



Shops at Sunset Place sells to Federal Realty, partners for \$110M

Plans are to update and open the South Miami center and bring in a new tenant mix

By [Ina Cordle and Katherine Kallergis](#) | October 01, 2015 11:15AM



The Shops at Sunset Place

Following the majority purchase of CocoWalk earlier this year, Federal Realty Investment Trust and its two local partners have acquired an 85 percent interest in the Shops at Sunset Place, a 515,000-square-foot mixed-use mall in South Miami, with plans to revamp the center with new tenants and open it to the surrounding neighborhood, the REIT announced on Thursday.

Federal Realty, along with local partners Grass River Property and [the Comras Company](#), paid \$110.2 million for the outdoor mall. They also assumed the \$70.8 million mortgage. The sellers are [Simon Property Group](#), which had a 37.5 percent interest, according to its year-end 2014 10-K filing with Securities and Exchange Commission; with partners Institutional Mall Investors and the California Public Employees' Retirement System.

Michael Comras, CEO of the Comras Company, told *TRD* that he was also a partner with Simon in the previous ownership, came up with the original concept to create "a pedestrian friendly streetscape environment" and brought in the major national tenants.

The 10-acre property, at the intersection of U.S. 1, Red Road and Sunset Drive, includes 408,000 square feet of retail space, 107,000 square feet of office space and a 1,700-space parking garage. It's anchored by AMC Theatres, LA Fitness and Barnes & Noble. Occupancy is currently 83.4 percent, according to Simon's SEC documents.

The purchase is another step in the joint venture partners' goal to revamp aging South Florida shopping centers and give them a more modern feel to attract shoppers, amid an ever more competitive retail landscape.

In May, Federal Realty, [Grass River](#) and Comras paid [\\$87.5 million for CocoWalk](#) in Coconut Grove with plans to redevelop the center with a new tenant mix.

"As Miami becomes an increasingly urban and dense market, walkable, authentic neighborhoods like Coconut Grove and South Miami are becoming increasingly attractive destinations to live, work, shop, dine and be entertained," Dawn Becker, executive vice president of Federal Realty's mixed use division, said in a statement. "Like Cocowalk, Sunset Place presents a compelling opportunity to create value through integrating it with the vibrant streets that border the property, adding new tenants and delivering a mix of uses that meet the demand of the affluent, year round communities it serves."

In 1995, Simon paid \$11.5 million for the property, the former Bakery Centre, a luxury mall, according to Miami-Dade County property records. The commercial real estate company demolished the Bakery Centre and completed Sunset

Place in 1999. Current additional tenants include Forever 21, Splitsville and Z-Gallerie.

In South Florida, Simon Property Group also owns Sawgrass Mills, plus a 50 percent share in Dadeland Mall and a 33 percent stake in Aventura Mall, as well as a 25 percent of the planned retail development at Brickell City Centre.

Yet the Shops at Sunset Place has never drawn the number of shoppers needed to compete with other local retail destinations, experts have said. The new owners aim to change that.

“The Shops at Sunset Place was always envisioned to provide a pedestrian friendly, streetscape environment, as an extension of South Miami’s “Main Street” Sunset Drive,” Comras said in a statement.

The goal now, Comras told *TRD* is “to understand what the community is looking for and create a tenant mix that appeals to South Miami and the community that surrounds it. We are confident that our team’s unique approach to mixed-use development will set our project apart from all other developments in South Florida’s busy retail scene.”

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