

RETAIL

Retailers ready to expand, say analysts

Retailers may be gearing up to accelerate their store opening plans, according to a new report from industry analysts at RBC Capital Markets.

The company's REIT analyst Rich Moore says that January has brought forth the first real sign that retailers have begun to accelerate their store opening plans.

Based on data from RBC's retailer database, new U.S. retail store opening plans for the next 12 and 24 months have increased substantially from the previous monthly report.

This increase comes in stark contrast to the decline that occurred from December 2008 to December 2009. While still early in the recovery, the general sense from the landlords is that retailers have, for the most part, successfully navigated the dangerous economic environment and are now more willing to discuss expansion plans.

Some landlords have even suggested that there is a renewed sense of urgency with regard to retailers hoping to capture the best locations before their competitors do.

With retail bankruptcies so far tracking at a very light level for the first month of the 1Q10 bankruptcy season, retailers could quickly find increased competition for quality locations while landlords begin to regain some of the pricing power lost during the past 18 months.

While Moore expects the road to economic recovery to be long and bumpy, he says these early results are encouraging.

Moore's key observations from the January data are as follows:

- Retailers in the RBC database currently plan to open 65,464 stores over the next 24 months. That level is up 1.6% from December 2009. The highest number of store openings for the firm's database remains October 2008's 71,940.

- Aggregate store closings remain elevated.

- Details of aggregate store openings by retail category.

- Leading retailers in the expansion of new stores include Quiznos, Dollar General, Anytime Fitness, and Five Guys Famous Burgers. Dollar General has increased planned store openings over the next 24 months to 1,200 from 500. Furthermore, many of the names come from lower-price retail concepts such as dollar stores and fast food.

- The retailers that plan to grow the most include: Five Guys Famous Burgers and Fries, Children's Orchard, A & W Restaurants, Randall's -Tom Thumb, and Cash Store. A & W is new to the top five

this month.

- Notable increases in planned store openings vs. original expectations by category come from furniture and variety stores.

- Decreases in planned store openings vs. original expectations by category are led by food and beverage, and drug stores.

- Retailers such as Dollar General and Dollar Tree have increased expansion plans recently. WingZone and OfficeMax have reined in expectations since December.

- Importantly, the general trend in store opening expectations has increased at a modest pace since bottoming sharply in February 2009. ■

Concepts new to US ... and looking for space

Branded Concept Developments has been tapped as the exclusive real estate advisor for two food concepts looking to expand in US markets.

Roll'd is a new quick service res-

taurant concept focused on introducing "kimbap" to the United States on a grand scale.

Kimbap, which means "seaweed rice," is a popular staple of the Korean diet. Similar to sushi, it is an easily eaten, exceptionally nutritious and relatively inexpensive roll, which includes fresh vegetables and only cooked proteins (no raw fish).

Roll'd also serves complimentary offerings such as Asian-inspired appetizers, salads, drinks and desserts.

The chain is looking for 500-1,000 s/f locations in high-traffic locations in midtown Manhattan.

Meanwhile, the Canadian favorite Freshii is branching into the New York

market hoping to build on its reputation as an industry leader in healthy dining.

Through their vision of "Fresh Food, Custom Built, Fast," Freshii is focused on becoming the most convenient choice for healthy and fresh meals served quickly in a cool, clean, and environmentally sustainable setting for breakfast, lunch and dinner.

The chain has 16 locations in Toronto and Chicago, and new restaurants under development in Denver and Washington DC. Freshii is bringing their healthy and delicious salads, wraps, bowls and burritos to New York.

Alexandra Turboff and Barry Williams at Branded Concept Development are handling both accounts. ■

Futterman tapped by Commodore

Robert K. Futterman & Associates (RKF) has been retained as the exclusive retail leasing representative for Commodore Partners.

RKF's initial focus will be on the Manhattan expansion of the hospitality group's brands Bread & Butter and Bernard's NYC.

RKF managing director Jonathan Krieger will oversee the strategic expansion of Commodore Partners' brands Manhattan expansion of the hospitality group's brands Bread & Butter and Bernard's NYC.

RKF managing director Jonathan Krieger will oversee the strategic expansion of Commodore Partners' brands.

Bread & Butter is a gourmet cafe, deli, grocery and specialty food market chain in Manhattan. It selects locations that are easily accessible for customers in major office and residential markets. Bread & Butter currently operates two locations on Park Avenue South and is looking to open an additional 30 locations over the next three years.

As part of the expansion, Bread & Butter will be unveiling two new concepts — Bread & Butter "The Market"

and Bread & Butter "The Deli".

