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# Shoppes at Northway may be purchased by Levey & Co.



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An Ohio firm is nearing a final agreement to buy the long-struggling Shoppes at Northway retail property in Ross Township.

Akron-based Levey & Co., which in March paid \$5.2 million for the former [McCrackin Ford](#) dealership property on McKnight Road, plans to redevelop Northway and at least one neighboring property.

[Frank Licata](#), president of Levey, which owns, manages and develops retail properties throughout Ohio as well as in North Carolina and Illinois, confirmed his company is working to buy the properties, but added the sale has yet to close.

"We're pulling all the pieces together," he said of how his company planned to approach the property.

Licata said he hoped to be able to make public a firm plan for Northway by the end of the year, but he offered no further comment.

The mall's prior owner, Northway Group LP, sought to revitalize the 400,000-square-foot shopping center in 2007, redeveloping the upper levels of the enclosed mall by turning the formerly interior-directed stores out toward the street, and bringing in new retailers to the property such as Shoe Carnival and an Aldi grocery store.

Yet, Northway Group LP defaulted on the mortgage, facing a \$23.3 million claim from its main lender, **Lincoln National Life Insurance Co.**, including an accelerated mortgage balance of \$18.9 million, along with associated costs.

The property was turned over to the special servicing firm Compass Advisory Partners LLC in February and, not long after, the Pittsburgh office of HFF began marketing the property for sale.

Along with the shopping center, a company affiliated with Levey has an agreement of sale to buy the former Northway Elementary School that sits on six acres just behind the shopping center, said [David Hall](#), director of finance and operations for the North Hills School District.

The deal is not complete, however. Hall said the biggest contingency is for the new buyer to get a zoning change for the school property, which currently designates that nothing can be built on that site except for single-family homes.

"This property is directly connected to the Northway Mall property. It is part and parcel of that property," Hall said.

Hall said he would like to see Northway revitalized, noting the center's long-term decline and vacancies.

In recent years, it has lost several anchor stores, including Value City, Borders and others.

"It would be nice for a new owner to have the mall and do something with it," he said.

Pennsylvania's first enclosed shopping mall when it opened in 1964, Northway is a shopping center that straddles a middle ground between a smaller strip center and a larger enclosed regional mall, observers say.

[Gregg Broujos](#), managing principal of the Pittsburgh office of **Colliers International**, expects Levey will need to start over with the shopping center, razing much of the structure to build new around its established core tenants, which include Dick's Sporting Goods and PetSmart.

"No retailers are attracted to that kind of architecture and structure any longer," Broujos said.

Yet, the property itself has some strong advantages, said [Herky Pollock](#), executive vice president who specializes in retail leasing in the Pittsburgh office of CBRE.

"There are very few vacancies of any size or substance within the McKnight Road corridor," said Pollock, who added he has some clients who may be interested in a redeveloped Northway. "It's very well-positioned. People are used to going there as a retail center, and it has good East-West access."

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