratorium could see that shift.
- Asking prices remained flat as landlords took a wait and see approach.

SUMMARY

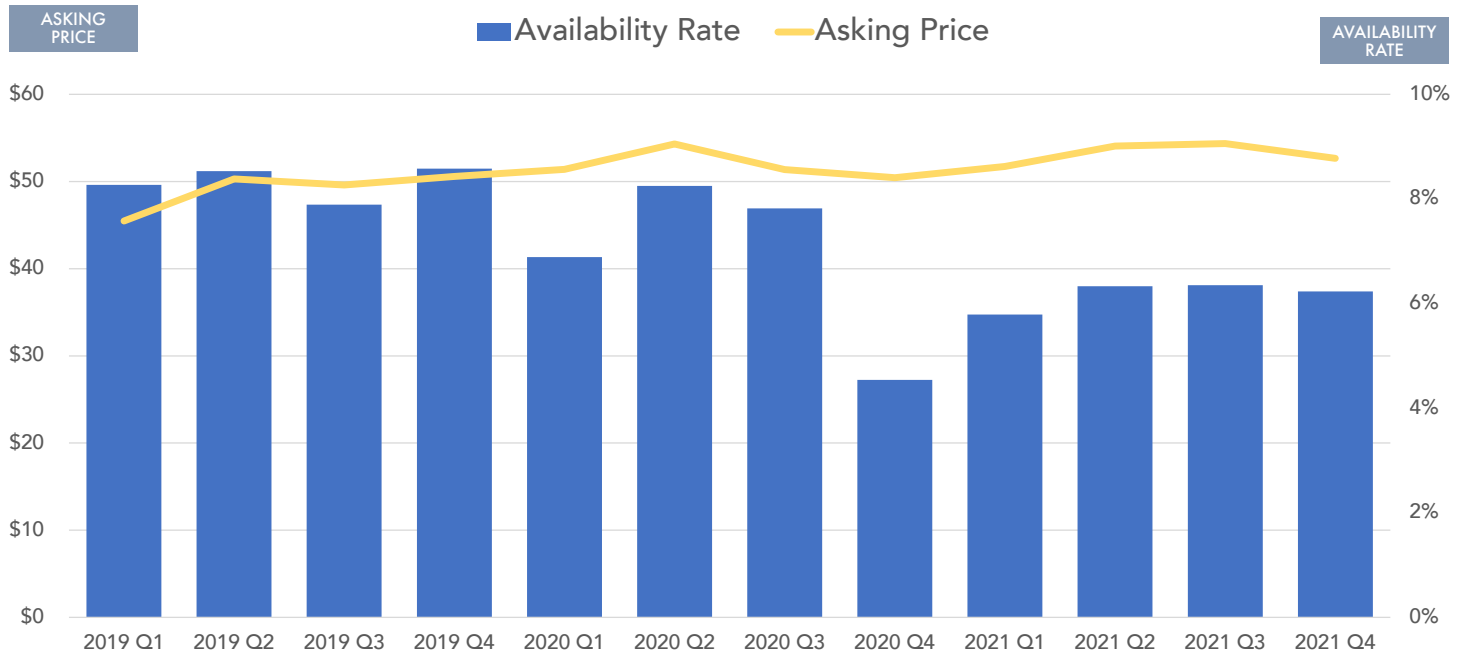
The eviction moratorium continues to have a significant effect on the Bronx retail market. The availability rate ended the year at 6.23%, down more than 2% since the start of the pandemic in 2020, and almost 3% in comparison to pre-pandemic, pre-moratorium 2019 levels. The fourth quarter of 2021 was highlighted by the activity we saw in one of the County's more well-known corridors. On Fordham Road, the former Dr. Jay's at 215 East Fordham Road has been undergoing a makeover of sorts since the large urban clothing retailer moved further south to its new home on Southern Boulevard. The former Dr. Jay's will now be home to department store retailer Target, which is taking almost 19,000 square feet on the main ground floor, while Five Below is setting up shop on 16,000 square feet of lower-level space. Target and Five Below will serve as the new anchors of a building conveniently located near the B/D train line on the Grand Concourse, with another four spaces still available for lease on the ground floor, all asking \$100 modified gross. The 35,000 square feet leased dropped Fordham Road's availability rate to a two year low of 11.65%. The shift in tenancy from a regional retailer like Dr. Jay's to national retailers like Target and Five Below is a good sign for the Bronx retail market.

