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College Plaza Shopping Center, Selden / Photo by Bob Giglione

## LI shopping centers' \$20M facelift nearly done By David Winzelberg October 17, 2014

One of the region's largest retail landlords is nearly finished with a \$20-million upgrade of five of its 12 Long Island shopping centers.

Manhattan-based <u>Brixmor</u> began the facelifts last year in an effort to spruce up appearances and enhance customers' shopping experiences, according to Barry Rodenstein, the Conshohocken, Pa.-based president of the company's north region.

"We're very bullish on the Long Island market in general and that's why we're investing here," Rodenstein told LIBN.

The centers that underwent facelifts include the 99,131-square-foot Roanoke Plaza in Riverhead; the 71,940-square-foot Kings Park Shopping Center in Kings Park; College Plaza, a 175,682-square-foot center in Selden; the 89,704-square-foot Parkway Plaza in Carle Place; and the 122,996-square-foot Nesconset Shopping Center in Port Jefferson Station.

Scheduled renovations at 61,118-square-foot Falcaro's Plaza in Lawrence, part of Brixmor's \$20-million renovation package, have yet to begin. All told, Brixmor owns and operates five

shopping centers in Nassau County and seven in Suffolk County, for a total of about 1.3 million square feet of retail space.

The fix-ups include new facades and signage, lighting upgrades and parking lot improvements, among other work.

Besides making the centers more appealing for consumers, the facelifts are attractive to tenants as well. Jayson Siano, a principal at retail brokerage <u>Sabre Real Estate Group</u> in Garden City, said many shopping center landlords on Long Island feel they don't have to spend money on upgrades since they enjoy relatively high occupancy levels compared with the rest of the country, but it's refreshing when they do.

"As brokers, we like to see property owners reinvest in their properties because it makes our job that much easier," Siano said. "Brixmor owns better shopping centers on Long Island and they should look that way."

Formerly known as Centro U.S., the property owner changed its name to Brixmor once it was purchased by the Blackstone Group in 2011. Brixmor, which went public last year, owns the nation's largest wholly owned portfolio of grocery-anchored community and neighborhood shopping centers, with 522 properties totaling about 87 million square feet of leasable space in major U.S. metropolitan-area markets, with an especially strong presence in Atlanta, Houston, Chicago, Los Angeles, Philadelphia and Tampa, Fla.

While it is spread out throughout the country, Rodenstein said Brixmor's centers on Long Island are among the REIT's most successful properties.

"Long Island is one of the best retail markets in the country," Rodenstein said. "We consider our assets here to be irreplaceable. It's very hard to accumulate this portfolio today."

Occupancy at Brixmor's Long Island centers is at 95 percent, up slightly from a year ago, according to Rodenstein. Anchor tenants include supermarkets, national drugstore chains and clothing retailers like <u>T.J. Maxx</u>. One of its newest tenants at College Plaza is Shop Rite, which moved into the 68,000-square-foot store that Bob's Stores had occupied. Bob's was moved to a 30,000-square-foot space that had been vacated by Marshalls two years ago. Another new tenant in Selden is Panera Bread, which is coming to a new 6,000-square-foot pad site at the center.

When it comes to new tenants, Rodenstein said Brixmor has been responsive to the trend in experiential retail, or what he calls "Internet-resistant retailers." As an example, he cited the Nesconset Shopping Center, which has experiential retail tenants such as Massage Envy, Five Guys Burgers and Fries and Stat Health – goods and services you can't get through your computer.

"We've definitely seen an increase in experiential retailers," Rodenstein said. "And we're always looking to put the best merchandise mix together."