



# INVESTMENT PROPERTIES DIGEST



## Weis buying 21 Food Lion stores in Maryland, six in the Baltimore area

Weis Markets announced it is buying 21 Food Lion stores in Maryland — six of them in the Baltimore area. In all, Weis is purchasing 38 Food Lion locations across Maryland, Virginia and Delaware. A purchase price was not disclosed.

The acquisition comes less than two months after Sunbury, PA-based Weis announced it was buying five Mars grocery stores in Baltimore County as part of its plan expand across the region.

The sale of the stores are part of a bid for Delhaize Group and Koninklijke Ahold NV to win regulatory approval for a \$31 billion merger.

Once Weis (NYSE: WMK) takes control of the Food Lion locations, it will have 46 stores in Maryland, 26 of them in Greater Baltimore. Weis currently operates 13 stores in the Baltimore area. Some of the other locations purchased by Weis are in Southern Maryland, Western Maryland Prince George's County.

Below is a list of the Baltimore-area Food Lion stores that Weis is purchasing.

- 5896 Robert Oliver Place, Columbia
- 6375 Monroe Avenue, Eldersburg
- 6551 Waterloo Road, Elkridge
- 9251 Lakeside Boulevard, Owings Mills
- 10 Village Center Road, Reisterstown

H&R Retail's Investment Properties, led by Michael Gorsage, is pleased to present the Second Quarter of 2016 edition of the Digest. The Digest is an edited collection of articles that we gather from various publications. We hope you find the information useful.

## Regency Centers, AvalonBay Acquire Market Common Clarendon for \$406M

A joint venture between Regency Centers Corp. (NYSE: REG) and AvalonBay Communities Inc. (NYSE: AVB) has acquired Market Common Clarendon, a mixed-use development consisting of 300 Class A apartment homes and 300,000 sf of retail space located in Arlington, for \$406 million.

The project, located approximately five miles from Washington, DC, consists of 300 Class A apartment homes and 300,000 sf of retail space anchored by Whole Foods Market, Apple, Crate & Barrel, The Container Store, Pottery Barn and Williams-Sonoma. The asset also features an adjacent vacant building for future development.

Arlington County records show that TIAA-CREF bought the properties for a little more than \$166 million in 2002.

## Regency Centers sells Clinton Plaza

Regency Centers has sold Clinton Plaza, a 210,000 sf center located at 8899 Woodyard Road in Clinton, MD for \$20 million. The property is located approximately 3 miles south of Joint Base Andrews, the home of Andrews Air Force Base and Naval Air Facility Washington. Kmart occupies a 107,000 sf and there is a vacant 43,000 sf former Giant Food anchor space and an additional 10,000 sf of space available for lease. The buyer, was Clinton Investors, LLC.

<http://investmentproperties.hrretail.com>



## The Chevy Chase Land Co. Wants to Turn Centers Around

The Chevy Chase Land Co. (CCLC) has revealed its long-awaited plans to rebrand and reconfigure two high-profile shopping centers in Friendship Heights. The property owner submitted an application for a site plan amendment to the Montgomery County Planning Board, saying it intends to rebrand The Collection at Chevy Chase and adjacent Chevy Chase Center properties under the name The Collection and “create a more vibrant retail experience for all of its users.” The reconfiguration would include creating smaller retail and restaurant spaces in the existing buildings along Wisconsin Avenue, just north of the Friendship Heights Metro station and Washington, DC, line, according to application documents.

“We’re really going to make a place that the people of Bethesda and Chevy Chase are going to want to come to weekly, if not daily,” CCLC President and CEO Tom Regnell said. “If you look at Chevy Chase, there’s no place to have breakfast. There’s barely a place to get a cup of coffee.”

The row of luxury stores known as The Collection, billed as the “Rodeo Drive of the East Coast,” opened in 2006 with a reported half-million-dollar party that attracted political pundits, super models and a Libyan prince. The Collection includes luxury tenants such as Cartier, Gucci and Jimmy Choo. But with the opening of CityCenterDC, the new downtown project home to many of the same or similar luxury brands, reports began circulating last summer that CCLC was bracing for departures. The Barneys CO-OP at the shopping center closed in 2012 and the Dior store at the center closed earlier this year.

## Waverly Towers Sells for \$7.5M

Waverly Towers, a 51,550-sf urban retail center located at 2801-2851 Greenmount Avenue in Baltimore City, MD has sold for \$7.5 million, or \$145 per square foot. Constructed in 1958 and since renovated, the property is 96% leased to eight tenants including Advance Auto Parts, Family Dollar, Fresenius Medical Care and Ashley Stewart. The seller was Waverly Commons, LLC, and the buyer was Brentwood Village, LLC.

