

## GREATER NEW YORK

## Co-Working Comes to New Jersey

By KEIKO MORRIS

Communal co-working office spaces such as the ones offered by shared-office giant WeWork Cos. are red hot in big U.S. cities such as New York. Now they are making inroads in the New Jersey suburbs.

Co-working startup **Vi Co-working LLC** opened a site in June at a redevelopment project at Fort Monmouth, after finding success with a 5,000-square-foot co-working space it launched a little more than a year ago at the Bell Works redevelopment in Holmdel.

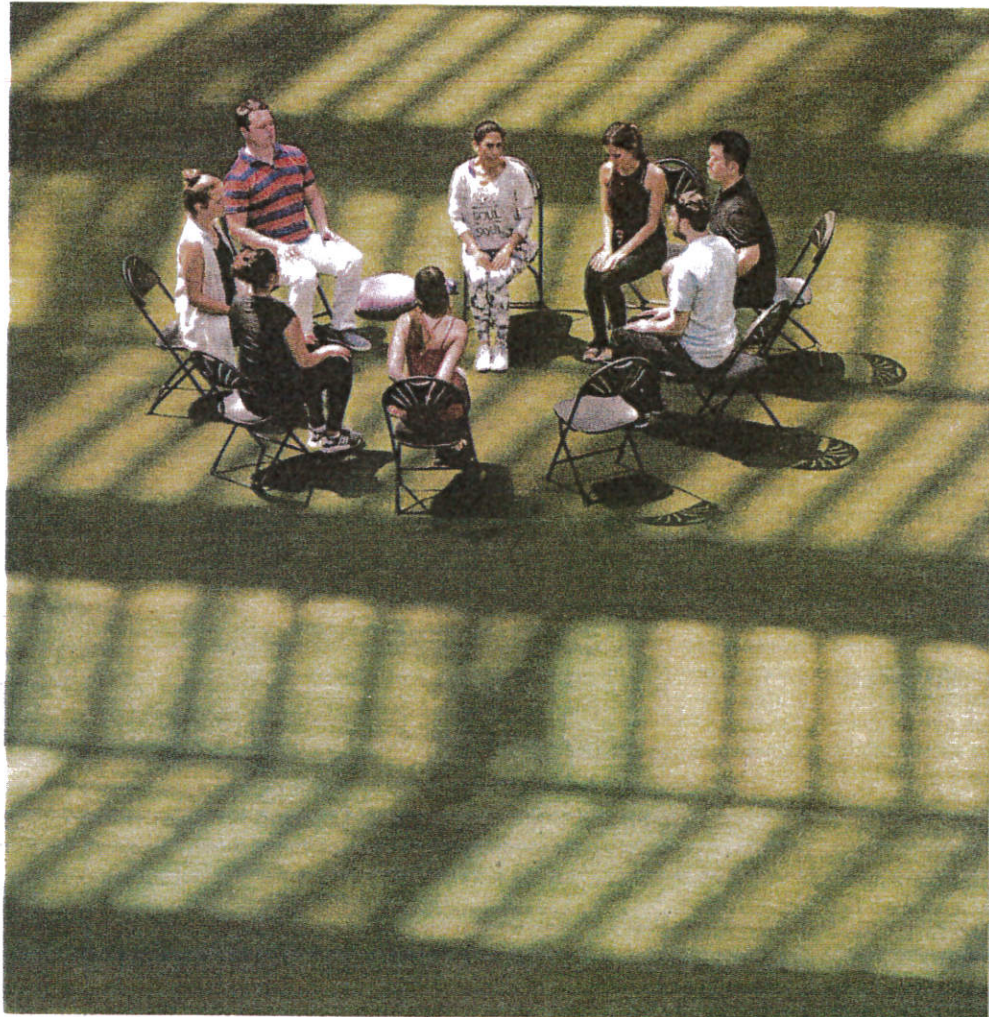
**Hugo Neu Corp.**, meanwhile, launched a 5,000-square-foot space at its commercial redevelopment project at Kearny Point last summer—and has since doubled the size.

“The demand is stronger than we thought,” said Nick Shears, director of leasing at Hugo Neu. “We would get people looking for traditional office space and saw the co-working space and said, ‘This is better because I am not ready to commit to a multiyear lease.’”

Co-working spaces, which offer short-term commitments, often are associated with the technology and startup worlds, emphasizing community and a more casual office setting that sometimes comes with free beer and ping pong. Those in the suburbs vary, offering a more subdued décor and setting geared toward somewhat older professionals, but sharing an emphasis on networking.

The rise of the suburban shared-office facility has been fed by a growing number of independent workers, said co-working operators, real-estate developers and brokers. Many of them are leaving the corporate world to strike out on their own, eliminating a long commute and establishing more of a balance between personal and work life, said the experts.

Larger companies also are fueling demand, using these facilities as spots to allow valued employees a flexible work option close to home. About half



Workers from different companies hold a wellness session at the Bell Works buildings in Holmdel, N.J.

of the customers using co-working provider Serendipity Labs Inc. work for established companies, said Chief Executive John Arenas.

Serendipity, which operates a number of facilities around the U.S., opened locations in Ridgewood, N.J., and Stamford, Conn., last year and has franchise sites under development.

“Workplace strategy at companies has become much more sophisticated in the last three to four years,” Mr. Arenas said.

The Sparta, N.J., location of C3Workplace LLC, opened in 2013, draws a combination of business owners and commuting professionals who are at a level at their companies to justify having an office near their home, said Donna Miller, president of C3Workplace,

which also has a co-working site in Montclair.

“Many of my clients are in the sandwich generation, where they are taking care of children and aging parents,” Ms. Miller said. “That’s a big load to carry so you have to be close to home and change things up on the fly.”

While there is some skepticism that the co-working trend will last, some landlords are embracing it as a way to give life to their buildings and help incubate firms that eventually will lease office space at other of their properties. That was part of Vi Coworking’s pitch to Somerset Development LLC, the company behind the Bell Works redevelopment, said Chris Pallé, Vi’s co-founder.

In the year since its Bell

Works launch, Vi’s co-working space has had one of its clients, a video-technology startup called Vydia Inc., more than double its workforce and sign a lease for longer-term space in the complex. Vydia Chief Executive Roy LaManna said he credits co-working for helping it attract technology employees.

Somerset is about to launch a second co-working space called Design Lab to bring together professionals in different fields focused on design.

“We look at Vi and Design Lab as incubators and feeders bringing vitality and life on an evolving and continuing basis to Bell Works, so the value to us goes beyond the actual cost per square foot and income,” said Ralph Zucker, Somerset’s president.

MARK BONIFACIO FOR THE WALL STREET JOURNAL