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## **Get out of the way... Trucks are coming. Where is everyone going on Routes 128 and 495?**

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Have you noticed all the cranes in the sky...not the beautiful, long-necked birds, the steel monoliths that block out the sun. Those building cranes seem to be everywhere you look, especially as you drive through Boston. Buildings are popping up everywhere...high-rise luxury condos, apartment complexes, office buildings, and large life-style shopping centers, small neighborhood strip centers, and a plethora of free-standing quick service restaurants.

Who can keep track of all the new food concepts hitting the local market? National brands, local favorites...they come in the form of independents, company-owned chains, and franchises. The growth is most obvious all along Rte. 128/I-95, the 'inner belt'. The older landmarks like the North Shore Mall, Liberty Tree Mall, and Wayside Commons are always in flux, the newer Market St. in Lynnfield, Third Ave. in Burlington, and numerous other projects coming online in the next year are driving the growth, development and traffic throughout the region. All these projects incorporate in their tenant mix 50% or more of food and beverage businesses.

The Great Recession must be over if the sheer quantity of cars on the road and the lack of parking spaces at these mega shopping areas are an indication of the demise of that terrible experience.

Years ago, I was bothered by the lack of parking spaces at the malls at Christmas time. I dreaded driving up and down the rows of parked cars looking for a vacant spot, eventually resorting to stalking a satisfied shopper leading me to his space.

In the old days, we would plan our road trips to avoid the rush hour grid lock leaving Boston. From 4 pm - 6 pm, Rte. 128, Rte. 3, Expressway, Rte. 93 and all the feeder roads became problematic.

Surprise, surprise. Today you have to pack a lunch, bring plenty of water, and have a good book to read between 2 pm and 7 pm almost every day for that drive home. What are all these people doing on the road? Can they all have jobs that finish so early?

Years ago a successful developer/investor-type identified future growth areas with the best places to buy real estate. His advice was to buy within one hour of Boston...out to Rte. 495, the 'outer belt'. It seems a lot of people did just that. Rte. 495 is the step-child of Rte. 128/I-95 and has the same traffic profile of Rte. 128...just a little bit lighter. With housing came shopping facilities...with shopping centers came food and liquor businesses.

The bottom line is that, based on all these people with cars shopping at the malls, buying gas and gifts, and filling the restaurants, the Great Recession has been declared over. Whether as a result of working or they're on some form of government assistance, people have money to spend...and they're doing it. Statistics are that the average family has amassed a credit card balance of over

\$6,800. They're spending. It feels like the good-old days are back.

If you go out to eat on the weekends, you know that full-service restaurants are crowded. In a recent poll, 41% of a quick-service sector concept has been averaging an increase in sales of as much as 10% over last year. That said, the profit margins of small businesses across the board are crashing. The politicians, both nationally and locally, are draining the life blood of our country. Taxes, regulations, minimum wage, Obamacare, restrictions, and energy costs are eating away at the profits of small business. The present administration's crusade to redistribute earnings of those working to those not working is causing owners to question why they should even stay in business. Hence, a dilution in the value of businesses in every sector.

Even with a staff of 18 brokers, we're finding it hard to keep up with all the requests for New England Restaurant Brokers to take on more listings. We're representing multimillion dollar full service restaurants on one end of the spectrum and \$100,000 fast food outlets on the other end. In between we're working with shopping center developers and leasing agents on some of the new retail centers coming online and with chains of restaurants looking for a buyer. Fortunately, in 34 years of representing buyers and sellers, we've never been this busy. Sellers are accepting creative terms to get out and buyers recognize that there's a significant benefit, emotionally and hopefully financially, in being self employed. The strong operators are capitalizing on the opportunities made available by under-capitalized and over-leveraged sellers.

To sum it all up, construction is booming, interest rates are low so people are buying and borrowing, rush hour traffic is horrendous, and eating outside the home has become a way of life. What was a special occasion, dining out is now a daily routine for millions and millions of people.

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