

NoLibs site trades for \$16M, clearing the way for Amazon grocery store and apartment complex

May 21, 2021, 9:57am EDT

RREI LLC, a Philadelphia real estate company run by father-and-son duo Neal and Victor Rodin, has purchased a site at 5th and Spring Garden streets in the Northern Liberties neighborhood of Philadelphia for \$16.05 million, clearing the way for it to develop a new apartment building.

It's been a long and arduous process to get to this point for the developer. Though the project has received required city approvals, acquiring the 100,000-square-foot parcel that takes up an entire city block at 501-535 Spring Garden St. was complicated, complex and took five years to complete.

The property was owned by a series of 11 different condominium entities involving six different people.

"I started on this deal in February 2016 and it was a very difficult and challenging on multiple levels and it takes a while to put a deal like this together," said Ken Mallin of MPN Realty Inc. who arranged the transaction. "The initial challenge was to get everyone on the same page with individual values."

Some owned segments that had frontage on Spring Garden while others owned other portions. An analysis was done to figure out what each was worth. Once that was finally determined, Mallin approached several prospective buyers and multiple offers were made. The seller decided to go with the Rodins, Mallin said.

While the sellers and buyer were patient with the protracted process, the pandemic compounded matters. The deal was expected to close last year but the coronavirus slowed it down by several months. The transaction closed May 18.

"Most deals we work on tend to be complicated," said Victor Rodin. "We are not merchant developers where volume of deals is the strategy. We only do a large deal like this one once every couple of years. We spend the time and the effort to maximize value."

The developer plans to construct a 13-story building with 382 apartments and underground parking with 206 spaces. Victor Rodin said that the company has executed a lease with a national retailer and declined to disclose who it was. However, the Philadelphia Business Journal earlier reported that it is Amazon.com Inc., which has leased 40,000 square feet of 60,000 square feet of ground-floor retail space for a grocery store. The company declined to disclose project cost.

RREI developed a similar project in 2016 called Rodin Square. That \$160 million development has a 10-story apartment component called Dalian on the Park at 500 N. 21st that has 293 rental units as well as a 500-vehicle parking facility. The 85,000-square-foot retail component of that development is leased to Whole Foods.

This will be the first major project the real estate company has taken on in Northern Liberties.

"Born and raised in the city, I have spent my whole life here. I love Philadelphia," Victor Rodin said. "Being from here, I have a good sense of when neighborhoods are evolving. Northern Liberties is one of those neighborhoods right now."



5TH & SPRING GARDEN | RREI LLC | NOVEMBER 2020

BLT ARCHITECTS

RREI LLC, the Philadelphia real estate company run by father-and-son duo Neal and Victor Rodin, plans to develop an apartment complex at 5th and Spring Garden streets in Northern Liberties.

development activity underway that continues to reshape the neighborhood.

“Northern Liberties, specifically the southern end of Northern Liberties, is really taking off,” he said. “Northern Liberties has always had a great neighborhood feel with cool restaurants and beautiful homes but now you have million-dollar town homes being sold there now... And it is only going to continue to take off as Spring Garden Street continues to be developed.”

The Rodins like to incorporate grocery stores into their developments and this project is no different. It is seen as an amenity not only for the residents of an apartment complex but the neighborhood as well.

Construction is expected to begin within the next 60 to 90 days.

Natalie Kostelni

Reporter

Philadelphia Business Journal