## DRA’s Acquisition

Developer DRA Advisors, LLC is the one that acquired the Metro Shops at Prince George’s Station. DRA recently bought the leasehold improvements at the 160,623 sf center, located on East West Highway next to the Prince George’s Plaza Metro Station. Bob’s Discount Furniture and Staples anchor the Hyattsville center. Exactly what DRA paid is unclear, as there was no fee simple transaction. Instead, the Land Records only show that the new buyer assumed a \$27.5 million loan held with US Bank.

## Starwood buys ‘Centre at Glen Burnie’

The unidentified suitor that clicked its way to the acquisition of the Centre at Glen Burnie last fall is now revealed – it was Starwood Capital. Connecticut-based Starwood settled on the regional retail center at 6711 Ritchie Highway in March for \$15 million, following its successful bid at auction last November. At 93 percent leased, the Centre is 275,594 sf. Built in 1962, it sports a strong national tenant list, from Bonefish Grill to hhGregg. But it also traded with about 93,000 sf in short-term leases. Upgrading those leases is likely part of the value Starwood saw in the deal.

## New Grand Shopping Center Sells

New Grand Shopping Center, a 65,330-sf shopping center located at 6229-6259 Little River Turnpike in Alexandria, roughly 10 miles outside of Washington, DC. The center was fully leased at the time of sale and anchored by New Grand Mart, an international supermarket that specializes in Korean, East Asian, Latino and African groceries. Other tenants include Pho Factory, TempAsian Café, Hee Been Restaurant, Panaderia Latina, Mamas Chicken, Kabob Restaurant, Halal Meats, a dry cleaner, laundromat, men and women’s hair salons and a beauty supply store. The seller was Grand Shopping Center, LLC, and the buyer was a private real estate fund advised by Crow Holdings Capital-Real Estate. The sales price was not disclosed.



## BALTIMORE-WASHINGTON SUPERMARKET LEADERS

The chart below lists the top 10 supermarket retailers in the Baltimore-Washington market. Counties and cities included are: Washington, DC; Anne Arundel, Baltimore City, Baltimore, Calvert, Carroll, Charles, Frederick, Harford, Howard, Montgomery, Prince George's and Queen Anne's in Maryland; Arlington, Clarke, Culpeper, Fairfax, Fauquier, King George, Loudoun, Prince William, Spotsylvania, Stafford and Warren as well as the independent cities of Alexandria, Fairfax, Falls Church and Fredericksburg in Virginia. Total supermarket sales for the area are: \$15.89 billion. Petroleum sales are not included.

RANK	COMPANY	2016 STORES	2016 SALES (in millions)	% OF 2016 MARKET	2015 STORES	2015 SALES (in millions)	% OF 2015 MARKET
1	Giant/Landover	157	\$5,088.92	32.04%	159	\$5,238.55	33.28%
2	Safeway	120	\$2,692.50	16.95%	120	\$2,611.90	16.59%
3	Shoppers	54	\$1,586.20	9.99%	55	\$1,603.50	10.19%
4	International Markets	97	\$1,273.60	8.02%	94	\$1,182.10	7.51%
5	Harris Teeter	43	\$1,180.40	7.43%	41	\$1,078.30	6.85%
6	Wegmans	14	\$1,052.00	6.62%	13	\$940.00	5.97%
7	Food Lion	76	\$841.60	5.30%	77	\$841.90	5.35%
8	Whole Foods	21	\$745.70	4.69%	21	\$740.40	4.70%
9	ShopRite (Kleins/Collins/Village/PR)	18	\$428.40	2.70%	18	\$417.90	2.65%
10	Weis Markets	22	\$384.68	2.42%	22	\$374.90	2.38%
		<b>622</b>	<b>\$15,274.00</b>	<b>96.15%</b>	<b>620</b>	<b>\$15,029.45</b>	<b>95.48%</b>

( ) Name in parentheses indicates another banner used by the company

Source: Food World, June 2016

## INVESTMENT OPPORTUNITY

### FOR SALE

#### EYE CARE PLAZA

CALIFORNIA, MD

**BUILDING** 15,521 SF

#### MAJOR TENANTS

Mattress Warehouse 4,312 SF

Starbucks 1,600 SF



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## UNDER CONTRACT

#### FERRY FARM

FREDERICKSBURG, VA

**BUILDING** 61,774 SF

#### REDEVELOPMENT OPPORTUNITY



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