



nerej

Southern New Hampshire retail market: Slower, but steady growth

February 28, 2013 - Northern New England

Last September, I predicted that we will start showing some real positive signs of growth: As it turns out that predication was 100% accurate. In fact, there was an absolutely tremendous amount of new retail activity that occurred over the last six months.

Today, we continue to see positive signs of a rebounding economy. Retailers and shopping center developers understand that until consumers are confident about the economy they won't loosen the purse strings and start spending again. What we need to happen to really get the feeling that we have tackled the recession and are on the road to prosperity again, is the return of consumer confidence.

Before this can happen we need solid job growth, and not just low-end minimum wage and part-time jobs, but jobs that can support a middle class lifestyle.

Many people are living paycheck to paycheck where there is nothing left over for additional spending including the "middle class " students in college, young married couples hoping to start a family and buy their first home, baby boomers, and the elderly. Each group has their own unique spending habits, preferences, styles, requirements, priorities, and limitations that affect everything from where they will live, how they will furnish their homes, what cars they will drive, where and how often they will go out to eat, etc.

Shopping center managers/owners understand the importance and effect this has on tenant retention, rental income, and the underlying value of their properties.

The good news is leasing activity has been strong since January and getting better as we head into spring. Companies are looking for new space to upgrade, downsize, relocate or add additional locations.

Here is a brief sampling:

Aaron Rents & Autozone in Nashua; Microsoft is now open in Salem at The Mall at Rockingham Park; the Shoe Dept. is now open in Newington at Fox Run Mall; the Cheshire Children's Museum is breathing new life to the Colony Mill Marketplace in Keene and a Meathouse franchise in Amherst.

Concentra relocated to 1279 So. Willow St., Shooters Outlet massive 10,000 s/f superstore in Hooksett. Pop Culture's comic book and memorabilia at Jewett Square in Raymond. Michaels and O'Neil's Cinema 12 have opened at Brickyard Sq. in Epping. Symmetry Tile Works retail showroom along with Green Earth Baby Works & Tiger Lilies Florist at Epping Commons on Rte. 125. Tuscan Market has opened its unique specialty Italian market and bakery behind the Tuscan Grille in Salem. JoS A. Bank, Petlife, Starbucks and Chipotle at the Bedford Mall. ConvenientMD urgent care center on Rte. 111 at Exit 3 in Windham.

Workout Club & Wellness Center relocated from Hooksett and opened a 10,000 s/f facility at Northside Plaza on DWH in Manchester. Mathnasium and YoFlava frozen yogurt has opened their

first N.H. location at the plaza, as well as bringing it to 100% occupancy!

The State of N.H. liquor store has become a major retail player and just announced a 12,000 s/f store on Elm St. south of Market Basket in Manchester by developer Dick Anagnost. Service Credit Union expanded into their new, massive corporate headquarters in Portsmouth. Heritage Family Credit Union is now open on Hooksett Rd. Northway Bank is wrapping up construction on South Willow St.

McDonald's and Bank of New Hampshire are under construction on Tenney Mountain Highway in Plymouth by developer Mike McGinley. Other national retailers are expected to be announced soon. Car dealerships continue to relocate, expand, and build new high-end dealerships to meet the demands of their respective brands including: Quirk VW at the former Furniture World; AutoFair Nissan in Stratham; Team Kia in Concord; and Grappone Toyota in Bow.

Some new restaurants include: Red Sauce Italian and Rogue Grille in Manchester; Gigi's Kouzina in Londonderry; and British Beer Club is working on their second location in downtown Portsmouth. New frozen yogurt shops include Sweet Kiwi on Second St. in Manchester, Yogurt in Love in downtown Nashua, Orange Leaf is in Exeter, and under construction at Brickyard Sq. in Epping along with the Red Iguana and Subway.

Rte. 28 in Derry has become a major retail corridor with the opening of the new Super Walmart. Burlington Self Storage has opened its new state of the art facility at 4 Linlew Dr. Ocean State Job Lots will open soon at the old Walmart. Pinkerton Place a 9,000 s/f strip center was just approved. The adjacent 10-acre development parcel is rumored to be under agreement.

Market Basket will open its newest store on Rte. 114 in Bedford. Rite Aid is permitting a new 15,000 s/f store in Meredith. Cumberland Farms will relocate their Epping location to the other side of Rte. 125. Construction is ongoing at Tara Commons retail strip in Nashua. The proposed Woodmont Orchard mega-development at Exit 4 in Londonderry continues with permitting at the planning board and town.

All told I think it's safe to say New Hampshire's retail market is alive and well.

Andrew Levy, CCIM, is the director of brokerage services for the MEG Companies, Londonderry, N.H.