



# nerej

## **The retail market in southern New Hampshire is definitely on the rise**

March 06, 2008 - Northern New England

Where is retail heading and what can we expect to see this year? What tenants out there are actively seeking additional locations in this market? Where will these retailers go? What new centers have been built, or under construction-or are in the planning stages, which cities and towns will see these new developments?

I'm happy to say that there is still plenty of leasing activity, site development for single use retailers, new shopping centers under construction and new product in the planning stages throughout So. New Hampshire. Lets look at these by category starting with the obvious tenant expansions first-the drugstores, supermarkets, and big box retailers. Then we can look at the coffee & restaurant players, power center tenants, specialty retailers and others. Lastly, we will look at some of the new retail projects under construction, recently built, and planned for the future.

The drugstore battle wages on primarily between CVS and Walgreen's, though Rite Aid is quickly throwing their hat into the ring becoming very aggressive. New drugstores have been built or are under construction in a variety of locations throughout the state. The ones that come to mind include: CVS on DWH in Merrimack and Rte. 3 in Bedford; they also opened on the west side of Manchester last year on Main St. Walgreen's recently opened in Londonderry on Rte. 102 & 128. Rite Aid will open soon in Derry at Shuttes Corner, joining the new Walgreen's that just opened opposite Osco drug on Crystal Ave. Both Walgreen's and CVS opened recently on Rte. 3 in Hooksett. Walgreen's just broke ground for a site in Raymond, and they will be at the planning board on Rte. 102 in Hudson at the Days Inn site. Last year they opened on Rte. 125 in Epping, an area of continued retail growth. Rite Aid is also planning a store on Rte. 125 in Plaistow.

The supermarkets continue to expand but at a much slower pace than years past as the market seems pretty well saturated even when you include the WalMart Superstore expansion into that mix. Hannaford Bros. was recently approved for a new store on Rte. 101 in Bedford and after many years at the planning board on Rte. 111 in Kingston. New Hampshire will see it's first Whole Foods store in the next year or so in south Nashua at the Nashua Landing development off DWH and Spit Brook Rd., and though they weren't mentioned specifically perhaps in Bedford next to Macy's at a Packard Developments proposed life style center.

New WalMart Superstores are planned for Derry on Rte. 28, in Hooksett on Front St. (exit 10). As you are probably aware they have cut back on several planned openings such as in Hillsborough. Lowe's Home Improvement continues to pick up speed opening stores in Home Depot entrenched markets such as on Huse Rd. in Manchester, and also in Hooksett next to Wal Mart, and ..... they recently opened in South Nashua on DWH at the old Shaw's property "on the hill" next to BJ's, in Bedford on Rte.3 next to Target, on Rte. 101A in Amherst, on Lafayette Rd. in Seabrook, on Rtes. 125 and 101 in Epping, on Ft. Eddy Rd. in Concord on the former Bradlees site, and on Rte. 202 in

Rochester. Kohl's is working on approvals for a site in Bedford next to Stop 'n Shop on Kilton Rd. Starbucks has finally shown some momentum with new store openings including: South Willow St. in Manchester taking the endcap of Blockbusters and adding a drive-thru, on Rte. 125 in Epping, and on Loudon Rd. in Concord. Planned locations include DWH in Merrimack, 101-A in Nashua, Rte. 3 in Hooksett, Rte. 125 in Plaistow, and Rte. 102 in Londonderry. As far as Dunkin Donuts is concerned it's almost too hard to track their expansions both in free standing units and as part of gas station C-store satellite operations typically in Mobil On The Run's as new units seem to emerge often.

KFC & Taco Bell developments (sometimes together) have been built or are under construction such as the recently opened Taco Bell on Second St. in Manchester on the old Bickford's property (Bank of America re-developed the other Bickford's location on South Willow St.), and on Rte. 102 in Londonderry next to Starbucks. Larger restaurant chains seem to have cut back their expansion though several claim to be selectively looking for sites. In this economy only the A locations are going to get in front of the real estate committee for consideration, such as Longhorn's Steakhouse's pad site in front of Lowe's in Amherst. Fuddrucker's Hamburgers recently opened next to Texas Roadhouse at the Village Mall on the Methuen/Salem border.

Mid-size box expansion continues to some degree for Staples, Circuit City, Sports Authority, Michaels, and Linen & Things such as SR Weiner's Meadow Brook Crossing's and Berkshire Developments Amherst Crossings new power centers on Route 101-A, and in Rochester. On So. Willow St., in Manchester Petsmart took over the former Office Max.

Part 2 will appear in the April Northern New England edition.

Andrew Levy, CCIM, is director of brokerage services for The MEG Companies in Londonderry, NH.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540