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## University Square shopping center up for sale; Coral Co. says it's interested

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Plain Dealer file photo

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The owner of University Square is shopping the east-side retail center to potential buyers - and local developers already are taking notice.

Inland Western Retail Real Estate Trust recently sent out packages pitching the 287,070 square foot shopping center at Cedar and Warrensville Center roads in University Heights. The property, which opened in 2003, hosts tenants including Target, Macy's and TJ Maxx on multiple floors, wrapped around five levels of parking.

During the past few years, University Square has suffered from mounting vacancies and cracking support beams in the property's central garage. The center is only 45 percent occupied, according to a promotional package from Holliday Fenoglio Fowler LP, the Pittsburgh-based firm marketing the property.

Inland has not disclosed an asking price for University Square. The real estate investment trust, a Chicago-based affiliate of the mammoth Inland Real Estate Group of Companies, bought University Square in 2005 from developer Starwood Wasserman of Rhode Island.

At that time, the center was more than 60 percent occupied, and it changed hands for about \$55 million.

Since then, Inland has lost high-profile tenants including Tops Markets, the grocery chain that pulled out of Ohio in late 2006. But the deal with Starwood Wasserman guaranteed that Inland would get rent payments

on portions of the center - even if they were empty - for three years. That arrangement ended earlier this year.

Now Inland wants to unload the property or partner with a developer who can turn it around. During a phone interview Wednesday, a company executive said the company's decision to market University Square is part of a constant evaluation of Inland's portfolio.

Larry Sajdak, Inland's vice president of property management, described University Square as a "redevelopment opportunity." It appears at least one local developer - Coral Co. of University Heights - agrees.

"The Coral Co. is very interested in this property, and we will be pursuing it because we are big believers in the Cedar Center district," said Joan Mennett, Coral's vice president of marketing.

Coral already is remaking the landscape around Cedar and Warrensville Center. The company brought Whole Foods and other tenants at the intersection's southwest quadrant and plans to demolish a strip of retail space northwest of the intersection to make way for new businesses. University Square occupies the southeast corner of the district.

While Inland solicits interest in the property, the company will wrap up renovations to the parking garage. Repairs to the cracked concrete should be finished by the end of this month, Sajdak said.

Inland also will keep looking for new tenants, which could boost the center's price if it sells. Holliday Fenoglio Fowler's marketing materials for University Square claim that retailers including Lowe's Home Improvement, Burlington Coat Factory, Best Buy and PetSmart are interested in the area.

"I can't get into specifics," Sajdak said about potential tenants. "We are entertaining a few offers from electronics, apparel and a supermarket chain."

University Heights Mayor Beryl Rothschild hopes to see a new owner renovate the property. The city and school district provided a \$40 million tax break for the shopping center, which has not yielded the income tax revenue that University Heights had hoped for.

"It's a great location and it has great potential," she said. "And I'm hoping that the next people have some sense of Cleveland