

Executive of the Month

EXPANDING THE SCOPE OF THE PORTFOLIO AND THE BROKERAGE BUSINESS

Galin of Handler Real Estate Organization: Intensely focused on growing the firm

Scott Galin



NEW YORK, NY *The New York Real Estate Journal* recently sat down with Scott Galin, principal & CEO, Handler Real Estate Organization, for a question and answer session.

Q: How did you get started in the real estate industry?

A: I spent the first 30+ years of my career working in and then running the family business at G&G Retail, a retailer selling apparel for teen and tween girls. We were in the Garment District in New York City, and at our peak had about 600+ stores nationally and in the Caribbean. When my father Jay needed space in the late 1970s, he signed a 10,000 s/f lease at 229 W 36th St. with Jerry Handler (who'd been a founding partner of Newmark & Co.), and I frequently crossed paths with Jerry's son, Scott. Throughout my time with G&G I personally negotiated over 1,000 store leases, with an aggregate value exceeding \$2 billion, so I was already sort of "in" the real estate industry.

Fast forward to 2009, and I decided to exit the retail business, and joined Jerry and Scott, and then, sadly, Jerry passed away. I spent the first five years here intensely focused on running Handler's day-to-day operations, instituting and updating internal processes, hiring additional staff, expanding the brokerage business, and driving the firm's overall expansion, including investments in several additional properties.

Q: Haven't you also been investing in properties recently?

A: Yes. We have secured interests throughout the New York metropolitan area, including several residential properties in Manhattan and Brooklyn, plus commercial properties in Queens, Brooklyn and Connecticut. Our sweet spot is class B office buildings ranging from 60,000 to 200,000 s/f, which are generally long-term holds with low leverage. We are continually looking for new investment opportunities.

Q: What was the Garment District like when you first started working there?

A: During the 70's and 80's, the Garment District – called the Garment Center back then – was a very upbeat, cool place to be and a generation of entrepreneurs was entering the business. Unlike today, garment companies made goods on spec. They stocked goods. And though rare at the time, even a few major retailers based their headquarters in Manhattan, such as Burlington Coat Factory, Lerner's, and G&G. The area marking West 35th to West 41st Sts., between Seventh Ave. and Broadway were predominantly showrooms, while finished goods were whisked to and from various side street buildings between 7th and 9th Aves., which housed cutting rooms, garment warehouses, factories, and sew shops.

Q: What has changed since then?

A: In 1997 Bates USA, a major, high-end advertising firm, announced that it would be relocating its headquarters from the Chrysler Building to lease 200,000 s/f - in the Garment District - at 498 7th Ave., between 36th and 37th Sts. That one transaction changed everything. It was the precursor of things to come, and shocked us all. Now you'll find a variety of firms, including those in technology, advertising, media, and information, as well as entrepreneurs, finance leaders, and other professionals drawn to the Garment District's 35 million s/f of modern office and classic loft-style space, and 2 million s/f of prime retail space.

And according to the Garment District Alliance, this former night-time ghost town now has 7,000 residents and climbing. There are some 65 restaurants, and more than 150 coffee bars, and casual and specialty food options. There are sky lounges, approximately 550 retailers, and entertainment options of every kind.

Q: And Handler Real Estate Organization is also located in the Garment District?

A: Yes, our Handler headquarters building is located at 561 7th Ave. We also own two additional buildings in the Garment District, located at 263 West



Wasabi & Bento, 561 7th Avenue - New York, NY

38th St. and 315 West 39th St.

Q: What does Handler Real Estate specialize in?

A: Handler Real Estate Organization, which I run with Scott Handler, is a boutique real estate firm with separate divisions. We own, manage, and lease up our own properties, and have a growing, third-party brokerage division. We arrange leases throughout the city for a diversity of tenants, including law firms, consultancies, not-for-profits, tech firms, media companies, hedge funds, and many others. Some of those class A leases were transacted in Manhattan's toniest buildings, including Tower 56, 470 Park Ave. South, The Chrysler Building, 60 Hudson St., and 30 Irving Place, among others.

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Q: What are some of the more recent deals Handler has worked on?

A: We recently completed transactions for prominent organizations such as leading French perfume creation company MANE USA, Inc., online retailer Beyond the Rack, Manhattan's 'musical entertainment to the stars' Element Music, and fashion company Susana Monaco, among others. We also arranged for London-based Wasabi & Bento, a 30+ store chain in the UK, to take its U.S. flagship store in our building at 561 7th Ave. Deals were also completed at 555 Madison Ave. and 498 7th Ave. It has been an incredible success.



Handler Real Estate Organization headquarters,
561 7th Avenue - New York, NY