

From the Philadelphia Business Journal:

<http://www.bizjournals.com/philadelphia/blog/real-estate/2016/04/boutique-office-building-in-center-city-finds-a.html>

City Councilman buys Center City boutique office building

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Allan Domb, who is in his first term as a Philadelphia city councilman, is still active with his side job as real estate investor.

Domb bought 1525 Locust St., a 19-story, roughly 100,000-square-foot office building, for \$17.7 million. The property is essentially fully leased to a range of tenants including the law firm Kline & Specter, which occupies 10 of the building's floors.

The property was constructed in 1983 and renovated in 1997 and is a bit of an anomaly. It is the only Class A office space in that part of the city that is better known for its theaters and restaurants. While performing just fine as an office building, it was expected to attract prospective buyers who might look at it as a long-term play and convert it into some other use, such as condominiums or apartments.

Medical marijuana now legal in Pa.

Domb, who is an active owner of residential and retail space in and around Rittenhouse Square, doesn't plan to change a thing at the building and intends to maintain it as office space.



NATALIE KOSTELNI

This boutique office building in Center City just sold.

“There’s no long-term play,” he said. “I wanted to make sure people in the building continue to use Schlesinger’s, my delicatessen next door. That’s the return on investment.”

Domb said he has an outside management company taking care of the property.

Though it will remain an office building, 1525 Locust is a rarity in other respects. “It might be worth more vacant than full,” said Ken Mallin of MPN Realty, in a testament to its potential as a residential conversion. “It’s an unbelievably great location with great views.”

Mallin represented Domb in the transaction. Doug Rodio of JLL represented the seller, Equity Commonwealth.

This was among four office buildings Equity Commonwealth owned in Center City. The Chicago real estate company also owns Mellon Bank Center and 1600 Market St. and recently put Centre Square up for sale.

Natalie Kostelni

Reporter

Philadelphia Business Journal

