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Commercial Real Estate

Two South Jersey shopping centers sell for over $43M

The Cross Roads Plaza is located on the border of Hainesport and Lumberton townships in Burlington County.

COURTESY JLL

By Michelle Caffrey – Reporter, Philadelphia Business Journal
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A nearly 100,000-square-foot shopping plaza anchored by a ShopRite sold for $25 million in South Jersey, about two weeks after another grocery-anchored plaza nearby traded hands for $18.25 million.

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The Cross Roads Plaza, located at 1520 Rt. 38 on the border of Hainesport and Lumberton townships in Burlington County, was bought by Medipower Public Co. Ltd., an international real estate investment firm that's based in Cyprus and trades on the Tel Aviv Stock Exchange.

The deal expands Medipower's portfolio in the region, after it bought another grocery-anchored plaza in Blue Bell last month. The firm purchased Centre Square Commons, an 88,598-square-foot Aldi-anchored shopping center at routes 202 and 73, for $40 million. It also owns the North End Center, anchored by Redners, in Pottstown and three similar plazas elsewhere in Pennsylvania, including two in Reading and one in Lebanon.

Cross Roads' seller was a joint partnership between Madison International Realty and SITE Center Corp.

In addition to the 70,818-square-foot ShopRite, Cross Roads includes a free-standing Wawa with full-service gas and a Wells Fargo branch. The plaza is also shadow-anchored by a Lowe's home improvement store on an adjacent but separately owned property. Cross Roads sits on both a busy commercial corridor and close to affluent and middle-class neighborhoods in Lumberton.

"We have had tremendous success with stable, high-performing grocery-anchored products like Cross Roads Plaza within the Philadelphia [metropolitan statistical area,]" said JLL's Chris Munley, who brokered the deal on behalf of the seller along with JLL's James Galbally, Jose Cruz and Colin Behr.

The sale comes just about two weeks after the same JLL (NYSE: JLL) team brokered the sale of another grocery-anchored plaza located just about four miles west on Rt. 38 in Mount Laurel. The 128,172-square-foot Larchmont Commons is anchored by an Aldi and a Planet Fitness but also includes a Dollar Tree, UPS Store, Hair Cuttery and Primo Hoagies.

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JLL represented the seller in that deal, Cherry Hill-based RPC Real Estate and Merion Realty Partners' asset management group, which is based in Wynnewood. The buyer, Gorman & Co. LLC, secured a 10-year fixed rate loan of $12.9 million to acquire the property in a financing deal brokered by JLL's Ryan Ade.

Shopping centers anchored by grocery stores are increasingly in-demand as investors turn to properties where tenants aren't at a high risk of being pushed out of business by e-commerce sales.

Most recently, area retail properties in Jenkintown, Exton and Newtown Square that each have a Whole Foods as the lead tenant traded for steep prices. Baederwood Shoppes, the center in Jenkintown, sold for $44 million.

The Shops at Blue Bell, another grocery-anchored center less than two miles away from Centre Square Commons, traded last year for $29 million.