

# 47th Street's Retail Makeover

While New York City's Diamond District has some honest retailers, the stores there have been better known lately for sending hawkers out to harass passers-by and ending up on TV in an ABC News exposé.

Which is why Turkish entrepreneur Mehmet Gulay's plan to devote the first three floors of the International Gem Tower to an upscale "jewelry shopping mall" has sparked interest.

The three-story mall, due to open in the first quarter of 2014, will house some 50 stores and a coffee shop. A communal space will be devoted to events like a Fashion Week jewelry show. City's Property Development, a division of the Turkish Gulaylar Group headed by Gulay, bought the space from IGT developer Extell in March.



*Rendering of jewelry shopping mall inside the International Gem Tower (Photos courtesy of Bloomberg HT)*

Gulay says the space is 80 percent sold, and some "big names" have expressed interest, including some companies "who were reluctant to go into the Diamond District before."

This new mall won't be a traditional one per se—it will still use the exchange format, although the "shop in shops" will have a little more privacy than the traditional exchanges, Gulay says. All the stores will have some kind of jewelry connection—from gems to watch repair—and will feature merchandise ranging in price from \$200 to \$2 million.



The developer says the IGT and his proposed mall have sparked a "transformation" of 47th Street, noting that one exchange is due to close and will be replaced by an upscale restaurant. Another looks like it will give way to a bank.

"Before this, the street has not reflected the quality of the merchandise here," he says. "The exchanges are very old, not very attractive. You see a lot of things like hawkers because landlords aren't interested in the tenants."

"But this is a very valuable district in the heart of Manhattan," he says. "This is an investment that the district and its companies deserve."