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Fairfield County commercial real estate explodes in 2014: Momentum continues into the new year

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After all the gloom and doom predictions from every direction in 2013, whether from Wall Street, internet sales, major store closings, the uncertain economy, Fairfield County boomed in every sector in 2014. Of course, retail leasing lead the resurgence with the restaurant industry, whether chain restaurants or with "Mom and Pop Shops." More restaurants continue to "pop up" all over the county.

In Westport alone, 4 or 5 new and different kinds of restaurants opened their doors. There are many different restaurants now available, from grilled cheese sandwich shops, to unique 'go to' places like the Spotted Horse and Pink Sumo. It seems as though new restaurants are doing very well right from the beginning upon opening their doors to the public. A year ago there were 5 retail storefront properties available on Westport's Main St., always a hot commodity, while today, only one is still available at 177 Main St. through Dominic Musilli of TRUECRE. In Westport, it's not just downtown that rents are skyrocketing, as Post Road Shopping Centers are quoting asking rents of \$45 -\$85 per s/f; all net of course. Personally, I renegotiated lease renewals for both Sunglass Hut and Shoes N More on Main St. for well over \$100 per s/f, which will become effective in 2015.

In Greenwich, which had multiple vacancies in some of the best blocks on the street in 2013, now only three spaces remain: 1,500 s/f, 3,800 s/f and 3,400 s/f. Respectively, all three are at rental rates over \$100 s/f NNN. According to Tom Torelli of Allied Property Group, new restaurants have also emerged in Greenwich, bringing delightful new cuisine to the town, such as Club Monaco, and again, all rents in excess or \$100 per s/f NNN. Casablanca, which is a Ralph Lauren Co., opened on Greenwich Ave., bringing a delightful blend of Argentinian design and Lauren's great quality.

Fairfield has seen the greatest "boom" of all. You cannot find a retail storefront on the Post Rd. for less than \$50 per s/f NNN with those charges running \$10/s/f, plus 1,000 s/f for \$60 per s/f, plus \$11, in NNN charges. (Guess no more boutiques in Fairfield). There are only a few primo store fronts available at \$60 per s/f NNN for 1,000 s/f, plus \$11 in cam/tax. I think we can say "goodbye" to the boutiques and the "Mom and Pop shops" that made the local towns so popular. The only retail storefront that I know of left in Fairfield at a reasonable price, is 911 Post Rd., in the Fairfield Shopping Center with an asking rent of \$25 per s/f, and cam/tax at half that of down town. I leased the second to last shop available in that plaza with the cooperation of Jon Angel to Capitol Photo, whom had moved from downtown to 2,260 s/f, due to the excessive rental rate increases happening in central Fairfield.

My favorite new restaurant in Fairfield is the Little Goose on Commerce Dr. It is very quaint, quiet, and small, with fine food and fine service. What more could I ask for? I looked at a location on King's Hwy, almost to Bridgeport, and the rent is \$25 per s/f. I looked at another location in Bridgeport on Boston Ave., where again, the rent is \$25per s/f plus 6.51 in cam and tax. Bridgeport, really?

Not only has retail leasing picked up, Vidal Realtors has sold many buildings in Fairfield County this year; the most prominent from my retail point of view is the sale by Dave Fugitt of 61 Main St., Westport (a 3,500 s/f bldg.) for \$7 million. Kudos to Dave. In addition, Vidal has been busy on the sales end of things in the county. Bob Lewis sold the office building 50 Charles St., 37 Franklin St. in Westport and 200 Pequot Ave. in Southport, as well as the former Blue Parrot in Westport, while Bruce Wettenstein sold 515 Commerce Dr. in Fairfield, a 20,000 s/f industrial building. Matthew Keefe, Franco Fellah, David Lindland, and Justin Barry of Westport-based HK Group, completed the sale of the class A office building. This building is located at 276 Post Road West. HK Group was the only broker in the transaction. The fully-leased 32,873 s/f office property, built in 1987, is located on 2.93 acres.

On Fairfield Highway East, Dominic Musilli negotiated the transaction to move Walgreens from The Tunxis Hill Shopping Center, to the former, long closed, Brown Brothers Furniture building site, located just up the road, which is a pro-typical store of 22,000 s/f, with a term in excess of 20 years. In addition, Dominic placed The Vitamin Shop on Black Rock turnpike in 4,660 s/f, with no terms available.

As we move around the county, HK Group has completed four restaurant transactions in Fairfield County. Testo Hook LLC has leased 1,500 s/f of restaurant and bar space, located at 222 Post Rd. in Fairfield, to open its fourth Off the Hook location in Connecticut. Ye's Asian Fusion Inc. purchased Sennen Restaurant at 435 Main Ave. in Monroe to open an Asian fusion restaurant specializing in sushi.

JA3 Inc. purchased Sagi Restaurant at 23½ Catoonah Rd. in Ridgefield to open a sports bar and grill this month. The seller was represented by Christopher Maglione and Dale Thomas of John D. Hastings.

Nirvana LLC purchased The Grilled Cheese at 57 Unquowa Rd. in Fairfield and used the space to up a second Rainbow Thai location. There is presently a Rainbow Thai in Westport.

If I had been offered thousands of words, I could have included our other cities and towns like Norwalk, Stamford, Darien and New Canaan, but limited space meant limited information. I will say though, that right now, everything is coming up roses, especially for landlords.

Most of my work this year has been in New Haven and Hartford Counties, leaving me out of this article. However, I will use the remaining words to say, thank you and congratulations to my friends and life-long associates for their hard work and subsequent financial rewards!

May peace be your journey for 2015.

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