

# SHOPPING CENTER BUSINESS<sup>®</sup>

## Strong Momentum

92,000-square-foot Giant Eagle supermarket headlines list of new tenants as Phase Two of the ambitious mixed-use destination in Central Ohio begins to take shape

— Randall Shearin

**H**ighlighted by the recent announcement of a Giant Eagle supermarket, strong momentum continues to build at Grandview Yard—a \$500 million mixed-use development located just outside of downtown Columbus, Ohio. Positioned on the site of the former Big Bear supermarket warehouse campus in Grandview Heights, the ambitious project encompasses over 100 acres and is slated to include more than 1.5 million square feet of office, retail and restaurants and approximately 600 apartments and condominium-style residences.

For the project's developer, Columbus, Ohio-based Nationwide Realty Investors, the progress in recent months is further evidence that its original vision for the Big Bear site is well on its way to fruition. "We have great momentum today and several significant announcements on the horizon," said Nationwide Realty Investors President Brian Ellis.

Phase One of the project, which opened in the Fall of 2010, has shown early successes that are creating a meaningful and measurable track record. The 126-room Hyatt Place Hotel has significantly exceeded occupancy expectations. The 42,000-square-foot Urban Active Fitness Center boasts one of the highest membership populations in the country. And occupancy rates are already over 86% for the 92,000-square-foot Class A office building with first floor restaurants and retail.



Renderings for the apartments at the second phase of Grandview Yard.

The first residential project in the development is underway now. The Apartments at Grandview Yard has a waiting list before the leasing office has even opened. This three-building, 154-unit apartment project is currently under construction on a 3.2-acre site just north of the Hyatt Place Hotel and is on track to be completed this fall.

The next addition to Grandview Yard's landscape will be a 92,000-square-foot Giant Eagle supermarket. The supermarket chain, with stores in Pennsylvania, Maryland, West Virginia and Ohio, has signed a 20-year lease on a 12-acre site along West Third Avenue and Edgehill Road on the northern end of Grandview Yard. The lease includes available space for a possible GetGo gas station, and also outlines approximately \$7.8 million of new infrastructure improvements along Third Avenue—all of which will be in place before the Giant Eagle opens in the latter half of 2013.

"We want to define Third Avenue as the retail focal point for Grandview Yard, and Giant Eagle serves as a great foundation for that vision," says Ellis. "We are close to announcing several restaurants and a bank to occupy the supermarket's adjacent outparcels."

The master plan for the retail portion of the project includes a target of approximately 300,000 square-feet of retail-dominated mixed-use, including anchors, specialty retailers and restaurants, but Ellis is frank about Nationwide Realty Investor's market-driven approach to development. "We are going to continue to evaluate the best mix of retail, office and other uses as both the market and the project evolve," he explains.

While Nationwide Realty Investors clearly has a vision in place, Ellis is committed to growing the project by capitalizing on timing, demand and the project's outstanding location, the same model



Giant Eagle will anchor the second phase of Grandview Yard.

used since 1998 in the development of its highly-regarded \$750 million Arena District in downtown Columbus. This market-driven philosophy is a good fit for a project whose prime location makes it an appealing option for a diverse range of uses and tenants, including a major medical component, which will likely be the next big announcement for the Grandview Yard project.

Ellis lists the great location as the number one reason for the early momentum. Grandview Yard is centrally located in the affluent first-ring suburb of Grandview Heights, Ohio, between the Ohio State University, the downtown business district, and several major hospital systems.

Ellis also credits the fact that Nationwide Realty Investors was able to break ground on Grandview Yard in 2008, at a time when virtually every other retail and mixed-use developer was "standing down," as a significant competitive advantage for the project. "It was a challenging time in the world, but we embraced the challenge as an opportunity," Ellis explained. "As a result, Grandview Yard is well positioned both locally and nationally as one of the few active, large mixed-use projects delivering quality leasing opportunities to the market today." **SCB**