Analyst: Mall sale wouldn’t come as big surprise

Elsewhere.

Owner reportedly negotiating sale of Oak Hollow Mall, I.A

BY PAUL B. JOHNSON
ENTERPRISE STAFF WRITER

HIGH POINT – A sale of Oak Hollow Mall probably wouldn’t result in immediate, major changes at the city’s largest shopping center, a local economic analyst said.

Any buyer of the mall would have to honor leasing and contractual obligations, said Gerald Fox, associate professor of economics at High Point University.

“That’s a matter of business law,” he said.

CBL & Associates Properties Inc. has owned and operated the mall since it opened 13 years ago. At least three sources, who asked to remain anonymous, have told The High Point Enterprise that CBL & Associates wants to sell the mall.

Any sale shouldn’t come as a shocking development, Fox said.

“I think there has been some speculation that this would happen for a while now. It appears some business has been lagging, with empty space there,” he said.

CBL & Associates reported in a financial statement that the mall’s occupancy rate was a little less than 80 percent at the end of 2007, though more stores have closed since then.

The sluggish occupancy at Oak Hollow Mall would affect the sale – and sales price – of the mall, Fox said.

Another factor is the competitive retail market in the city and region, which may explain in part why CBL & Associates may be seeking to sell the mall, Fox said.

“In High Point alone, you’ve got discount stores, the new Super Wal-Mart in south High Point, another one coming soon on N. Main Street. Then you’ve got competing malls in Winston-Salem and Greensboro. It does make it tough. They may think the environment here in High Point is so competitive, and not enough consumers coming in at this time,” he said.

One benefit of a change in ownership is that the new operator may be more aggressive about marketing the mall and seeking new tenants, Fox said.