

Freeport Village Station grows

The developer recently acquired three fully tenanted properties adjacent to the center, right on Main Street, across from L.L. Bean.

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IN AN ERA when outlet center expansions of 50,000-sf to 150,000-sf are becoming common, a 15,000-sf expansion might not seem like much – unless it connects to three of the busiest storefronts in town. And that’s just what’s happening at Freeport (Maine) Village Station, where construction will be starting in March 2016, and new tenants will be doing business by that fall.

The expansion is, of course, a mark of success for the 114,000-sf Freeport Village Station, developed and operated by Boston-based Berenson Associates. “Our retailers are now approaching \$500 psf and as a result, demand has exceeded supply,” Berenson partner Al Yebba told VRN. Current and prospective tenants have been asking for more space at the center, which opened in May 2009 and is 100 percent occupied.

In June, a venture between Berenson Associates and Yebba Realty Ventures acquired three buildings on Main Street – tenanted by six outlet retailers – that are in front of the Old Navy entrance to FVS.

“We call these three properties the bulls-eye,” Yebba said. “They have the highest foot traffic; they are right across from the [L.L.] Bean campus.”

The three-level, 15,000-sf expansion will wrap around the back of one store and extend into the space between that store and the one next to it. The three stores total 21,000 sf, so when the construction is completed, the center will total 150,000 sf. The current tenants in the three properties – Cole Haan, Dooney & Bourke, Fiore, Jill McGowan, Sperry and Vineyard Vines – are expected to stay in place or possibly relocate to other space in the center. The expansion will accommodate up to three or four more tenants, which will be named later.



Freeport Village Station has acquired an adjacent property and will shoehorn in additional retail space, growing to 150,000 sf in 2016.

Freeport is the pocket-sized seaside town nearly synonymous with the 103-year-old American direct-to-consumer retail brand L.L. Bean. Famed initially for its innovative waterproof boot sold by mail-order catalog, the outdoors merchandiser has grown to a \$1.5 billion global enterprise. The retailer also owns a major swath of the compact downtown, including a several-acre site that for many years was a sandy parking area for visitors to the L.L. Bean flagship store.

When L.L. Bean put out requests for proposals for developing that lot, the Berenson team won the job with a design that maintained favorable pedestrian traffic patterns and provided 550 spaces of enclosed parking on two levels. Although Freeport Village Station is open-air, a little thing like a blizzard doesn’t do much to deter shoppers. “In Maine,” Yebba said, “the merchants like to say, ‘Thank god we’re going to have bad weather!’”

Freeport draws around 3 million visitors annually, many of them bent upon a pilgrimage to the L.L. Bean campus. The retailer has grown beyond the flagship store and now has separate buildings for showcasing home, hunting & fishing, and bike/boat/ski merchandise. The L.L. Bean complex is across Main Street from Freeport Village Station.

Technically, Freeport Village Station is a renter itself, having negotiated a long-term lease for the FVS site, which is still owned by L.L. Bean. At the same time, Berenson and Yebba are the landlords for the 13,000-sf L.L. Bean Outlet store in Freeport Village Station.

The FVS tenant mix ranges from career brands Brooks Brothers and Talbots to a variety of other brands, including Claire’s and PacSun. The most recent newcomer is Kay Jewelers Outlet, which opened in May. Jeremy Serwer of The Serwer Company handles leasing for the center under Yebba’s direction.

FVS is Yebba’s first venture into outlet centers, and it has been an eye-opener in some ways. “The outlet retailers have different expectations about how a center is merchandised overall,” he said. “Where a traditional retailer might look solely at the anchor, the outlet retailer is looking more toward the critical mass of other outlets to decide on being there.”

“We had to decide early on, do we anchor the center with a traditional retailer? Do we go all-outlet? We made a conscious decision not to confuse the customer, and that has led to a different merchandise mix entirely. Bean could have put a full-price store on our site – but the mix was calling for outlet.”

Yebba’s verdict on outlet centers: Positive. “If you are conscientious and provide the right product, the right mix, it can be a very, very rewarding business.” ■

