

Borough Park takes it to the bank

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The bank branch-building boom is long over in most parts of the city—but not in Borough Park, Brooklyn, one of New York's largest Orthodox Jewish communities.

Just as people in Manhattan find a Starbucks almost every few steps, so those on Borough Park's main strip—10 blocks of 13th Avenue starting at 45th Street—encounter no fewer than 14 banks.

And more are coming. Valley National Bank expects to open its first location there by July. Bank of America hopes to unveil its entry in six to eight months.

"The decision to open was based on customer demand," says a spokeswoman for BofA, which over the past four years has doubled its locations in Brooklyn, to 20.

But some longtime neighborhood businesses complain that the expansion is pricing them out of their retail spaces. Rents on 13th Avenue currently range from \$75 to \$175 a square foot, according to Tim King, principal at CPEX Real Estate.

Though Cheskel Goldstein, owner of Lane Cards and Gift Shop, had three years left on his lease at 4701 13th Ave., he chose to take his landlord's offer of a payment to move. He would not disclose the exact sum.

"Banks can pay more rent," says Mr. Goldstein, who moved to a smaller space two blocks down the avenue. Lane's former location, which the business occupied for more than two decades, will become a Bank of America branch.

Many residents and business owners question the need for more branches in Borough Park. The neighborhood's median household income is \$38,023, according to New York University's Furman Center for Real Estate and Urban Policy.

"There are affluent people and poor people in the area," says Brooklyn Community Board 12 District Manager Wolf Sender.

Regardless of household income, there's a lot of cash.

In fact, according to the Federal Deposit Insurance Corp., as of June 2008, Borough Park banks had deposits of \$2.4 billion. That's one of the highest totals in Brooklyn, and not far behind such affluent enclaves as Brooklyn Heights, which had \$2.9 billion.

"Borough Park has hardworking businesspeople everywhere," Mr. King says. "They need a place to store their funds once the mattress gets lumpy."