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Lehigh Valley, Pennsylvania, Retail Market

The Lehigh Valley, Pennsylvania, market is hot right now for both retail and residential properties, which effectively feed off each other. A lot of people are moving to the area from New York and New Jersey for better quality of life, and when these new residents arrive to the area, they seeking the same upscale shopping they enjoyed in their previous surroundings. Thus, seeing the potential for growth, lifestyle center developers are being drawn to the market. For example, Poag & McEwen Lifestyle Centers and Bayer Properties/Forest City Enterprises both have proposals online for developments.



Jeff Epstein,
President
Berger-Epstein
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In addition, the Lehigh Valley market quietly has become a successful niche for retail. At 3900 Hamilton Center in Allentown, Pennsylvania, a project developed by Berger-Epstein Associates, upscale tenants are meeting with positive results. The center boasts clothing retailers such as Chico's, Talbot's, Talbot's Misses, as well as other upscale shops Swartz Supply Kitchen & Bath Showroom, Salon Sheriza and The Paperbag, all of which have been doing well consistently. This property provides consumers with a unique shopping opportunity, as other upscale shopping center destinations are a healthy distance away. The Mall at Short Hills in New Jersey is 1 hour from 3900 Hamilton Center, and the King of Prussia Mall is approximately 40 minutes away.

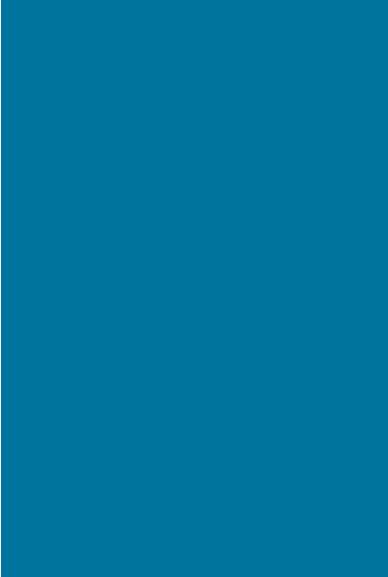
Directly resulting from attention from new developers and increased media coverage, the Lehigh Valley retail market has been revealed as a great opportunity for retailers. The recent activity certainly supports this opportunity, and both consumers and developers are seeing the advantages the market has to offer.



3900 Hamilton Center is an upscale retail shopping center that was developed by Berger-Epstein Associates, Inc. in Allentown, Pennsylvania.

The booming housing market has contributed greatly to the retail success as well. The average home price is rising, and residential developers have been constructing houses priced anywhere from the \$600,000s into the millions. Many residents are relocating from New York and New Jersey; New York City is less than 2 hours away, and these new residents don't mind the commute in exchange for the lifestyle the Lehigh Valley offers.

A lot of new housing developments are springing up around the new Route 33 corridor in Bethlehem



Township, Northampton and Monroe counties. The new bypass locates residents much closer to Interstate 78, which is the most direct route to New York City and parts of New Jersey.

Cold Stone Creamery recently entered the market, taking on new locations in Lehigh Valley as of this year. Another new retailer to the market is Swartz Supply Kitchen and Bath Showroom, a kitchen and bathroom designer, signed a lease for 3,000 square feet at 3900 Hamilton Center because it desired space in an upscale center. Swartz felt that its newest showroom for cabinetry, fixtures and appliances would thrive at this center.

The Lehigh Valley market will be interesting to watch as the housing explosions, lifestyle centers and proposed gaming facilities are changing the face of the local economy.

— Jeff Epstein is the president of Berger-Epstein Associates, Inc.

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