

High Vacancy on LA's Robertson Boulevard as Retail Street Reinvents Itself

Shopping



By **Andrew Asch** As of Friday, July 19, 2013

Robertson Boulevard, one of Los Angeles' top retail fashion streets, has recently found a new distinction: a high vacancy rate.

There are six vacancies on the premier shopping section of Robertson, between Burton Way and Beverly Boulevard, where a group of empty storefronts is located, just down the street from boutiques of celebrated retailers such as **Chanel** and **Ralph Lauren**.

While six vacant storefronts would hardly be significant on other fashion streets—such as Montana Avenue in Santa Monica, Calif., and the intersection of Melrose and Fairfax avenues in Los Angeles, both of which suffered higher losses during and even after the recession—the mere presence of a concentrated group of vacant storefronts is jarring on what is still considered one of Los Angeles' premier streets for boutique retail.

Once known as the address of some of Los Angeles' most influential independent retailers, such as Fraser



EMPTY ON ROBERTSON: A group of vacancies has appeared on the corner of Alden Drive and premier fashion street Robertson Boulevard.

Ross, whose **Kitson** continues to anchor the street, and Lisa Kline, who closed her last self-named Robertson store in December 2011, Robertson has increasingly become home to flagship stores for prominent brands such as **Tommy Hilfiger** and to retailers that are well represented at top malls, such as **Lululemon Athletica**.

The street's boosters say that its relatively high vacancy is temporary and that announcements of at least two new retailers will be made soon, said Jay Luchs, executive vice president for **Newmark Grubb Knight Frank**, who has brokered many deals on the boulevard.

"It has the potential to be great again. Right now the street is reinventing itself," Luchs said. The street could be in the midst of a market correction. "The biggest problem is the rents went up almost to Rodeo Drive numbers, and that was too high," Luchs said. "It's come down to more bearable rents, and people are looking again."

During the height of the go-go real estate market before the recession, prices per square foot reached \$25 per month on Robertson, Luchs recalled. Currently prices range from \$12 to \$17 per square foot per month.

Higher prices may have pushed potential Robertson retailers to other streets. French retailer **Iro** recently announced that it would open its first Los Angeles store on Beverly Drive, less than two miles away from Robertson. And **Scoop NYC**, a New York-headquartered contemporary retailer, also opened a boutique on Beverly Drive.

Robertson might also be the victim of its own success. **Intermix**, **All Saints Spitalfields** and **Lululemon** all have opened shops on Beverly Drive after opening their Robertson stores. And Robertson anchor **Kitson** has expanded and opened locations around Southern California, including Santa Monica, Newport Beach and Santa Barbara and the **Los Angeles International Airport**. Some shoppers living near those **Kitson** locations no longer make the trek to **Kitson's** physical stores on Robertson, said Chuck Dembo, a partner in the commercial real estate business **Dembo Realty**.

More shoppers also might be going to malls, where department stores are increasingly hosting pop-up shops, said Bernard G. Jacobs, who has been working as a stylist in Los Angeles and Beverly Hills since the mid-1990s.

According to A.J. Steinberg, director of the **Robertson Retail Association**, Robertson's future will see the street full of flagship stores with exclusive merchandise. The merchants group formally started up in November. The current spate of vacancies is the product of a natural cycle where some boutiques just close their stores and look for new opportunities, Steinberg said.

"We're looking at this as an opportunity to replace stores that had a great run here," she said. "The landlords are being very discerning. They are working with leasing agents and the Robertson Retail Association to find new tenants that will enhance the street's shopping experience."