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Leasing campaign at Jericho Atrium sign of market recovery

Leasing at Jericho Atrium, Metropolitan Realty Associates' Class A office building in Jericho, N.Y., provides an example of the office market recovery that began to take hold in 2011.

Twelve recently signed leases at the 147,183-square-foot, two-story property suggest that small businesses will lead the charge to fill available space in the market.

"Jericho Atrium attained 92 percent occupancy coming out of one of the most challenging leasing environments in living memory. This property is a case study in the space configurations and amenities

it will take to attract and retain tenants in a recovering market," says Joseph A. Farkas, president of Jericho-based Metropolitan Realty Associates. Jericho Atrium has built a diverse rent roll of more than 50 companies, with an average size of 2,900 square feet.

The dozen new and renewing leases signed in 2011 range in size from 1,000 square feet for an insurance agent to 5,931 square feet leased by an investment advisor.

tenants that renewed or committed to new space at the building this past year also included law firms, property managers, a software company and

financial planners.

"Healthy companies are taking advantage of the sluggish economy by upgrading to better space, and they are happy to pay market rent in order to put themselves in a top-tier property," Farkas says.

"Our lease rates on new deals have risen progressively over the past 12 months as has our occupancy."

Metropolitan Realty Associates leasing strategy at Jericho Atrium is rooted in the quality of the asset, its location and the building amenities rather than in special concessions, like free rent, designed to lure tenants. Amenities

available at the property include a fitness center, spacious conference room, landscaped courtyards and two stunning glass atriums that flood the lobbies with natural light. The project was originally constructed in 1986 and renovated by MRA in 2007 after its acquisition.

"Small businesses typically have only one location, so the place that they choose to do business is a huge component of the professional image they project to their customers," says Farkas.

"In this recovery cycle, the office environments that meet or exceed those expectations will suc-

ceed, and those that fall short will have a tougher time."

The following companies, to name a few, have signed nearly 27,000 square feet (sf) in new leases, renewals and expansions: American Investment Planners (5,931 sf), NMS Management (4,475 sf), Law Office of James Obrein (3,600 sf), Wilentz-Mandell (2,845 sf), Ackerman Spence PLLC (2,205 sf), ARS Capital Advisors (1,562 sf), Progressive Planning Corp. (1,548 sf), Ticker Technologies (1,256 sf) and PalTalk Software (1,075 sf).

Located midway between the Jericho Turnpike and the

Long Island Expressway at 500 N. Broadway, Jericho Atrium appeals to tenants with its location, rich interior finishes, close proximity to executive housing and retail amenities, and a high-income demographic in the submarket.

The property is within walking distance of Whole Foods Market, Starbucks, Marshalls, Bank of America, CVS, the United States Post Office and a variety of other retailers, restaurants and service providers.

Farkas purchased Jericho Atrium in July 2007 with long-time equity partner Angelo, Gordon & Co. LP and New York-based Belvedere Capital.