

Hempel Acquires Grocery Anchored Retail Center in Albertville

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In an effort to continue expanding and diversifying its portfolio, Hempel recently acquired Albertville Crossing, a 105,000 square foot grocery-anchored shopping center located just south of I-94 in Albertville, Minnesota. The center boasts a Coborn's Superstore, Willy McCoy's, Health Source Chiropractic, and national tenants such as Great Clips and Papa Murphy's. Albertville Crossing is the only grocery anchored shopping center in a three mile radius and offers prime retail locations one minute from the widely known Albertville Premium Outlets. "We are extremely excited to have acquired Albertville Crossing. Given its location, and the surrounding amenities, we firmly believe that the center is a retail hub for the area," stated Hempel President Josh Krsnak. "Tenants have the benefit of being anchored by a popular grocery superstore in a highly visible location, and consumers can enjoy ease of access and a wide variety of retail and services."

The acquisition is one of several this year by the Minneapolis-based commercial real-estate firm. "Albertville Crossing offered the chance to own a value-add grocery-anchored shopping center, which is a rare find, as grocery-anchored centers are typically well leased," said Hempel's Vice President, Ben Krsnak. "We believe that grocery-anchored centers offer steady traffic and are more recession resistant. That, combined with a recovering residential market and future I-94 lane expansion through Albertville, attracted us to this asset. By employing a boots on the ground approach to leasing, we are confident we can fill the remainder of the vacancy." In fact, Hempel signed its first new tenant, Ashworth Real Estate, just days after closing on Albertville Crossing.

In several meetings with city officials, Hempel found that city leaders were optimistic about the purchase, hoping new ownership would breathe new life into a center that was fully leased and bustling prior to the recession. Albertville Crossing is currently about 30% vacant, but has been gaining new tenants in the last two years as the economy continues to climb from the recession. Hempel's Brent Jacobson, Senior Vice President of Sales and Leasing, was enthusiastic about the property, adding, "Every acquisition offers new opportunities. Tenants can enjoy the benefit of newer buildings in an advantageous location. In addition to desirable spaces, the surrounding neighborhoods are reliant on the Coborn's Superstore as their one-stop-shop for groceries and other necessities and on the restaurant Willy McCoy's as their premier dining option."