

# Hamilton Mall's new owner has reputation for buying dying malls

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HAMILTON TOWNSHIP — The Hamilton Mall's new owner does not have a track record for flipping unsuccessful malls into moneymakers.

It has a reputation for buying discounted malls and leaving them the same, or, in some cases, worse off than when they bought them.

The Hamilton Mall was sold to New York-based Namdar Realty Group, Atlantic County Executive Dennis Levinson confirmed Wednesday.

The deed has not been filed with the county Clerk's Office, so pricing information is not yet available, county officials said.

The sale comes at a time when the value of the property continues to fall — from \$90.78 million in 2017 to \$50 million this year — and the property searches for an identity following the loss of two of its anchor stores, first Sears and, just this month, JCPenney.

On June 27, a notice of settlement contract of sale was filed with the county Clerk's Office, public records show. The agreement lists the buyers as Hamilton Mall Realty LLC, Hamilton Mall CH LLC and Hamilton Mall LLC. All three companies have Great Neck, New York, addresses. A representative at Namdar deferred comment to the company's partner, Mason Asset Management, which did not respond to a request for comment.

This is the third mall the company has acquired in the state. Namdar lists both the Voorhees Town Center in Camden County and the Phillipsburg Mall in Warren County under its acquisitions on its website.

In total, the company owns 48 malls across the U.S., including the recently purchased Hamilton Mall.

In the three years since Namdar bought the Voorhees Town Center — formerly the Echelon Mall — the shopping center hasn't improved, said Mario DiNatale, director of community and economic development for Voorhees Township. Namdar bought the mall for \$15 million.

DiNatale described the mall as “horrible” before the sale.

“I would say it's consistent. It hasn't improved,” DiNatale said, though he added the owners are very amicable and friendly. “It may actually have declined a little bit. For the most part, it's been no change.”

Namdar bought the mall from Pennsylvania Real Estate Investment Trust for “substantially lower,” or about a third of what the previous owners paid, he said.

Together, Namdar and Mason own about 100 malls across the country through an aggressive, low-investment business strategy, [according to a June 2018 Reuters article](#).

About half the malls they own have relatively low sales.

The companies “invest as little as possible on many of their properties, adding the aim is to hold the assets, not redevelop them,” a source with direct knowledge of their strategies is cited as saying in the article.

Economic consultant Richard Perniciaro said Friday there are several reasons enclosed malls have declined over the past decade or so, from the popularity of online shopping, to shootings and fights in malls making them appear unsafe, to other big-box stores driving competition.

“Unless there’s something that we don’t know about, the days of the enclosed malls are outdated, and that’s happening all over the country,” Perniciaro said.

Enclosed malls were a creation of the 1950s, when getting all your shopping done in one physical space was popular, he said. But people just don’t shop like that anymore.

“The people that are in their prime shopping age right now are the ones that are familiar with buying things on the internet,” he said. “So it’s a generational thing.”

DiNatale said that if people with an active interest in the Hamilton Mall are proactive in working with the new owners, it should be OK.

“It’s been my experience that retail, as well as I know, is taking a definite hit with Amazon, and somebody there, in your location, is going to have to be an advocate for finding a new use for it, instead of direct retail,” he said.

Currently, the Voorhees mall is in talks with the township and a redeveloper with “fairly aggressive plans” to upgrade the mall to “a true destination and entertainment location,” he added, even though redevelopment was not on the radar when Namdar bought the property.

But it may be too little too late for malls all over the country thinking about redeveloping.

“I just don’t think there’s enough demand,” Perniciaro said. “What the malls do, or what becomes of malls, I don’t know.”