



OregonLive.com  **BUNDLE & SAVE** Hawaii Vacation Packages  **SAVE NOW**

Sign in | Register for free **Site Search** Search Local Business Listings Brought to you by:  **REQUEST A TOUR**

Search for keywords, people, locations, obituaries, We **Go**

Home News Opinion Sports Entertainment Living Interact Jobs Autos Real Estate Rentals Classified Ads Shop

News Business Education Environment Metro Obits Photos Politics Special Coverage US & World









Top Stories  **The Dude's sweater? You can own it**  **Free apps: Download OregonLive.com for Android & iPhone...**  **Your complete guide to summer movies**

Home > Oregon Business News > Washington County

Temporary stores popping up amid tough retail leasing market

Published: Wednesday, November 04, 2009, 4:00 PM Updated: Wednesday, November 04, 2009, 5:37 PM

By Special to The Oregonian  Follow

 Like  Be the first of your friends to like this.  Tweet 0  Share  Share 8  Email  Print  Comment 1

Sponsored By: 



For every road in life, you're covered.  **Insurance Agency**
www.AAA.com/insurance



+View full size Ross William Hamilton/The Oregonian

Isabel Symes of Solestruck, an online shoe retailer based in Wilsonville, sets up a display at the company's "pop-up" store -- or temporary location -- in the Pearl District. "We wouldn't have done this type of thing two years ago," says Bryce Morrow, director of operations. "In another two to five years, I don't think this opportunity would be here again."

Internet shoe-seller Solestruck stepped cautiously into a traditional storefront last week, with the door held open by a reeling retail market.

Solestruck would have kept its 60-plus shoe brands in its Wilsonville warehouse had a plum Pearl District space not been available going headlong into the holidays.

More retailers leery of long-term commitments are flirting with short leases, while some property owners who once shunned anything less than a five-year deal are welcoming temporary tenants such as Solestruck. Such tenants bring modest income for owners and new customers to their buildings as the economy --

 **+View full size**

More Oregon Business News

Most Comments Most Recent

Oregon Business News stories with the most comments in the last 7 days.

- 84 Oregon's Ron Wyden blasts big oil tax breaks
- 80 When -- not if -- a Japan-scale quake hits Oregon, experts expect deaths, destruction, blackouts and food shortages
- 77 Walmart and Target load up on groceries in Portland area
- 55 Oregon lawmakers tear into OLCC director over skirmish between discount grocer, wine distributors
- 49 High-speed passenger rail to be looked at for Oregon's portion of Amtrak

particularly the commercial real estate sector -- is still trying to shake off the recession.

"We are seeing more short-term leases than we were when the market was hot," said Natalie Butler, a broker with **New & Neville Real Estate Services** in downtown Portland.

Landlords are probably more willing to discuss short-term leases now, said Sue Miller, a vice president overseeing retail negotiations for **Hoyt Street Properties**, which agreed to a three-month lease with Solestruck in part to bring foot traffic to dormant square footage.

Solestruck is among so-called pop-up stores -- retailers that open a storefront for a limited time, then shut down. While the approach isn't new, the current economic climate is more favorable to such operations.

Seasonal companies such as **Spirit Halloween** that have long sought limited-duration spaces for their large stores had more options this year, including recently vacated Joe's, Linens 'N Things and the Good Guys sites.

Retail vacancies have been rising in the Portland area since late last year. Average vacancy rates in the Portland area climbed to 8 percent in the third quarter of 2009, up about a percentage point from the previous quarter and up from 6 percent in the year-ago quarter, according to **Norris, Beggs & Simpson Commercial Real Estate Services**.

For Bryce Morrow, Solestruck's director of operations, such vacancies brought unexpected opportunity.

"We wouldn't have done this type of thing two years ago," he said. "In another two to five years, I don't think this opportunity would be here again."

In developing the pop-up store in part to draw customers to Solestruck's Web site, Morrow was in the odd position of planning a grand opening for Saturday while at the same time scheduling the store's demise. It will close Jan. 31, unless sales soundly beat expectations.

A quick opening was possible because Solestruck has a warehouse loaded with shoes and the storefront at 718 N.W. 11th Ave., previously a Shoefly store, was set up for sales. That's critical because short lease terms vary widely in rent, but they almost universally exclude significant site improvements. Many contracts also allow landlords to evict temporary tenants if another retailer signs a long lease for the space.

Other retailers are trying the temporary tactic, including Noskinny, which sells clothing for teenage girls and young women in sizes 10 to 24. Its first stores opened in Lloyd Center and Clackamas Town Center earlier this year after owner Chris Teeuwen was able to negotiate leases of two years or less.

This fall, Teeuwen is taking short-term to the extreme with a series of pop-up stores that operate a few days and shut down in places like Bend; Kelso, Wash.; and this weekend in Keizer.

Once retail sales recover, he hopes to locate permanent Noskinny stores in markets that proved themselves with pop-ups.

"When I started the negotiations a year or so ago, malls didn't even want to talk to me," Teeuwen said. Now landlords not only talk to Teeuwen but sign lower-cost leases for short spans. "To our surprise, it's not working out too bad," he said.

Major pop-up stores -- often designed more for getting attention than moving product -- are set on the biggest stages. Target made a splash when it rolled out fashion designer Isaac Mizrahi's new clothing line in a pop-up in New York City's Rockefeller Center in 2003. Three years later, Nike brought the spotlight to a LeBron James shoe by selling out its inventory of just 250 pairs in Manhattan's swanky SoHo shopping district, then promptly closing shop.

