



Gabriel, Merin, Bernhaut and Zimmel of Cushman & Wakefield arrange \$48 million sale

January 24, 2011 - Long Island

DSW Plaza at Lake Grove has traded from Centro Properties to Prestige Properties, in a \$48 million retail sale that will register as one of Long Island's largest for 2010, according to Cushman & Wakefield, Inc. The commercial real estate services firm's Metropolitan Area Capital Markets Group, based in East Rutherford, N.J., orchestrated the transaction. Prestige Properties is a Manhattan-based real estate developer, property manager and investor of retail properties focusing in the Northeast and Mid-Atlantic markets.

DSW Plaza is a fully leased, institutional-quality community shopping center. Totaling 251,222 s/f, the property is situated on Middle Country Rd., opposite the 1.4 million s/f Smith Haven Mall, within one of Long Island's primary retail hubs. Suffolk County continues to be one of the nation's most desirable retail markets, with an occupancy rate of more than 95%.

"Retail investment opportunities have been scarce throughout the tri-state area this year, and even more so on Long Island," said Cushman & Wakefield's Gary Gabriel, who handled the sale with team members Andrew Merin, David Bernhaut and Jared Zimmel. "That being the case, this property's fantastic location made it a very compelling purchase. We received a significant number of offers from both public companies and private investors. Prestige Properties ultimately distinguished itself among the pack."

DSW Plaza historically has maintained high occupancy levels and is currently fully leased to an impressive roster of national tenants. The property is anchored by Toys 'R' Us, DSW Shoe Warehouse, Staples and Michael's Crafts. Other retailers include Golfsmith, Tuesday Morning, Lenscrafters and a Houlihan's Restaurant.

"This asset provides a stable cash flow, given that nearly half the center is leased until 2018," Merin said. "Furthermore, the property was offered with favorable debt." Prestige assumed a \$27 million loan at an interest-only rate of 4.75%.

Merin noted that the property's demographics further enhance its investment appeal. "Long Island is one of the most densely populated and wealthiest areas in the nation," he said. "DSW Plaza draws from a great trade area."

The Metropolitan Area Capital Markets Group's involvement with DSW Plaza dates back to 2003, when the team orchestrated its sale to Centro (previously New Plan Excel).

Average daily traffic counts along Middle Country Road and nearby Route 347 are 39,000 and 47,000, respectively. Average household income and median home values within three miles of DSW Plaza are \$111,272 and \$421,130, respectively.

The Metropolitan Area Capital Markets Group specializes exclusively in investment sales of office, industrial, multifamily and retail properties throughout New Jersey, New York, Fairfield County,

Conn., and Pennsylvania. The team has completed more than \$13.8 billion worth of transactions since 2000. Merin and Bernhaut, who co-founded and head the Metropolitan Area Capital Markets Group, also oversee eastern regional activities for a new Cushman & Wakefield group that advises clients on corporate property dispositions throughout the United States.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540