

SHOPPING CENTERS

Company to create enhanced shopping experiences in 2019

Heidenberg Properties Group continues 2018 growth trajectory through development & acquisition

After acquiring over 600,000 s/f of grocery-anchored shopping centers for over \$50 million in 2017, it would have been understandable if Heidenberg Properties spent 2018 merely absorbing the approximate 25% increase to its portfolio. Instead, the private development company continued to make deals through additional acquisitions and the strategic redevelopment of its portfolio.



Jason Lazar

In early 2018, Heidenberg Properties completed Phase I of the redevelopment of Mt. Pocono Plaza in Mt. Pocono, PA. A former 86,000 s/f Kmart was replaced by Ollie's Bargain Outlets and Planet Fitness bringing both treasure-hunt and healthy lifestyle tenancies to a market looking for unique experiences. Heidenberg Properties is currently working on the remaining 40,000 s/f of well-located anchor space in Phase II.

The developer also focused its attention on the Thompson Square Shopping Center in Monticello, NY acquired in January 2017. Anchored by ShopRite and Home Depot, the 240,000 s/f center benefited from prominent anchors but needed more dynamic uses for the inline stores. Ownership was able to relocate an existing Subway to allow for a remodel and new prototype and in the process, created 8,413 s/f of contiguous space for the Middletown Medical Group. A new, well-trafficked location was key to Middletown Medical's decision to consolidate offices at Thompson Square. The Monticello trade area has recently experienced significant redevelopment including mega-casino Resorts World Catskills, the YO1 Wellness Center, and the impending Chatwal Lodge.

Heidenberg Properties was also able to recapture a 13,000 s/f underutilized theater space and will announce plans for a highly desirable use in connection with an expansion of the gross leasable area and other physical improvements to the shopping center in 2019.

Heidenberg Properties continued to grow its portfolio in the Mid-Atlantic, acquiring the

307,000 s/f Culpeper Colonnade in Culpeper, VA from Regency Centers Corporation in October. Anchored by Martin's Food Market, Dick's Sporting Goods, and PetSmart, and shadow-anchored by Target, the center is supported by a variety of fast-casual dining options including Chick-fil-A, Panera Bread, Glory Days Grill, and Chipotle. Heidenberg Properties' development team will begin replacing current junior anchor Staples with Michaels in 2019. Culpeper Colonnade is representative of the acquisition strategy the group has executed over the past few years: a well-located,

dominant, grocery-anchored center, with both service and experience-oriented inline tenants and outlots.

Finally, in November, as a conclusion to a 14-month redevelopment, Heidenberg Properties celebrated the grand opening of a brand new prototype 49,000 s/f Stop & Shop Supermarket at the Lake Plaza Shopping Center in Mahopac, NY. The new anchor tenant replaced a former undersized 24,000 s/f grocer and was complimented by a new parking lot, redesigned façade, and energy-efficient lights as well as a brand new 3,800 s/f Pet Valu, marking

the third opening of Pet Valu within Heidenberg Properties' portfolio.

2019 will bring even more growth opportunities for Heidenberg Properties. The 370,000 s/f Potomac Marketplace in Ranson, WV, anchored by Home Depot, Kohl's, and Weis, will be expanded for a new junior anchor. In addition, as a result of the Sears/Kmart bankruptcy filing, Heidenberg Properties has exciting redevelopment plans for the 227,000 s/f Hershey Square Shopping Center in Hummelstown, PA. According to COO Jason Lazar, "As it relates to the former Kmart, we have

been planning the redevelopment of these centers with stronger tenants and desired uses. Although we aren't publicly disclosing our plans yet, we are very excited for the value we will be creating and the enhanced shopping experiences that will unfold in 2019."

Jason Lazar joined Heidenberg Properties Group in 2012 where he serves as its COO. In addition to overseeing all of the company's finance initiatives, he leads its acquisition efforts, including capital structuring, due diligence and integration into the portfolio. ■



CULPEPER COLONNADE

15359 MONTANUS DRIVE, CULPEPER, VA 22701
307,944 SF RETAIL CENTER

Purchased Fall 2018 from Regency Centers Corporation



Limited Store Space Available!



For acquisition and leasing information, contact:

Ken Simon x21 | VP of Real Estate | ksimon@heidenbergproperties.com

201-768-1300

234 Closter Dock Road | Closter, NJ 07624 | www.heidenbergproperties.com

Our dynamic shopping center and retail portfolio includes 3,000,000 square feet throughout New York, New Jersey, Pennsylvania, Vermont, Michigan, Virginia, and West Virginia.