RKF is seeking 2,500 - 3,500 s/f locations in Midtown, Plaza District, Upper West Side and Upper East Side for Bread & Butter, and 5,000 - 7,000 s/f sites in Chelsea, Upper East Side and Upper West Side for Bread & Butter "The Market" and 1,000 - 2,000 s/f sites throughout Manhattan for Bread & Butter "The Deli".

Meanwhile, Futterman is seeking 5,000 - 7,000 s/f locations in dense office and residential markets in Midtown, Plaza District, Upper East Side and Upper West Side for Bread & Butter "The Market" and 1,000 - 2,000 s/f sites throughout Manhattan for Bread & Butter "The Deli".

Meanwhile, Futterman is seeking 5,000 - 7,000 s/f locations in dense office and residential markets in Midtown, Plaza District, Upper East Side and Upper West Side for Bernard's NYC.

Bernard's Market & Café has made its mark as a destination for fine food shopping and culinary excellence.

Bernard's NYC will bring the culinary experience to New York City, with new features to satisfy the demands of the New York City lifestyle, including a dining destination, upscale prepared foods and a wine bar. ■

midtown Manhattan.

Meanwhile, the Canadian favorite Freshii is branching into the New York

Alexandra Turboff and Barry Williams at Branded Concept Development are handling both accounts. ■

Supermarket sees plenty of upside in Central Harlem market

State-of-the-art supermarket, Best Yet Market, has opened a 25,000 s/f market in SOHA 118, a 15-story, 93 unit condominium on 118th and 8th Avenue in Central Harlem. The 15-year-lease was signed at \$65 per s/f.

"We are proud to announce the opening of the high end market that specializes in fresh fruits, vegetables and organic products," said Yoav Haron, a partner at SOHA 118, who pointed out that the Best Yet Market joins Starbucks, a Chase Bank and Marcel Dry Cleaner which also lease ground floor retail space at SOHA 118, the luxury condo designed by GF 55 architects.

"Best Yet Market has recognized this

part of Harlem is an exciting, emergent neighborhood," said Haron.

"Residents of the area will greatly benefit by having this fabulous market right in the neighborhood."

The gourmet market represents a wave of new high-end retail stores and restaurants which have opened up in the last two years in Central Harlem. "We are very excited about this neighborhood," said Or Raites, one of the owners of Best Yet Market.

"With all the new residential development that's occurred in Central Harlem, this is an interesting, vibrant community that is a great location for our marketplace." ■

CPEX agency has wake-up call for 'sleeping giant' of Downtown B'lyn

CPEX has leased 3,400 s/f of space at 291 Livingston Street to Wendy's, the national restaurant chain, for ten years with options to renew.

During the last few months, CPEX has concluded three transactions on Livingston Street, a stretch of Downtown Brooklyn CPEX principal Brian Leary described as a "sleeping giant" in 2007.

"It seems this sleeping giant is starting to see a resurgence that will be accelerated as the new residential towers on the corridor are completed," said Timothy D. King, principal of CPEX.

In recent months, Lucy's Hot Dog & Donuts signed a lease at 328 Livingston Street. The tenant is the owner of the adjacent highly successful Angelica's

Pizzeria and the landlord is Penda, Aiken, a Livingston street pioneer and a driving force behind the creation of the Court-Livingston-Schermerhorn Business Improvement District.

At 204 Livingston Street, CPEX sold the mixed-use building that is home to Bridge Cleaners. This was the second time Leary sold this property.

This marks the fifth transaction at 291 Livingston Street for King, who has sold and leased the property on four previous occasions and helped the owners place quality tenants over the years. Brokers Timothy D. King, Eric Altschul and Ryan Condren, marketed the property on behalf of the landlord. The tenant was represented by Pliskin Realty. ■

Chinatown space hits the market

CPEX Real Estate has been retained to lease 326 Canal Street, a 5,000 s/f retail space in Chinatown.

The space consists of approximately 2,500 s/f on the ground floor and a 2,500 s/f full basement with street access for loading. It is available now and can be delivered with a vanilla-box buildout. The site has great pedestrian visibility with an average daily traffic count of over 35,000 people, according to CPEX. "Canal Street is a world famous retail

shopping district and we are proud to be marketing this outstanding space," said Timothy King, principal of CPEX Real Estate.

King noted the site would be suitable for an apparel store, electronics store or a bank.

Neighboring tenants include Pearl Paint, Citibank, T-Mobile, Payless ShoeSource, Sbarro, Bank of America, Sleepy's, American Apparel, and a US Post Office. ■