

June 30, 2008

AMC Sells 156,000-SF Shopping Center for \$28M



Wachs

EDISON, NJ-AMC Delancey has sold its Edison Commons shopping center at 1715-1779 Lincoln Hwy. for nearly \$28.4 million. The buyer is a subsidiary of MCC Realty Investments LLC.

Michael Wachs, executive vice president and CIO for Philadelphia-based AMC, tells GlobeSt.com that AMC purchased the property with the intention of redeveloping and repositioning it once National Wholesale Liquidators, which was on a short-term lease, left the space they were in.

"The goal was always to reposition the center by taking advantage of that space and finding the right use for it," says Wachs. "But Michael McCarthy, who's with MCC, contacted us and said they were interested in the center. Given our change in focus, it was a good opportunity for us. It made it easy for us to make the decision not to go ahead with the redevelopment."

According to Wachs, MCC was brought into the deal through the new tenant for the National Wholesale Liquidators space—an Asian grocery store that Wachs declined to name. The grocery company had worked with McCarthy on a space on the West coast, and MCC became interested in Edison Commons when the grocer drew their attention to the property.

The 156,000-sf Edison Commons was one of two projects purchased by AMC through a \$5.2 million investment fund the company formed in 2003. The other

investment was a portfolio of industrial and warehouse buildings near Harrisburg, which sold in 2007.

AMC now plans to shift its focus to the senior living industry, which Wachs says the company views as a good investment. "We've been active in pretty much every sector, multifamily, retail, office, industrial," he says, "and we've found that cap rates and returns have been dropping over the past several years. We've been doing a lot more development lately, and we found ourselves partnered with a group that does independent senior living facilities. With this application of senior housing, we found something that we think is a great investment. There's a long-term need for it, and as a real estate investment company, it really plays to our strengths."