



The Market

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DLC Buys 67,000-SF Center Near Top Mall

By [Gina Kenny](#)

OAK BROOK, IL-DLC Management Corp., headquartered in Tarrytown, NY, has purchased the Oaks of Oak Brook, a shopping center at the northwest corner of State Route 83 and 16th Street. Adam Ifshin, president of DLC, said he could not disclose the sales price, cap rate or seller except to say that the purchaser was an institution. The property was offered "free and clear of any mortgage indebtedness," according to materials from Mid-America Group, which marketed the property, and confirmed by Ifshin.

The 67,143-sf shopping center is located across from the Oakbrook Center, the largest upscale open-air mall in the country. The 2007 projected net operating income of Oaks is more than \$1.18 million and the 2008 stabilized net operating income is nearly \$1.36 million, according to Mid-American marketing materials for the shopping center.

Donald Shapiro, president of Foresite Realty Partners, says that the shopping center "could easily have a cap rate of between 6% and 6.5%, maybe 6.5% and 7%." Shapiro's estimates put the sales price at between \$15.1 million and nearly \$16.8 million. "I would be shocked if the price is not somewhere between \$225 and \$250 per sf," he tells GlobeSt.com.

The shopping center was developed in 1989 on 5.24 acres of land. Renovations will include replacing the roof and new pylons and signage in addition to renovations that will be for individual new tenants, Ifshin says. "We see this as a value-add opportunity. The center is roughly 30% vacant and we see it as a repositioning play, a value-add and a lease-up opportunity," Ifshin says.

Tweeter is the largest tenant, leasing about 24% of the space and has a lease until February 2016, Ifshin confirmed. Panera Bread is another anchor for the center and recently signed a 10-year lease until 2017. Other tenants include American Express Travel Services, AthletiCo, Pella Windows, Scottrade and Washington Mutual. The asking rate will vary depending on size but will be from the "high teens" to \$30 per sf, net, Ifshin says. DLC just signed a five-year lease for 4,500 sf to Calumet Camera, he tells GlobeSt.com.