

luxury briefing.

QMS and the *cosmeceutical revolution* Positive luxury: *why the Butterfly Mark is worth having* Physical promise x digital experience: *who's getting it right, who could do better* Withers researches the *new meaning of wealth* New luxury is about acceptance, knowledge, *says Georgia Fendley* Plus launches: *Kingsman, La Maison, Stylus Fashion, Alexander McQueen in Japan, Valentino in New York, La Prairie into e-commerce*

required reading

RETAIL PROPERTY LONDON

The press has a habit of focusing upon the launch of new stores acquired with multi-million pound key money premiums, seven-figure rentals per annum and global marketing campaigns to ensure successful arrival in London. For the new entrant to the capital a more modest boutique is usually the initial target. For those in this category here is a quiet walk through the key luxury locations.

Burlington Arcade, Mayfair, has always provided a high footfall. Rents have moved on (again) in the last year. Expect to pay £160,000 pax for a single boutique (158 sq ft). There are a number of new openings in the pipeline as historic tenants reflect upon a 200% increase in rents over five years, and discreetly move on. 10-12 Burlington Gardens (by the Albany) attracts about the same level of rent (£165,000 pax) but the floor space is double at ground floor (320 sq ft). The boutique is highly visible along Savile Row.

Elsewhere in Mayfair, on **Albemarle Street**, adjacent to Royal Arcade, no 14 has been leased to Grimoldi Jewellers from Italy. The 500 sq ft boutique was let at a rent of £155,000 pax. For a larger space the rent would be £200,000 pax, for example at 37 Albemarle Street (848 sq ft) adjacent to the new Globe-Trotter store. Allegedly 40 Albemarle Street (Prêt à Manger) is under offer at a staggering £400,000 pax for a relatively modest ground floor area of 630 sq ft. Admittedly, in addition there's a first floor and basement.

In **Bruton Street**, home to Stella McCartney, Matthew Williamson, Temperley and Diane von Furstenberg, the smallest boutique is no 21. The current Miller Harris has been on and off the market for approximately six months. The ground floor is 580 sq ft. Anticipate a guideline rent on a new lease of £150,000 pax.

The natural pedestrian link between **Bond Street** and Regent Street has for many years been relatively quiet in terms of leasing activity but most recently **Conduit Street** has seen the arrival of Christian Dior (no 16), the scheduled openings of John Varvatos (no 16-17), DSquared (no 50-51) and most recently announced Christian Liaigre in the former Issey Miyake store (now fitting out 10 Brook Street). 55 Conduit Street has just been launched to the market, directly opposite the new John Varvatos store. The ground floor is 619 sq ft. Two offers at £150,000 pax have been reported.

In **Davies Street**, at the gateway to Mount Street, a boutique in the same block as Vivienne Westwood would rent at £125,000 pax (approximately 400 sq ft). Anticipate the current tenant seeking a key money premium of at least £200,000; this no doubt influenced by the Mount Street factor where the same boutique would cost £100,000 pax in rent and £1m key money!

At **Brompton Cross** – where Brompton Road meets Fulham Road and Sloane Avenue – a small boutique in Brompton Road of approximately 400 sq ft ground floor will cost £125,000 pax in rent and a key money premium of £250,000. 3.1 Phillip Lim, Acne and Carven have all launched in Pelham Street adjacent Chanel and opposite Carolina Herrera. J Crew (Draycott Avenue) and James Perse (178 Walton Street) have also opened in the area.

On **Sloane Street**, no 35 (375 sq ft ground floor) is available at a rent of £71,250 pax with key money premium invited above £750,000.

As the key money premiums and rents would suggest there is still a complete imbalance in the demand and supply equation, even for the more modest-sized boutiques. And if such a space (approximately 500 sq ft) appeared on Bond Street... £500,000 pax and offers over a small fortune please.

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RETAIL PROPERTY NEW YORK

On Madison Avenue, **Nars** is going uptown, taking no 971 for its first Upper East Side shop. **Ermenegildo Zegna's** latest outpost will be at no 825. Just off the avenue at 57 East 57th Street, **Kiton** has its second store in the city inside the Four Seasons Hotel.

On Fifth Avenue, **Infinite Beauty** will open at no 1031 to showcase a variety of skincare collections featuring organic products, elements from the Dead Sea, gold, diamond powder and more.

On the Upper West Side, **Michael Kors** is coming to The Shops at Columbus Circle, the latest step in what seems to be a plan for world domination. Canada's **Judith & Charles** opened its second store in the US, at 188 Columbus Avenue. In Chelsea/Meatpacking, **AJR**, Bonobos's line for women, now has its first shop/fitting room at 45 West 25th Street. In Greenwich Village, **3.1 Phillip Lim** will open at 48 Great Jones Street in August.

In SoHo, **Bonpoint Soho** has debuted at 398 West Broadway. **Woolrich**, a casual apparel mainstay in Philadelphia, will take its first New York City location at 125 Wooster Street. **David Yurman** will open his second boutique at 112 Prince Street. Artist Damien Hirst's first retail store, **Other Criteria**, is located at 458 Broome Street. **Will Leather Goods** launched its shop at 29 Prince Street, its first on the east coast. **Google's** first brick-and-mortar shop is joining the high fashion flocking to Greene Street, at no 131 – realising that this particular street is one of the places to establish a brand.

In Nolita/Tribeca/LES, **La Garçonne** has finally opened at 465 Greenwich Street. In lower Manhattan, the rebuilding of South Street Seaport area will include an innovative series of rotating pop-up shops in stacked shipping containers, courtesy of **Dossier**, an arts and culture publication from just across the East River in Brooklyn. Among the retailers is **Selima Optique**. This area continues to recover, and is attracting more brands by the minute.



In Brooklyn, **Kinfolk** offers a clubhouse feel for its menswear, accessories and a few assorted gift items such as candles, at 94 Wythe Avenue in Williamsburg.

In The Hamptons, the retailers and designers are opening for the summer season. Buy fitness apparel and music at **Bandier**, 44B Main Street in Southampton. **Cruciani**

D's jewelry and accessories have a summer home at 28D Jobs Lane. Over in East Hampton, designer swimwear is sold at **Orlebar Brown**, 23 Newtown Lane. **La Perla's** shop is at 66 Newtown Lane. Interior designer West Chin has a showroom, **West/Out East** at 25 Newtown Lane. **Peloton**, which sells indoor cycles that have live on-line classes, has its outpost at the former Tiffany's, 53 Main Street. **White's Apothecary** now offers make-up artists and facials at 81 Main Street. Then find more beach items at **Lisa Perry's** summer store at 67 Main Street. Stacey Fraser's apparel and accessories for women and children are at **Pink Chicken**, 156 Main Street, Amagansett. Natural fragrance company **LURK** is moving into retail at 28 West Water Street in Sag Harbor.

New York trend: FiDi rivalry

As noted above, the Financial District is one of the busiest in the city, with two major retail developments (Westfield's World Trade Center rebuilding and Brookfield Place), and smaller projects as well. On the WTC front, announcements include: **Armani**, **Apple**, **Bose**, **Breitling**, **Canali**, **Hugo Boss**, **John Varvatos**, **Kusmi**, **Longines**, **Michael Kors**, **Montblanc**, **Stuart Weitzman**, **Tiffany**, **Tumi**, **Tom Ford**, **Aritzia**, **Sephora** and **Victoria's Secret**. **Aspinal of London** is joining the huge luxury component at Brookfield Place. This is one rivalry that will be fascinating to see play out.

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