



Federal Realty to revamp Sunset Place, CocoWalk

The REIT, along with local partners, paid a combined \$198M for both malls this year

By [Katherine Kallergis](#) | December 15, 2015 01:15PM



Shops at Sunset Place and CocoWalk

After acquiring the majority interests of two large Miami-Dade malls, Federal Realty Investment Trust is beginning to implement changes that it says will improve the outdoor shopping centers.

In May, Federal Realty paid \$87.5 million along with local partners Grass River Property and the Comras Company for an [80 percent interest in CocoWalk](#). And in October, the same group of partners acquired an [85 percent interest in the Shops at Sunset Place](#) for just more than \$110 million.

Dawn Becker, chief operating officer of Rockville, Maryland-based Federal Realty, led the acquisition of Sunset Place, a 515,000-square-foot mixed-use mall in South Miami. Becker told *The Real Deal* that the real estate investment trust is working on physical improvements to both malls as well as a tenant shakeup. The new owners are “in a bit of a holding pattern” when it comes to bigger plans, she said.



Dawn Becker

For now, Becker is focusing on bringing in temporary stores, such as Frontgate, a high-end furniture store that opened at Sunset Place in November. [Frontgate signed a yearlong lease](#) for a 23,000-square-foot space that fronts Red Road and South Dixie Highway.

“They get to test the market and we can see whether the merchandise is working,” she said.

The shops, at the intersection of U.S. 1, Red Road and Sunset Drive, are anchored by AMC Theatres, LA Fitness and Barnes & Noble.

Federal Realty is also adding new lighting along Sunset Drive (Southwest 72nd Street), cleaning up landscaping, replacing signage, renovating bathrooms and temporarily reducing parking rates.

“We know that Sunset Place has been a bit of a disappointment to the community,” she said.

At the time of the sale, Michael Comras said the original concept was to create “a pedestrian friendly streetscape environment” and bring in major national tenants.

“We would love to see if we can open it up,” Becker said.

Comras is now handling retail leasing for the mall, which includes 408,000 square feet of retail space, 107,000 square feet of office space and a 1,700-space parking garage. Becker would not disclose lease rates. Blanca Commercial Real Estate, which handled office leasing prior to the sale, will continue to do so.

Commercial activity surrounding both Sunset Place and CocoWalk has strengthened this cycle. Last month, a Wendy’s across the street from the Sunset Place Frontgate store sold for \$9 million or [\\$235 per square foot for the land](#). The buyer has long-term plans for redevelopment.

Becker said she hopes the malls and nearby businesses benefit and feed off of each other. A [plan for CocoWalk](#), which sold first, will be finalized toward the middle of next year.

The physical structure of the 198,000-square-foot center in Coconut Grove is more challenged, she said. The new ownership is planning similar short-term improvements and has brought in [pop-up tenants](#) including Catch A’ Wave surf shop and Via Art Gallery, both of which are moving from the nearby [Engle building](#), plus clothing stores Edite Mode, GCK International, Vicky Victoria, and a Chase Bank location.

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