

South Jersey real estate firm adds to growing portfolio with \$10M deal

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A growing South Jersey real estate investment firm scooped up yet another property in one of the area's most in-demand markets, purchasing the eight-building East Gate Business Center in Mount Laurel for \$10 million.

Jeff Schneider, managing partner of Strategic Fund Alternatives, said its purchase of the 115,733-square-foot property in the desirable "3M" market of Mt. Laurel, Moorestown and Marlton is part of the firm's efforts to grow and diversify its portfolio in the region.

SFA purchased the property from longtime owner Rudner Real Estate Development of Mt. Laurel. The company acquired it for \$5.6 million in 1998.

About half of the roughly 23 properties SFA has acquired in South Jersey since its start in 2016 are value-add acquisitions, Schneider said, while the other half are stabilized, Class A properties, such as its \$33 million purchase of the Woodland Falls Corporate Center in Cherry Hill last month.

The East Gate Business Center is among the former, he said. The mixed-use property, which spans 125 to 139 Gaither Drive, is located on nine acres in-between I-295 and the New Jersey Turnpike and is about 90% leased with roughly 60 tenants. Most are long-term tenants in service industries, such as roofing and HVAC. SFA plans to upgrade common areas, landscaping and signage, as well as renovate most of the buildings' exteriors and roofing to boost its aesthetic appeal.

"People spend a lot of time at the office, we want to make it a place they can enjoy going to work," he said.

While Schneider's investments have all been in South Jersey over the past three years, he said his growth plans include expanding across the river into Pennsylvania. He hasn't signed any deals there yet, but said he has multiple bids out and is "constantly" on the hunt for new acquisitions.

In the past year, its purchases included a 57,000 square-foot Class A office building in Voorhees for \$7.3 million and a 56,000 square-foot office building in Mount Laurel for \$3.2 million that it plans on upgrading with new signage, restrooms and common areas.

"We plan on growing [the portfolio] pretty significantly over the next couple of years, and we are out there looking for both properties and additional partners and investors," he said. "That's how we've been able to grow, because we partner up and have some great investors."

Michelle Caffrey
Reporter



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Strategic Fund Alternatives, a South Jersey-based real estate investment firm, purchased 125-133 Gaither Drive with plans to update the eight-building portfolio's common areas, landscaping and building exteriors.