

Want to buy an 'e-commerce proof' mall?

By Alby Gallun March 07, 2017

The owner of a big Lincolnshire shopping center has decided to put the property up for sale, betting its mix of "e-commerce proof" tenants will attract high bids from investors.

Next Realty has hired the Chicago office of HFF to sell Lincolnshire Commons, a 133,000-square-foot shopping center at the northwest corner of Milwaukee Avenue and Aptakisic Road. A fund managed by the Northbrook-based investment firm bought the property for **\$40.3 million** in 2014.

The shopping center has undergone one big change since then: Next Realty terminated a lease with Barnes & Noble, its largest tenant, replacing the bookseller with a NorthShore University HealthSystem outpatient facility. NorthShore moved in in January after signing a 15-year lease for 35,000 square feet, about 26 percent of the shopping center's space.

Next Realty President Marc Blum hopes NorthShore will help draw customers to Lincolnshire Commons' other tenants, lifting the entire property.

"I bet this will generate more car trips than most other anchor tenants," he said.

Read more: [Why e-commerce lifts some real estate stocks, drags down others](#)

Yet many shoppers these days don't even bother getting into their cars, choosing to shop online instead. With several big retailers, including **Macy's** and **H.H. Gregg**, closing stores around the country, more investors are wondering about the **future of brick-and-mortar retailing**, how much of a threat it faces from the rise of e-commerce and what that could mean for shopping center values long-term.

HFF addresses those questions in its marketing materials for Lincolnshire Commons, which say that 73 percent of the property's income comes from "e-commerce proof" tenants, including service, restaurant and medical uses. Tenants include Cheesecake Factory, Noodles & Co., Kona Grill, DSW, Chico's and AT&T.

"We're really insulated from the internet," Blum said.

Lincolnshire Commons is 92 percent occupied. Blum declined to say how much he expected the property to fetch. An HFF executive did not return phone calls.
