

# Freeman's auction house building sells for \$14.3M; Condo tower planned atop

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Astoban Investments closed on buying for \$14.3 million the building at 1808-1810 Chestnut St. in Center City that served as the headquarters for Freeman's auction house for nearly a century and has preliminary plans to retain the existing structure and add a new residential condominium tower on top of it that could span up to 10 stories.

The six-story, 46,000-square-foot building was put up for sale earlier this year when Freeman's decided to reevaluate its real estate needs as part of a shift to a new strategy that would accommodate changes underway in the auction business. Antique and expensive, one-of-a-kind furniture and other pieces are not as popular as they once were and that has changed the business. The internet and e-commerce have upended the industry as well.

The Chestnut Street property was built for an auction house of a bygone era. It was constructed by the Freeman family for their auction house, which is billed as the oldest in the nation.



"It was purpose built in 1924 and it perfectly suited the business the Freemans had at that point in time," said Hanna Dougher, COO at Freeman's. "From then through the early 1990s, Freeman's did full-service estate sales. We literally sold a thousand lots a week of stuff."

Then in 1998, the 214-year-old company decided to focused on the high-end segment of its auction business rather than selling pots, pans, exercise bicycles and other items that would come available through the large estate sales. As a result, the company needed about half of the space it was in, Dougher said.

Freeman's put up for sale the Chestnut Street property along with 112 S. 18th St. Located in the Rittenhouse Square neighborhood of Philadelphia, the property garnered "tremendous" interest from prospective buyers, said Ken Mallin of MPN Real Estate, who arranged the transaction.

"We had 40 inspections with people from New York, Connecticut and Philadelphia and about a dozen offers," he said. "The location is A-plus and there aren't many of these types of buildings in Philadelphia."

Some of those who looked at purchasing the property had considered a variety of uses including converting it into a hotel or residential building, Mallin said. Astoban Investments is a local real estate company that has completed several projects in Philadelphia that involve first floor retail and residential condominiums on the upper floors and expects to complete a similar project at the Chestnut Street building. Preliminary plans involve preserving the existing six-story structure and constructing an eight- to 10-story condominium tower above it, said Tim Shaaban of Astoban. The tower would be set back from of Chestnut Street.

Though plans are still being worked out, part of the existing structure would be used as retail space with the residential portion beginning on the fifth or sixth floor. Each condo would likely be a single floor. Cecil Baker & Partners is the architect. “It will be a difficult project,” Shaaban said.

With the building sold, Freeman’s has leased two separate 4,600-square-foot spaces at 2400 Market St. One of those spaces is on the first floor and will serve as a gallery and provide a retail presence. The other space is on the third floor and will serve as its headquarters.

Freeman’s will also open a second Philadelphia location in 15,000 square feet at the Civic at 1600 West Girard Ave. This space will cater to emerging artists who don’t have a secondary market and decorative arts “that don’t have significant value but have significant appeal,” Dougher said. “We want to introduce items to a younger audience.” The company’s book department will also relocate to the Civic.

The company expects to move out of the Chestnut Street property by the end of the year. “I’m going to miss the building but we’ve made the right decision,” Dougher said.

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