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## **Consolo sees retail recovery as good news for the nation - and the Northeast**

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It's been an extraordinary recovery thus far for the retail and real estate businesses in New York - and beyond.

With financing finally loosening up, and even the CMBS market reviving, developers and retailers are able to expand again. ICSC's annual RECon meeting, held in late May in Las Vegas, was the most optimistic and busy event since the downturn, with dealmakers holding serious conversations. I'm thrilled to report that a few companies even promoted new development!

The reason why? It's clear that shoppers are back in the stores to stay. As I write this in mid-June, comparable store sales have risen consistently vs. 2010, according to the International Council of Shopping Centers Retail Chain Store Sales Index. More important, all sectors have reported gains nearly every month, with the exception of apparel, department and discount stores in March due to the Easter shift. The luxury sector has been a particular bright spot - often posting double-digit comp gains, and never dipping below a 6% increase. And that's against the improved numbers from 2010. That doesn't mean that shoppers don't care about value - wholesale clubs, too, have seen a gain of 6.3% year to date, excluding rising gas prices. Consumer confidence remains a bit erratic, rising one month, declining slightly the next. So shoppers are cautious with their spending. But they are spending.

The result is that retailers and designers are opening in New York City and beyond, with major metro areas the most appealing. Among our newest tenants in New York City: Pop 1 has popped up at 237 Lafayette St. Adidas opened a yearlong pop-up at 715 Ninth Ave. Rumors abound that a second Dash boutique from the Kardashian sisters may open on the Upper East Side. Jay Kos has finally debuted at 293 Mott St. Jewelry designer Miriam Salat has opened at The Shops at Columbus Circle. Look for Anthropologie's two-level store to open at Third Ave. and 71st St. by the holidays. Carlos Campos is coming to 75 Orchard St. in the fall. Calypso St. Barth will open its Upper East Side location around Labor Day. Comptoir des Cotonniers' long-awaited boutique at 345 Bleecker St. has opened. Ralph Lauren's RRL will open at 380 Bleecker this summer. Verameat, featuring Vera Balyura's jewelry designs, will open at 315 East 9th St. in July. Native Shoes is popping up until early August at 312 Bowery. Stella McCartney, YSL and Balenciaga are opening in Soho in the fall at 112 Greene St., 149 Mercer St. and 148 Mercer, respectively.

Boston, too, is busy: On Newbury St., Sabatino North America, the largest importer of gourmet truffle products in the U.S., has opened its first retail flagship, Sabatino and Co, at 130. Timberland opened its 2,500 s/f store at 201 Newbury St. in April. AllSaints Spitalfields has taken a large space at 122 Newbury. In the South End, Reside, which carries pieces from some of the best furniture designers of the 20th century, has opened its second location at 1409 Washington St. Chicago-based brain fitness store Marbles: The Brain Store will expand to Boston later this year.

And across the river, CambridgeSide Galleria is seeing a number of new and renovating stores, including Nike and Kay Jewelers.

Getting retailers into vacant spaces is a bit easier than before - with the emphasis on "bit". There are fewer giveaways, and less free rent as the economy continues its slow recovery. Retailers still want "Main and Main" locations, but they're now looking a block or two off the main boulevards if necessary.

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