Other submarkets with their own power strips to speak of such as The Hub, home to the 149th Street Corridor are still experiencing somewhat high availability rates. In the Hub, availability fell slightly to a still high 14%, though much of that space available is second floor mixed-use space. Meanwhile in Concourse Village, home to Bronx Terminal Market and Mall, availability rose to a year high 4.5%. Southern Boulevard ended the year at 8.21%, its highest mark in 2021, while Westchester Square would finish at just over 9% for the year. The increase in availability is more of a sign that landlords are willing to start listing their space and more optimistic about current market conditions. The average asking price fell almost \$2, but fluctuations in the County's asking price have been the norm since the onset of the pandemic.

The Bronx retail market remained somewhat hamstrung for the majority of 2021 because of the eviction moratorium. We expect to see some volatility and greater transaction velocity in 2022 with the expiration of the moratorium.

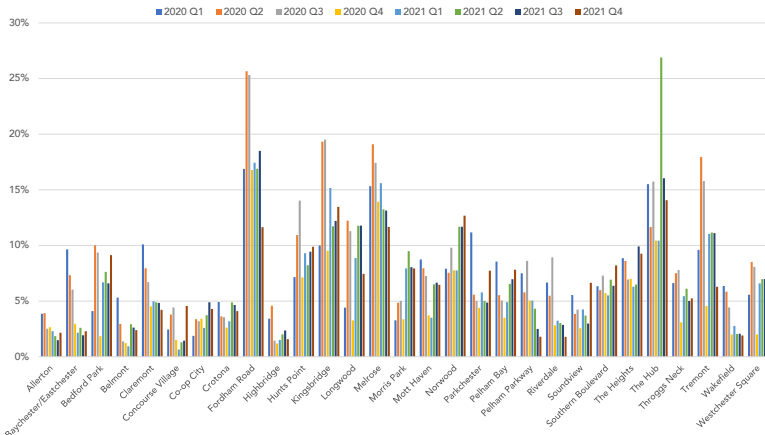


AVAILABILITY RATE AND ASKING PRICE TRENDS

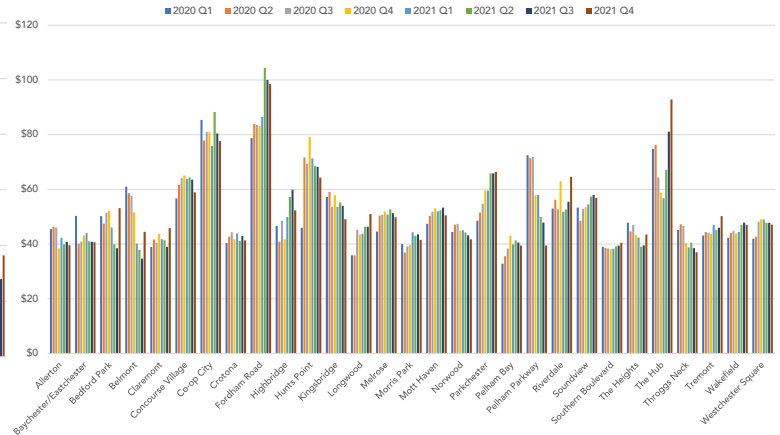


OVERALL AVAILABILITY RATE and ASKING PRICE 2019-2021 QTR OVER QTR

2020 to 2021 YTD AVAILABILITY RATE BY SUBMARKET



2020 to 2021 YTD ASKING PRICE BY SUBMARKET



↓ QUARTER OVER QUARTER DECREASE

6.23%
Q4 BRONX OVERALL AVAILABILITY RATE

↑ YEAR OVER YEAR INCREASE

↓ QUARTER OVER QUARTER DECREASE

\$52.67
Q4 BRONX AVERAGE ASKING PRICE

↑ YEAR OVER YEAR INCREASE

HIGHEST AVAILABILITY RATE:
The Hub

LOWEST AVAILABILITY RATE:
Highbridge

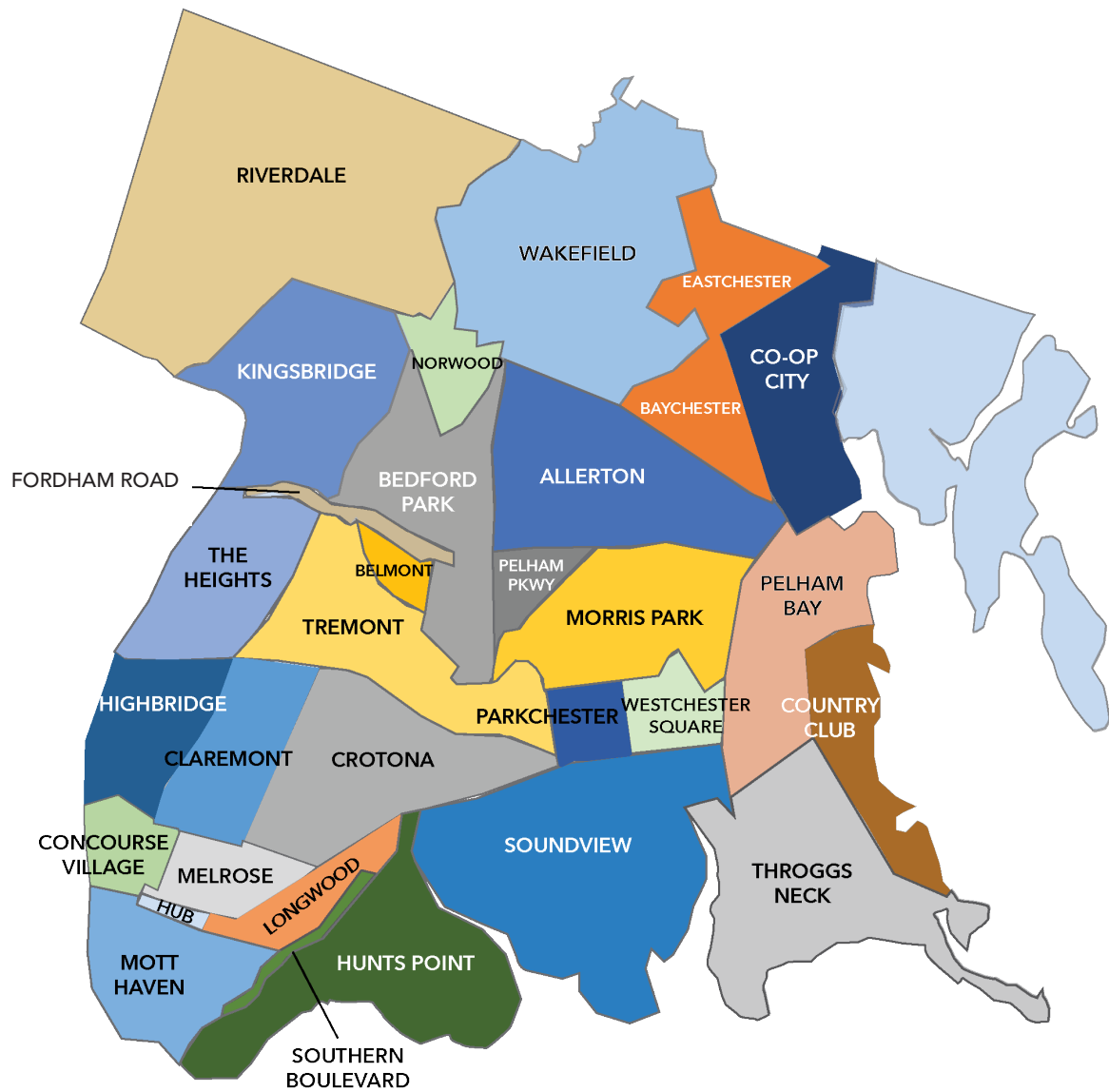
HIGHEST ASKING PPSF:
Fordham Road

LOWEST ASKING PPSF:
Throggs Neck

MOST AVAILABLE SF:
Kingsbridge

LEAST AVAILABLE SF:
Pelham Parkway

Retail rates are quoted on a gross basis using a formula for net costs*



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