

THE WALL STREET JOURNAL

WSJ Blogs

Friday, November 6, 2009

Developments

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Starwood Commands Top Price for Luxury Shops at St. Regis

By Kris Hudson



One of the busiest corners in the world for luxury retail has commanded a price that fits that title.

Hotel operator [Starwood Hotels & Resorts Worldwide Inc.](#) this week sold the 24,700 square feet of shops in its 229-room St. Regis hotel in Midtown Manhattan to a group of three buyers for a whopping \$117 million in cash.

That's \$4,736 per square foot, more than three times the next priciest deal in Manhattan in recent years, according to [Faith Hope Consolo](#), chairman of [Prudential Douglas Elliman](#), a New York-based brokerage. The shops in that expensive space at Fifth Avenue and 55th Street are De Beers Diamond Jewelers Ltd., Pucci and Bottega Veneta.

“Some of those retailers are making thousands and thousands of dollars per square foot,” Ms. Consolo said. “That type of corner comes available for lease maybe once every 15 years. It's a very sought-after corner. There's more foot traffic (of luxury shoppers) on that corner than anywhere else in the U.S.”

Starwood sold the retail space to three well-known New York landlords: the Chera family's Crown Acquisitions, Lloyd Goldman and the Feil Organization. Haim Chera, a principal in Crown, said the group considered the deal a good value partly because lease rates for the space, which currently are at less than the market rate, can be increased once leases expire