

Real Estate

Lowe's buys Commack cinema property for \$13M

By ELLEN YAN AND KEIKO MORRIS



Photo: Tim Healy

QUICK SUMMARY The prime property along the Long Island Expressway will continue to show films up to two more years. Lowe's agent said the company had been seeking new LI property for some time.

The Commack Multiplex Cinemas has been sold for about \$13 million to the Lowe's home improvement retailer but will continue showing movies for up to two years, according to the agent in the deal.

The deal for the 20-acre property lets Massachusetts -based National Amusements, one of the largest movie house operators and owned by media mogul Summer Redstone, help pay some of its \$1.6 billion in debt, and dovetails into Lowe's agenda to buy instead of lease.

The closing on the property early this month caps a more than 7-year search for a new Lowe's location, said Chris Nicholson, who handled the deal for Island Associates Real Estate in Smithtown. He said he launched negotiations for the cinema two years ago after reading about National Amusement's debt.

"I just saw a small window of opportunity," Nicholson said. "National Amusements had some significant debt so I just put it all together. They had to either invest in the movie theater to bring it up to date or they could sell the asset. I made the offer to sell the asset and it made sense to them. . . . It worked for Lowe's because it had all the proper zoning and everything."

Representatives for National Amusements and Lowe's could not be reached for comment Tuesday.

Movie fans will still get to munch on popcorn for another year or two while company officials get permits and design the new store, Nicholson said. He added there are no plans to open another theater.

Faith Hope Consolo, chairwoman of the retail leasing and retail sales division at Prudential Douglas Elliman Real Estate, said Lowe's is using its cash-positive status to buy some freedom from leasing. "They are really focusing on purchasing everywhere because they have such a hard time leasing," she said. "When they lease they already have too many restrictions."

National Amusements last fall announced it would pay debt by selling just under \$1 billion in shares of Viacom and CBS Corp. but still retain control of both media giants.

Lowe's will be visible from the Long Island Expressway, but will compete with Home Depot, Target and other chains nearby.

Nicholson didn't see that as a negative: "That's where all the people go shopping, so it's a natural fit."