

## The New South Jersey Shore

Private developers tackle Camden waterfront near Philly.

**After 22 years**, revitalization plans are finally gaining momentum for a former riverfront manufacturing district just outside Philadelphia that has drawn criticism from local news media outlets for its painfully sluggish progress.

Developers unveiled plans in June for \$500 million in commercial and residential projects at Cooper's Crossing, a 35-acre, mixed-use development fronting the Delaware River in Camden, N.J.

Over the next decade, the complex could provide 500,000 sq. ft. of office space, 1,200 residential units, a hotel, and 100,000 sq. ft. of retail, dining and entertainment.

In 1984, several community leaders formed the non-profit Cooper's Ferry Development Association (CFDA) to coordinate redevelopment of the decaying waterfront.

Until recently, however, improvements were limited to government-funded infrastructure, including a renovation of the state aquarium in 2005 and completion of the Rutgers station on the new \$900 million River Line light rail system linking Camden to Trenton, N.J.

"Now the private sector is starting to step up to the table," says Joe Myers, project manager at the CFDA. Indeed, developers have moved to the forefront with Cooper's Crossing, which will serve as a town center for the larger, 150-acre waterfront district.

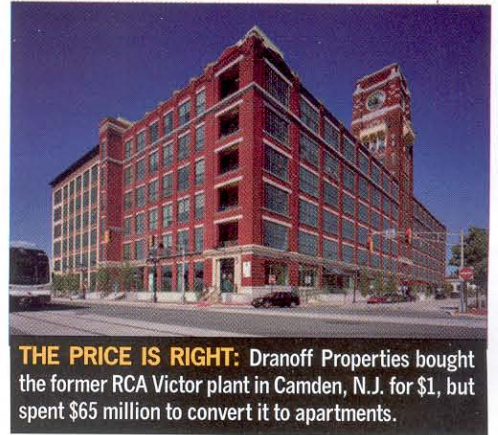
Work has already begun on Ferry Terminal, a \$100 million 83,000 sq. ft. office building, noted as the first privately funded office project in the town since 1958. The developer, Steiner & Associates of Columbus, Ohio created the original master plan for the Camden waterfront and completed the \$35 million aquarium overhaul.

Nearby, residential developer Dranoff Properties Inc. is launching Radio Lofts, an 86-unit loft condominium conversion of a 154,000 sq. ft., 11-story building previously owned by RCA Victor.

Radio Lofts is located across the street from Dranoff's first Camden redevelopment, The Victor, a 341-unit apartment building converted from RCA's former phonograph and television plant. Units will be priced from the low \$300,000s to the high \$400,000s.

"These prices are going to be extremely attractive, maybe two-thirds or less of comparable waterfront prices in Philadelphia," says Carl Dranoff, president of the firm. "And we have something Philadelphia will never have — a view of Philadelphia."

Dranoff secured residential development rights for Camden's waterfront when he built The Victor for \$1 under a government incentive program but spent \$7 million in environmental remediation, with a total development cost of \$65 million.



**THE PRICE IS RIGHT:** Dranoff Properties bought the former RCA Victor plant in Camden, N.J. for \$1, but spent \$65 million to convert it to apartments.

Completed in 2004, The Victor is already 93% occupied. The rapid lease-up probably surprised the 49 banks that turned Dranoff down for financing in 2002. Due to The Victor's success, however, Dranoff's lenders on Radio Lofts aren't requiring presales.

"The Victor was a huge gamble," Dranoff says. "But what had been the symbol of decay became the symbol of revitalization. Now our ground-up construction can leverage off the success of The Victor."

That ground-up construction is East Village, set to launch next year with townhomes and lofts. It will eventually include two, 30-story residential towers. Dranoff plans about \$400 million on Coopers Crossing and East Village.

— Matt Hudgins



One Commodore Plaza

### DEALS & PROJECTS

The Shidler Group has acquired a group of office buildings from Walton Stacy Commodore IV for \$28 million. The purchase includes a 14-story building with two connected buildings of four and five stories totaling 320,506 sq. ft. in Austin, Texas. The first building, One Commodore Plaza, is tenanted by Consulado de Mexico, Capital Inc. and Anthony-Nak Jewelers. The second building, Capitol Towers, is tenanted by Comerica Bank and GTE Mobilnet. Shidler was represented by CB Richard Ellis. The seller represented himself.

Birtcher Anderson Realty LLC, a San Juan Capistrano-based commercial real estate investment, advisory and development firm, has acquired Potrero Business Center from Potrero Business Center LLC for \$17.15 million. The three-building, 134,444 sq. ft. flex/office property is located on 4.55 acres at 1740, 1750 and 1760 Cesar Chavez Street in San Francisco. Including this acquisition, the company has purchased commercial real estate valued at more than \$170 million in the past eight months.

Samantha Marketplace LLC has acquired Town Center West, a four-building, 83,433 sq. ft. retail center from Town Center West LLC for \$18.5 million. The grocery-anchored retail center is located in Signal Hill, Calif. and was originally built on 7.58 acres in 2000. It is 100% leased and 90% of the center is occupied by credit tenants including Food 4 Less, McDonald's, Chevron, Nextel and Starbucks. Sperry Van Ness represented the buyer. Grubb & Ellis represented the seller.