

BUILDING THE FUTURE OF MALLS

Shopping centers are closing all over the United States due to the rise of ecommerce. The shopping experience is shifting and turning shopping centers into dining, leisure and entertainment spaces. Owners of shopping centers are being forced to reinvent malls to stay relevant during this change. This paper will examine The Shops at Hilltop, a mall in the East Bay that was foreclosed upon and purchased by LBG Real Estate companies to be reinvented into an updated shopping center. It will outline the background of the shopping center and the steps it took on deciding if it was worth the investment. It reviews the importance of location of a shopping center, the alternative uses of the space, the imperativeness of existing capital as well as current site restrictions, and the importance of a good team in order to successfully reinvent a shopping center. The research results indicate the reinvention of shopping centers have a lot of opportunities for the construction industry and not all shopping centers can successfully be redone.

Why



Rise of ecommerce, 25% of malls closing by 2022.

Where



Foreclosure of The Shops at Hilltop, LBG Real Estate purchased the 77-acre property in Richmond, CA.

Keywords: future of shopping centers, reinventing of malls, rise of ecommerce affecting malls

Criteria: 1



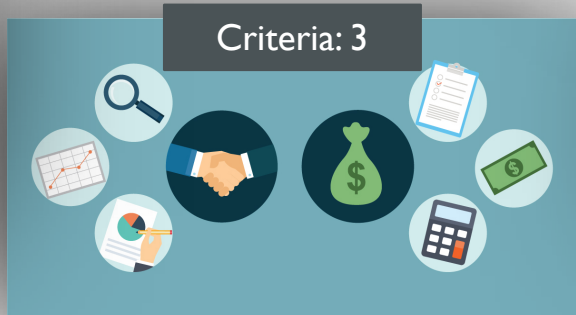
Location: Ferry stop added in Richmond, 27 min ride to San Francisco; average annual household income in East Bay exceeds national average.

Criteria: 2



Alternative Uses: Creative office space / residential / hotels / retail.

Criteria: 3



Capital: No current strict CC&R's and existing debt/ lender restrictions on property.

Criteria: 4



A Good Team: Architecture for Mall Building Repositioning / Retail / Office – Onyx Creative; Residential Architecture / Land Planning – KTGY; Hotel Architecture for Marriott Hotel – Design Cell; Landscape Architecture – CDPC; Civil Construction – Kimley Horn; Structural Engineering – Hohbach-Lewin; GC– Currently in bidding process

Looking to the Future: 1



Start by opening retail shopping center in 2020, next offices/ hotels, eventually will turn a mixed-use regional hub with 9,080 units in 10-20 years.

Looking to the Future: 2



Continual Marketing through tourism outreach program.