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Winter is coming, but fall comes first: Retail industry looking to finish the year strong

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The thought of winter at this point is probably enough to make commercial real estate professionals cringe (especially my friends in the property management department). The good news... we have fall to look forward to before any of the sleet, snow, salt and snowplows start to come into play. As summer winds down, so do the week-long vacations and the unanswered phone calls and emails from those same vacationers... fall is always a great time of year as people are getting back into work mode and looking to finish the year strong. Not to mention, fall means football, which happens to be my favorite sport.

It's been a great year for retail real estate and for our company, Summit Realty Partners, in Northern New England. We've seen several key indicators that the shopping center industry is standing strong on its feet. Absorption of vacant retail space continues, new development projects are opening well and more are in the pipeline. Industry meetings, networking events, and trade shows are very well attended, restaurants are opening, and new innovative retailers continue to arrive on the scene. There are still many challenges out there for the retail real estate industry including chronic vacancies that remain to be leased. It's important to stay focused, be creative and market spaces in a way that will attract the attention of expanding businesses.

As part of my involvement with the International Council of Shopping Centers (ICSC), I was on the planning committee for the New England Idea Exchange held in Boston this July where we saw attendance of 1,200 industry professionals looking to make deals and win new business. Also, the ICSC Next Generation Committee in New Hampshire, of which I am a co-chair, hosted the first ever ICSC networking reception in Portland, ME at the end of June which drew 90+ industry professionals. It was a fantastic turnout for an event that highlighted different retail markets in Maine and also featured a half dozen retailers based in Maine as part of a retailer showcase.

We are seeing pretty good action throughout our Northern New England property portfolio. In Concord, N.H. we executed a lease with Vitamin Shoppes in conjunction with downsizing Sleepy's space on Loudon Rd. Also in Concord, we are close to signing leases with two tenants to kick off the re-development of the former Entertainment Cinema's and Movie Gallery site that has sat dormant for years. In Keene, N.H. we are eagerly awaiting the fall opening of Planet Fitness at Monadnock Marketplace (earlier this year, they leased the last remaining vacant Circuit City in the state of N.H.). Just recently, Olive Garden closed their location at Monadnock Marketplace. We see this as an opportunity to add value as subdivide plans for small shop retail with national tenants are already in place.

In Rochester, N.H. we recently found out that Family Dollar is moving out of Spaulding Commons, which opens up an opportunity to put together up to 21,000 s/f of prime end-cap retail space in a newly renovated shopping center at a major exit on the Spaulding Tpke. This same shopping center

landlord with the opportunity in Rochester has just closed on a property in Gilford, N.H. The former Airport Plaza has been outdated and mostly vacant for years. My client plans a significant capital investment in the property with a new façade, parking lot and pylon signage. They signed a long-term lease renewal with the movie theater which helps to secure the shopping center as an entertainment draw for the region.

Our client's shopping center, Northgate Plaza, in Portland, ME is 100% occupied and we receive calls every couple weeks from retailers interested in space should anything come available. Our company is working on a redevelopment in Brattleboro Vt. just off Exit 1 on I-91. It is an outdated outlet shopping center slated for major renovations. Interest from retailers and restaurants has been decent although we continue to seek the perfect fit to help kick off the project.

On the tenant side, we are excited to be working with Orange Theory Fitness, a national franchise tenant, throughout New Hampshire and Maine to open up several 3,000 s/f specialty fitness centers. There is an existing location in Nashua, N.H. and a franchisee is about to sign a lease in Portsmouth, N.H.

I hope you all enjoy the end of the summer as the fall weather begins to kick in and things ramp up for end of year deal making. We can expect things to be busy this fall as retailers restaurants, landlords and brokers look to finish the year strong.

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