Even if Solestruck closes as planned, Morrow would consider it a successful campaign if the storefront boosts online sales in its home state, which doesn't rank among the company's top 10 shipping destinations. And the company may learn whether Solestruck's future includes the brick-and-mortar past.

"We're able to come in and test it out," Morrow said. "I don't have any disillusion about the current retail climate."

-- Eric Apalategui, special to The Oregonian

[+View full size](#)

Ross William Hamilton/The Oregonian

Solestruck sells more than 60 brands of shoes. It just opened a temporary store in the Pearl District.



Greenlight Greater Portland 2011 Economic Summit

June 30, 2011 at the Portland Art Museum




Keynote by
Blazers
legend
Bill Walton

BUY TICKETS ;
LEARN MORE ;


Most Active Users What's this?

Users with the most **OregonLive.com** comments in the last 7 days


- 169




thatkewlgirl
- 135




Mayonasia
- 134



EagleforFree...
- 111




Izzy
- 92



vwolfe

Users We Love








OregonLive.com contributor 'lynn97030'

Frequent commenter also posts articles to My Oregon public blog.

[More Users We Love](#)

Connect with OregonLive.com


[What's this?](#)

[All Facebook & Twitter accounts >>](#)


Recommendations

[Login](#) You need to be logged into Facebook to see your friends' recommendations



Ndamukong Suh's new Chrysler commercial puts Portland in spotlight (video)

484 people shared this.



Newport woman wakes up after surgery speaking with British accent

1,663 people shared this.

Facebook social plugin

From Our Advertisers

Advertise With Us >>

OregonLive.com iPhone app
Customize the content you want

Popular Tags What's this?

bradwood landing dow jones dow jones close earnings economy federal reserve google housing intel iphone jobs manufacturing morning update nike nyse oregon portland real estate recalls recession retail stock market stocks unemployment wall street

Related topics: lease, pearl district, pop-up store, shoes, solestruck, temporary store, vacancy

Sponsored Links

Exclusive Hyatt® Deals

Get Hyatt's Best Hotel Discounts. Visit the Official Site & Book Now! Hyatt.com

ING DIRECT Investing

No Acct. Minimum. Free Mobile App. \$50 Account Bonus. Learn More! www.ShareBuilder.com/ingdirect

small business

Articles, forums & information to help your small business grow. www.WBSOnline.com

Share this story [social icons]

Story tools [Email] [Print]

More stories in Oregon Business News

Previous story

Fed again pledges to hold rates at record-lows

Next story

Portlander honored by Japanese emperor for selfless work

1 Comments [Feed]

Post a comment

ssair November 29, 2009 at 4:44AM [Follow]

Fortunately for the brand strong SOHO market they can attract giant retailers like Nike and Target but tragically for the small and charming Pearl district some developers like Hoyt Street Properties (AKA Tiffany Sweitzer & Sue Miller) the story is not the same. One can probably judge Hoyt Street's state of affairs by how white their knuckles are as they have unwillingly come to the end of their ride down Greedy lane. Perhaps bankruptcy Dr. is the next stop for this developer as word has gotten around between the retailers that signing a lease with Hoyt is like making a pact with the devil. Their alleged unscrupulous business practices have caught up with unfortunate timing in this very difficult business environment. A change in ownership will do the Pearl well.

[Reply] [Post new] [Inappropriate? Alert us.]

Post a comment

Sign in to OregonLive.com

Username [input]

Password [input]

[Remember me?] [Sign In]

I forgot my username or password >>

Don't have an account?

Register now for free, or sign in with any of these services:

- Connect with Facebook
AIM
Google
OpenID



Site Search

Search Local Business Listings

Search by keyword, town name, Web ID and more...

Go

[Site Map](#) | [Advertise](#) | [Contact us](#)


► [Make us your home page](#)


[Home](#) | [News](#) | [Weather](#) | [Sports](#) | [Entertainment](#) | [Living](#) | [Interact](#) | [Jobs](#) | [Autos](#) | [Real Estate](#) | [Rentals](#) | [Classifieds](#) | [Shopping](#)


- [Your Photos](#)
- [Your Videos](#)
- [Blogs](#)
- [Forums](#)
- [Travel](#)
- [Music](#)


- [Post a job](#)
- [Post a free classified ad](#)
- [Sell your car](#)
- [Sell/rent your home](#)
- [Apartments & rentals](#)
- [Claim your Business Listing for free](#)


- [Obits / Death Notices](#)
- [Business News](#)
- [Environmental News](#)
- [Contests](#)
- [Dining](#)
- [Movies](#)


 [Subscribe to our content \(RSS\)](#)

 [News alerts](#) | [Sports alerts](#)

 [Twitter feed](#)

 [OregonLive.com Multimedia](#)

 [OregonLive.com Mobile Site](#)

 [Learn about our mobile site](#)



[The Oregonian](#) - [The Oregonian Business Center](#) | [Hillsboro Argus](#)

© 2010 Oregon Live LLC. All Rights Reserved. Use of this site constitutes acceptance of our [User Agreement](#). Please read our [Privacy Policy](#). [Community Rules](#) apply to all content you upload or otherwise submit to this site. [Contact interactivity management](#).