PHILADELPHIA BUSINESS JOURNAL

Commercial Real Estate

Whiteland Towne Center in Exton sold

An aerial photo of Whiteland Towne Center.

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By Natalie Kostelni – Reporter, Philadelphia Business Journal
Oct 4, 2017

A partnership involving Gorman & Co. and Abrams Realty & Development has paid $39 million to buy Whiteland Towne Center, a 218,086-square-foot shopping center at a high-profile corner of routes 100 and 30 in Exton.

Equus Capital Partners, which bought the center in 2002 for $25.5 million, sold the property at 229 Lincoln Highway. Under its ownership, Equus made a series of improvements to the property including installing a new façade and roof as well as building a 13,000-square-foot structure facing Route 100 for CVS, said Christopher Locatell, senior vice president at Equus.

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The center was developed in 1988 and has two shadow anchors, a Kohl's, which occupies 80,360 square feet, and Hobby Lobby, which takes up 60,957 square feet. The space occupied by those two stores is owned by Kimco Realty Corp. and was not part of the transaction.

At one point an Acme was an anchor but the supermarket vacated the center in 2012 and Hobby Lobby, which signed a 15-year lease, backfilled the space when it opened last November. Party City, Big Lots, Famous Footwear and Petco are among the other stores in the center.

Though it has a strong roster of tenants, the property is just 79 percent occupied. "The exciting part about this property is there really hasn't been any value-add shopping centers on the market especially with these type of demographics and this type of location," said Brad Nathanson who along with Bill Tourtelotte, Kevin McClernon and John Colussi of CBRE Inc. represented Equus in the transaction.

Annual household incomes in that Chester County community are in excess of $126,000. There is other development activity underway in the Exton area including 1,000 new apartments that expected to come on the market during the next two years. Pennsylvania Real Estate Investment Trust, which owns Exton Square Mall, is investing $30 million to make upgrades to the property including bringing a Whole Foods as a tenant. PREIT is also reportedly selling an undeveloped five-acre parcel next to the mall to Hanover Cos., which intends to develop a multifamily project.