

COMMERCIAL OBSERVER

JANUARY 16, 2024

REAL ESTATE

NEW JERSEY

Bank Of America Inks 550K-SF Lease At BGO's Jersey City Office Tower

The new tenant is banking on Jersey City with the record-breaking lease.

By Cathy Cunningham

There's plenty of gloomy news out there at the moment, but an extra large lease signing rounded out 2023 on a positive note, and broke a leasing record in the process.

Bank of America has signed a 15-year lease to take 550,000 square feet at BGO's Newport Tower in Jersey City, the companies told Commercial Observer.

The transaction, which spans 21 floors of the 36-story building at 525 Washington Boulevard, represents the only new lease over 500,000 square feet signed in New Jersey in the last 10 years.

The bank has a tentative move-in date of the first quarter of 2026 after inking the lease on Dec. 12. The deal comprises the building's top 12 floors — amounting to 280,000 square feet — plus nine mid- and lower-level floors, for a total of roughly 550,000 square feet. BGO officials declined to provide the asking rent.

With the deal now sealed, Alberto Garofalo, the market president of New Jersey for Bank of America, told CO he was excited for Bank of America's employees, for Jersey City and for the broader community.

"In a simplistic form, through this lease, we have an opportunity to bring all of our Jersey City employees together under one roof," Garofalo said. "Further, the amenities of 525 Washington Avenue really align with our



WILLIAM PSOLKA/FOR BGO

Newport Tower

goals, and with our future. We're really excited about what this transaction means, both for Jersey City and for our Jersey City employees."

Just as Bank of America Tower at 1 Bryant Park in Manhattan had a high standard for sustainable construction, Newport Tower is another building that prioritizes environmental awareness.

Designs for the tenant's space are still

being finalized, but Garofalo said that it will feature state-of-the-art meeting spaces, modern workspaces, and plenty of food options. The views won't be too shabby, either.

"The building has spectacular views of New Jersey and Manhattan," Garofalo said. "I've always said, if you want the best views of New York City, you've got to come to New Jersey — this location is a perfect example of that."

Newport Tower sits just south of the entrance to the Holland Tunnel, between the Hudson River and Jersey City's Newport Centre shopping mall.

CBRE's Bob Alexander, Ryan Alexander and Taylor Callaghan represented Bank of America in the deal, while Cushman & Wakefield's David DeMatteis, Robert Rudin, Dirk Hrobosky and Mina Shehata handled it for the landlord.

Despite difficult market conditions, the deal came together quickly, thanks to Bank of America's relationship with BGO, said Rob Naso, a managing partner and head of U.S. asset management at BGO.

"Bank of America already does a lot of different things for the firm — whether it's construction lending, financing, banking, etc., so there was a phenomenal relationship to start the discussion," he said. "They reviewed the options available over a nine-month period and we ultimately ended up in a transaction that we think is a win for the bank, a win for us, and it's a win for Jersey City."

Aiding negotiation efficiency, BGO



GUSTAVO FERNANDEZ

Alberto Garofalo

has an integrated development team in its office that was on hand and ready to tackle any questions Bank of America had in real time.

“We can talk about spec, we can talk about timing, we can talk about scheduling, we can do all of that holistically,” Naso said. “There wasn’t a lot of back and forth because we had all the decision-makers at the table and were able to get to a deal that we thought made sense for everybody very quickly.”

Now that it’s sealed, the Bank of America lease is “transformational” for

the building, Naso said. “It goes beyond just the landlord-tenant relationship,” he said. “When we think through space planning and building amenitization, we want to be able to deliver an offering that is going to resonate with the employees of the tenant. It’s beyond just negotiating a lease these days, because tenants are holding you accountable for delivering a whole bunch more than what was acceptable years ago.”

For Bank of America, the lease marks the next step in its continued dedication to Jersey City, and New Jersey more broadly speaking.

“It’s a natural next step for us here in Jersey City,” Garofalo said. “We’ve got a long history here supporting the community with significant philanthropic contributions and sponsorships, upwards of \$4 million across New Jersey. So it feels like a natural next step for us here, and we’re so excited about what’s ahead.”

Both Naso and Garofalo have their own personal and professional links to Jersey City, and Newport Tower, with this deal bringing those connections full circle.

For Garofalo, who grew up in West New York, N.J., the first mall his parents ever took him to was the New-



GUSTAVO FERNANDEZ

Rob Naso

port Centre mall. For Naso’s part, he once lived at the Thomas Jefferson residential building in Newport, with a view of the Empire State Building and the World Trade Center at the time. Later, when Bentall Kennedy and Greenoak merged in mid-2019, Newport Tower was one of the first buildings Naso’s team took to its investment committee to upgrade and amenitize, and the tenant he worked with to do so in the main lobby area was none other than — you’ve guessed it— Bank of America.