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Real Estate Review: Dick's Sporting Goods/Chipotle/Simon

Premium content from New Mexico Business Weekly by Steve Ginsberg , Special to NMBW

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Dick's Sporting Goods to open at Cottonwood Commons

In a major retail lease, **Dick's Sporting Goods** has signed a 10-year deal for nearly 51,000 square feet in a former **Walmart** adjacent to Cottonwood Commons on Albuquerque's Westside.

The Pittsburgh company will take up the left side of the former Walmart store that also housed an American Home outlet, and could open other stores in the Duke City. It will be Dick's first store in the Land of Enchantment.

"I could see two or three Dick's in Albuquerque, which is one of the top recreation towns in the West, but has been deprived of major sporting goods retailers," said **Philip Duke**, head of acquisitions for Santa Monica-based **Columbus Pacific Properties**, the owner of Cottonwood Commons. The shopping center with **Bed, Bath & Beyond**, **PetCo** and CostPlus stores was expanded to include the Walmart site. The center is at 3601 Old Airport Ave. NW.

Columbus acquired Cottonwood Commons in Dec. 2010. Dick's is its first major lease signing. The retail team at Base 5 Retail Partners represented Columbus in the deal, while **Bob Feinberg** of Grubb & Ellis New Mexico represented Dick's.

The publicly traded Dick's is a rising star in the sporting goods business, with 455 stores in 42 states. It has aggressively expanded during the recession, using a national TV ad campaign. With stores larger than its competitors Big 5 Sporting Goods and Sports Authority, Dick's arrival could reshape the sporting goods competition in the Duke City. Big 5 and Denver-based Sports Authority have multiple locations in the state. Other important sporting good retailers include REI, which has two stores in New Mexico.

Columbus Pacific is keen on Albuquerque and has two other centers under contract in deals that should close within three months, Duke said.

"With these acquisitions, we can alleviate competition there. There are not a lot of institutional buyers for the market, but we think it's an easily understood market, with two major retail nodes, along I-40 and in the North I-25 corridor. The market has been stable partially because you didn't have \$35 to \$40 rents."

Duke would not disclose his two pending deals, but sources in the brokerage community indicate that Columbus is acquiring Market Center East at Eubank and I-40 as well as an 11-acre site at Unser Crossing (Central and Unser) that Lowe's acquired, but never built out. Sources also indicate that "buybuy Baby" is a likely candidate to be Dick's next door neighbor in the other half of the Walmart space at Cottonwood Commons.