

# REAL ESTATE WEEKLY

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## RETAIL

### Plunging oil prices giving shoppers a shot in the arm

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As Mark Twain once said, “There are lies, damned lies, and statistics.” To that, I may politely add “research statistics.”

The retail sales decline of 0.9 percent in December from the previous month reported by the U.S. Department of Commerce does not indicate any weakness in the sector.

In fact, it’s a bit perplexing, given the strong year-over-year numbers reported by many retailers. Macy’s for example, reported a sales increase of 2.7 percent for the combined November/December period.

The Commerce Department said that total retail sales in December rose 3.2 percent over 2013, and the National Retail Federation reported a sales increase of 4.0 percent year over year.

Don’t forget, that Commerce monthly number includes gasoline sales, and plunging prices were a major factor; crude oil prices have dropped by half since June.

If you exclude automobiles, gas, building materials and food services, sales dropped 0.4 percent, after rising 0.6 percent in November. Consumers merely began shopping early, and likely continued shopping in January with gift cards.

Going forward, lower gas and home heating oil prices will undoubtedly boost retail sales, particularly at the mid- and lower-price points, as those consumers feel that they can now afford to splurge a bit. Consumer confidence is rising, and that will bode well for the rest of the year.

The big leasing news for the New Year is Bed Bath & Beyond’s leasing of more than 100,000 s/f of at the Liberty View Industrial Plaza in Sunset Park, Brooklyn.

Plans call for all banners — Bed Bath & Beyond, buybuy Baby, Cost Plus World Market and Harmon Face Values — to have full presentations on one floor.

This will be a fabulous way to attract shoppers from the other side of the Brooklyn-Queens Expressway, a challenge in this neighborhood.

Italian luxury menswear brand Isaia is coming to 819 Madison Avenue. Liquiteria has opened at 402 Sixth Avenue. Blink Fitness will open at 102-15 Liberty Avenue in Queens. Look for another chance to burn off holiday pounds at South Brooklyn Crossfit at 608 DeGraw Street in Brooklyn.

On the association front, the newly formed CREW New York already has a busy calendar.

I’m honored to serve as Chairman Emeritus of this merger of AREW and NYCREW, and was thrilled to see that our traditional “Global Trends in Real Estate” overview panel was held in January.

Now I'm looking forward to visiting the CREW New York table at Real Estate Weekly's Women's Forum, to be held February 25, 2015 at the Wyndham New Yorker Hotel. For more information on the forum, visit <http://rewomensforum.com/>. To learn more about CREW New York, visit <https://www.arew.org/home.aspx>.

And further out for those of us who attend the International Council of Shopping Centers' RECon conference in Las Vegas in May, save some time for the CREW luncheon, scheduled for Monday, May 18, at a time to be determined.

My old friend Barbara Corcoran, founder of The Corcoran Group, author, television personality and the ultimate entrepreneur, will be the speaker — this should be fun and educational.

Check with <http://www.icsc.org/2015RECON/> in coming weeks for more information, and to register for this all-important conference.

