

NOVEMBER 1, 2013 - TAHL PROPP EQUITIES IN THE NEWS - By Jennifer Gould Keil and Lois Weiss

REAL ESTATE

Hermès pays the highest rent on Madison Ave.



Inset: The Hermès mens store on the corner of 62nd St. & Madison Avenue

Photo: Reuters/Matthew McDermott

Hermès will be paying the highest rent on Madison Ave. to remain in its E. 62nd St. corner boutique — but it may not be the highest for long.

The luxury goods company just signed a 10-year extension of its 30,000-square-foot shop at 691 Madison Ave. with a rent in excess of \$1,700 per square foot, sources tell The Post.

“It looks like a bargain now,” said Faith Hope Consolo, chairman of Douglas Elliman Retail. “Hermès does incredible there as it’s a major corner and a single-brand building.”

The distinctive three-story building, topped by greenhouse and a statue of a soldier on a white horse, is owned by Rodney Propp.

Neither he nor Hermès reps could be reached for comment.

A few years ago, Hermès added a men’s store across Madison — leaving this flagship for women’s wear.

Up the avenue at 64th street, Jeff Sutton will be getting \$1,700 a square foot for his corner store, several sources said. Consolo said there are also leases out in excess of \$2,200 per square foot at 680 Madison where Thor is redeveloping the retail cater-corner to Hermès.

Neither Thor nor Sutton returned requests for more information.

Retail rents are higher in Times Square, where many stores are open into the wee hours, and along the most desirable portions of Fifth Avenue — between 50th and 57th streets. Both areas have some asking rents over \$2,500 a square foot.

“You have to step up to the numbers or step out,” said Consolo regarding spaces on Madison, Fifth, Times Square and in SoHo where some owners are now asking \$900 a square foot along Broadway.