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Saks flagship the 'most valuable' retail building in the world

BY JAMES COVERT



The prices at Saks Fifth Avenue are more outrageous than ever — particularly if you're talking real estate.

The swanky retailer's flagship store, located at 611 Fifth Ave. across from Rockefeller Center, has been valued at a whopping \$3.7 billion, according to a recent appraisal.

That's more than 27 percent above the \$2.9 billion that the entire chain fetched just a year ago, when the retailer was scooped up by Hudson's Bay, the Canada-based retailer

controlled by New York real estate mogul Richard Baker.

What's more, there's evidence the appraisal was on the conservative side. Recently, Hudson's Bay turned down an offer from an outside investor who wanted to pay \$4 billion for the building, according to an insider.

The Fifth Avenue flagship represents less than half the real estate value in Saks, which includes premier locations in shopper destinations like Beverly Hills, Calif., Baker told The Post in an interview Monday.

"We believe this is the single-most valuable retail building in the world," Baker said.

That's a fair claim, as the store's size and location make it even more desirable than Harrods in London, according to Faith Hope Consolo, head of retail leasing at Douglas Elliman.

"When it's dead it's good, and when it's good it's great," Consolo said of the Big Apple shopping climate. "Europe can't say that and Asia can't, either."

To enhance the store even further, Baker is shelling out \$250 million for a remodeling effort that begins next spring.

Big investors who sold their shares to Baker last year included Mexican billionaire Carlos Slim and Italian luxury magnate Diego Della Valle.