

RETAIL GAINS STEAM THROUGHOUT DELAWARE



Jim O'Hara Jr.
Principal, Broker,
NAI Emory Hill



Ann Bailey
Broker,
NAI Emory Hill

Recovery is continuing to occur in the Delaware retail market and forecasts show it will continue in the year to come. The retail sector has been strong in Class A locations, while secondary centers have experienced less demand. Land values on major corridors remain high and the limited supply is expected to further this trend.

The area around Christiana Mall continues to be a strong draw for national retailers. Recent new retail activity includes the Christiana Fashion Center, which has been approved for buildings totaling in excess of 500,000 square feet. Current tenants include The Container Store, REI, Nordstrom Rack, DSW, Saks OFF Fifth, Ulta Cosmetics and Jared Jewelers. Allied Properties is developing the center. Also in the Christiana area, Kimco is planning to develop the Christiana Promenade which will encompass more than 400,000 square feet. Demolition of an existing structure is underway.

The city of Wilmington will see a new \$40 million redevelopment of a popular retail and office location on the 2000 block of Pennsylvania Avenue. Mayor Dennis Williams recently announced the project, which will redevelop the existing property into an attractive, high-quality mixed-use and pedestrian-oriented space that incorporates luxury residences above a first floor of quality retail and commercial businesses. The city hopes to see an infusion of on-site residents and new commercial spaces to bring new energy to the area, and complement the recent ongoing revitalization of the Union Street Corridor. The developer is Tsionas Properties, which has been active on Newark's Main Street and adjacent areas with mixed-use projects that combine student housing with retail space. The current building is best known as the home of Stuart Kingston, an 80-year-old jewelry and luxury items store that is also involved in auctions. Other tenants include the Santa Fe, Wilmington, Michael Christopher Salon, a fitness center and yoga studio.

Another projected hub of activity in New Castle County is the proposed Claymont revitalization project known as First State Crossing, a

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420-acre mixed-use development located at Delaware's northern tip. The project will include a significant amount of retail space as well as office, manufacturing and a new multi-modal transit center featuring SEPTA commuter train and DART commuter bus service. The property is near the crossroads of several major highways including Interstate 95, Interstate 495 and Route 13; it sits on the Delaware River and can be serviced by Wilmington Port traffic; and it is minutes from the Philadelphia airport.

Middletown, also in New Castle County, continues to be active with a variety of retailers in the market. In the Westtown development, retailers such as Marshalls, Dress Barn, Famous Footwear and Petco are open. On the east side of town, the developers of Willow Grove Mill are in discussion with several restaurant chains to

go along with the existing tenants of Health South, Wawa and CVS.

The beach resorts in Sussex County, Delaware, continue to see increased activity. The Fresh Market, Bed Bath & Beyond and Wawa have all recently signed leases at the new Rehoboth Gateway shopping center. When completed the center will total 60,000 square feet. The center is located along Route 1 at the entrance to Rehoboth Beach. Other new retail opportunities include Rosenfeldt's Jewish Deli on Route 1 near Route 24 and additional new Tanger Outlet shops including Lululemon, Vera Bradley, and Alex and Ani. On Route 24 in Long Neck, Wawa has now opened, joining a new Rite Aid.

Throughout the state, demand remains high for corner intersections for development of pharmacies and convenience stores.

