



HOME BUILDER'S HEDGE? RETAIL

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Costco's old warehouse store in Delray Beach nearly was slated for more housing. Then owner New Century Cos. noticed two events: The precipitous housing slump and some tantalizing phone calls out of the blue.

"We started getting calls from serious retailers, and it got us thinking," said J.P. DiMisa, a principal with New Century. Suddenly, the Delray Beach home builder was in the shopping center business. And plans for New Century Commons were born.

The old warehouse building on Linton Boulevard won't look like a warehouse after New Century is done with it. Plans are to lop off a portion of the structure for extra parking, while redoing the exterior to make the property architecturally pleasing.

Sometime in 2009, the warehouse will become home to two big-box retailers. Look for a sporting goods store and a pet retailer on the site. (After Costco built a newer, bigger store on Congress Avenue in Boca Raton back in 2002, Global Imports took over the property. New Century bought the property from Global in March 2006.)

New Century also plans to build two buildings in the out parcels: A bank site and a separate complex for a coffee provider, cellphone store and Mexican restaurant. DiMisa isn't disclosing names of retailers because leases aren't fully executed, but he expects to have signed deals during the next 60 days. The retail plans come at a good time for New Century, which has not escaped the housing slump at its Royal Poinciana community in Boca Raton.

The 90-unit townhouse complex, between Dixie and Federal highways, was a hit when sales started a couple of years ago. DiMisa said buyers even slept outside for the chance to snap up a homesite. But as the project reached completion earlier this year, about 30 percent of the buyers bowed out, he said. Townhomes once ranged in price from \$600,000 to more than \$700,000. But New Century recently has cut prices. The bottom line: The Commons shopping center is a nice hedge against the vagaries of the housing industry. "We have the ability to change gears quickly," DiMisa said. If other businesses can do the same, it's a good way to weather the market.

Housing sales are slipping. The stock market is uncertain. Talk of a recession haunts the headlines. Feel like escaping to a dark room and hiding? Go right ahead, movie theater officials say.

When times are good, the movie industry does well. But when times are bad, the industry does even better, said Michael Whalen, president of Muvico Theaters in Fort Lauderdale. "The movie business does best in recessions," Whalen said. "It's an escape from reality, from the headaches of life."

It was always thus. Consider, for example, the Great Depression. An extra dime might buy a couple of hours away from the general despair of the times.

These days, ticket prices are considerably higher, hitting the \$9 mark. But movie ticket prices still are cheaper than, say, taking in a Miami Heat or Florida Marlins game, Whalen said.

Muvico is well-positioned to notice the effect of the housing decline in Palm Beach County. The company operates the Muvico Palace 20 in Boca Raton, the Muvico Parisian 20 at CityPlace and the Muvico Boynton Beach at the Boynton Beach Mall.

It might be too soon to notice a recession "bump" in movie ticket sales, but Whalen is cheered by something else at Muvico's CityPlace multiplex - the recent teen curfew instituted in West Palm Beach. The curfew bars anyone age 17 and younger from being in a downtown area after 11 p.m. Fridays and Saturdays and 10 p.m. throughout the week. The curfew was put in place to discourage roving bands of teens, particularly at CityPlace, which tries hard to cultivate an upscale, adult image.

When the curfew was instituted this summer, Whalen opposed the measure because he feared it would hurt business. Teens make up a large part of the theater-going crowd, especially at a time when many adults are staying home to watch movies on their home theater systems.

But Whalen now says the curfew has not hurt business as much as he thought. True, he has lost attendance at Muvico's midnight movies. But the theater has been able to make up the attendance decline. Perhaps the new Imax theater is offsetting those losses, Whalen said. CityPlace General Manager Ryan Hallihan said it was hard to measure the curfew's impact on business at other retailers, too.

"But anecdotally," he said, "I've noticed fewer unsupervised teens at the property, which provides a more pleasant environment for customers going to a movie at Muvico or just out for a late-night dinner." Holiday shoppers, be on the lookout for new stores at the Town Center mall in Boca Raton this season. Clothing and accessories stores Just Cavali and Elie Tahari are expected to open sometime in December. Also coming: Coldwater Creek, a women's clothing and accessories retailer, slated to squeak in by year's end on Dec. 20.

Also coming: The Walking Company, which bills itself as the largest retailer of comfort footwear; Reiss, a clothing retailer, and Bulgari, the high-end watch, jewelry and accessories store.

Coldwater Creek, The Walking Company and another new retailer, Select Comfort mattresses, all will be opening in the mall's new wing, dubbed The Terrace. The addition is located near Nordstrom department store and is already home to Anthropologie, a women's clothing store, and a two-story Crate & Barrel home furnishings store.

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