

## TEI purchases College Square Mall

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College Square Mall, along with its Maryville counterpart Foothills Mall, was sold recently to Time Equities Inc. for \$53.5 million.



A series of changes at College Square Mall in Morristown continues as the mall, along with its counterpart in Maryville, was recently sold for \$53.5 million in cash.

CBL & Associates Properties, Inc. closed on the sale of College Square in Morristown and Foothills Mall in Maryville.

According to documents filed with the county, the Morristown mall sold to Time Equities Inc. \$37 million. Officials say the facilities will be managed by Urban Retail Properties.

Spanning 396,084 and 316,313 square feet respectively, College Square Mall and Foothills Mall are now the New York based real estate firm's largest and second-largest retail assets in the state, with additional holdings in Memphis, Nashville, Bristol and Bartlett.

"These two assets were a natural fit for our growing portfolio of enclosed malls given their stable anchors, increasing tenant sales, tremendous leasing momentum and growth potential," says Ami Ziff, director of National Retail at TEI. "As brands and landlords continue to navigate the evolving retail market, College Square and Foothills Mall offer TEI the platform to showcase the next generation of the enclosed mall. This is our most substantial venture in Tennessee to date, and we're going to work diligently to ensure that we provide the residents of Maryville and Morristown with two dynamic retail centers that deliver memorable shopping experiences."

College Square Mall has been going through a major period of transition and is 96 percent occupied.

Current tenants at College Square Mall include Belk, Dick's Sporting Goods, AMC Theaters, T.J. Maxx, Planet Fitness, Shoe Dept. Encore, Hibbett Sporting Goods, Ulta Beauty, Longhorn Steakhouse, Bath & Body Works and Kay Jewelers.

Foothills Mall is one of South Knoxville's predominant enclosed mall locations, servicing a trade area population of approximately 120,000 people within a 10-mile radius.

Boasting a 90 percent occupancy rate, current tenants at Foothills Mall include JCPenney, T.J. Maxx, Carmike Cinemas, Shoe Dept. Encore, American Eagle, Bath & Body Works, Finish Line, Kay Jewelers and Chick-Fil-A.

Both properties will undergo capital improvement campaigns to update the physical integrity and appearance of the centers. New national and regional retailers will also be added to the malls' current retail mix, with leasing to be managed by Urban Retail Properties, LLC, a national leader in third-party management of retail properties, including retail malls, power centers, community centers and big box portfolios.

Proceeds from the sale were used to reduce outstanding balances on the CBL's lines of credit.

"The sale of these two malls successfully brings our portfolio transformation strategy, which we started in 2014, to a close, having executed on 20 transactions with a total value of nearly \$800 million," said Stephen Lebovitz, CBL president and chief executive officer. "Through this program, we now have a portfolio of higher-quality, higher growth assets that are positioned to benefit from the ongoing retail evolution. We have used proceeds to fortify our balance sheet, improving flexibility and, along with our free cash flow, providing liquidity to fund our redevelopment opportunities and other capital improvements."

Ami Ziff, Jonathan Kim and Adam Levitt oversaw the transaction on behalf of Time Equities Inc. CBL & Associates Properties, Inc. was the seller of both assets, represented by Thomas Dobrowski on behalf of Newmark Grubb Knight Frank

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