

# Weingarten Realty Pours \$285M Into West Kendall Shopping Plaza

by Carla Vianna

Houston-based Weingarten Realty is banking on the South Florida retail market.

The publicly traded real estate investment trust poured \$285 million into Miami's West Kendall suburb with its purchase of a 664,000-square-foot shopping center known as The Palms at Town & Country.

The open-air shopping plaza sits east of Florida's Turnpike off Kendall Drive — two high-traffic roadways serving more than 200,000 vehicles per day.

"We are extremely pleased with the addition of a premier asset, The Palms at Town & Country, to our portfolio," Weingarten President and CEO Drew Alexander said in a statement.



The Palms at Town & Country underwent a \$100 million regrouping in 2010, which resulted in hundreds of thousands of square feet of new retail space.

The shopping mall serves a dense region that's home to 171,000 people within a three-mile radius, according to Weingarten.

"Its trade area buying power, a combination of median household income

**SEE PALMS, PAGE A2**

FROM PAGE A1

## PALMS

and density, is comparable to the most successful properties in the state including Aventura and Dadeland Mall," Alexander said.

Sold by New York-based TIAA, the mall underwent a \$100 million regrouping in 2010, which resulted in hundreds of thousands of square feet of new retail space. Today the center is home to several national retailers, including Kohl's, Nordstrom Rack, Dick's Sporting Goods and Marshalls.

in Coral Gables and \$50 in Miami's Coconut Grove last quarter.

The deal was comprised of 10 parcels totaling 733,851 square feet of retail and office space. It closed Wednesday, according to Miami-Dade County property records. The price tag broke down to \$388 per square foot of commercial property.

"It's a gigantic sale at a very low cap rate, but that's understandable in my opinion," said Jason Shapiro, managing director with Aztec Group Inc.

He said the asset's No. 1 appeal is its location and its points of access from the turnpike and Kendall Drive.

"From those perspectives, it makes

"The sale reflects two things: The quality of the retail market in general for South Florida, especially in the Miami-Dade area, and the value of the specific location that we're dealing with," said Boris Kozolchyk, executive vice president of retail services with Colliers International South Florida.

The Kendall retail market closed the second quarter with a low 2.4 percent vacancy rate, lower than Miami-Dade County's 3 percent average, according to CoStar Property research. The Palms lease rates reached \$34 per square foot, higher than rates seen in downtown Miami and Aventura. For comparison, leasing rates were \$36 per square foot

sense that an institutional purchaser would buy a property like that as aggressively as they did," Shapiro said.

Weingarten announced the sale Thursday along with rosy second-quarter results. The REIT reported net income of \$35.8 million, up 42 percent from \$25.2 million during the same period last year. The Texas company focuses on purchasing and redeveloping community retail centers and has had its eyes set on the South Florida market at least since May when it pocketed the Deerfield Mall in Deerfield Beach for \$93 million.

**Contact Carla Vianna at [cvianna@alm.com](mailto:cvianna@alm.com). On Twitter: [@carlaovianna](https://twitter.com/carlaovianna).**