



April 11, 2014 – Lubert Adler, in joint venture with PMC Property Group, has paid \$42 million to purchase 2400 Market Street, otherwise known as the Marketplace Design Center, in Philadelphia.

The property consists of two buildings — 2400 Market Street, which is about 370,000 square feet, and 12 S. 23rd Street, a six-story, 120,000-square-foot structure. While plans are preliminary and have not gone through the city’s approval process, they currently consist of multiple components that could cost more than \$100 million.

“It will be the most exciting project Lubert-Adler has worked on in 15 years,” according to Dean Adler, CEO and Co-Founder of Lubert-Adler. “I think it’s going to be our crowning project.”

“This is really the gateway to Philadelphia,” said Mr. Adler. “This is one of the most ideal locations for any type of use. It is in the heart of two places that are exploding and you’re at the epicenter of town,” referring to the property’s position across from University City, 30th Street Station, near Rittenhouse Square, the Central Business District as well as near Interstate 76 and the Schuylkill Expressway.

Large floor plates represent a key advantage to the project. The structure has 70,000-square-foot floor plates. This compares with the approximately 20,000-square-foot floor plates commonly found in office buildings selected for conversion.

The size gives the developer ample room to work with. Plus, there will be expansive frontage along the Schuylkill River and long window lines.

Because the complex was originally constructed for industrial use, it can withstand heavy floor loads and a substantial addition on its roof. Early plans include constructing a structure on top of the building to be used for residential units.

The large floor plates — totaling nearly two acres — also means the roof of a newly constructed extension could be turned into an outdoor environment.

By starting the residential portion from the existing rooftop and building up for the multifamily portion of the development, residents would enjoy unobstructed views. While the developers plan to keep the lower floors as the Marketplace Design Center, upgrades would be made



to the first floor. And new retail space would be created to make room for a grocery store, restaurant and coffee shop. The redevelopment would also incorporate office space into the building designed to appeal to the creative community.

“It’s an amazing building and the most exciting redevelopment opportunity in Philadelphia,” continued Mr. Adler. “What is the building of the future? The building of the future is to create a live, work and play environment. That’s what we’re doing here.”