

## Bank sues Abacoa for \$14 million

By [Alexandra Clough](#)

Palm Beach Post Staff Writer

Posted: 11:50 p.m. Wednesday, May 12, 2010

JUPITER — Abacoa Town Center finally seemed to be reaching its potential. Shops were filling and events were drawing patrons to the shopping center north of Donald Ross Road, just east of Interstate 95. The nearby workforce was growing, with Scripps Florida's labs open and construction of a new headquarters for G4S Wackenhut under way. "Abacoa Town Center is in the best position it has been in years," its developer, George de Guardiola, said Wednesday.

But all this activity was not enough to stave off the sign of these recessionary times: foreclosure. On May 5, Wells Fargo Bank, as successor to Wachovia Bank, filed a foreclosure lawsuit in Palm Beach County Circuit Court against the center's owner, an affiliate of shopping center giant Woolbright Development of Boca Raton. It seeks repayment of a \$15.6 million loan used for the purchase and renovation of the open-air center. According to the lawsuit, the loan was due Aug. 27, but more than \$14 million remains outstanding. Woolbright officials did not comment.

The lawsuit is the latest in a string of foreclosure actions against Woolbright, underscoring the company's troubles in commercial real estate. The foreclosure also calls into question the concept that created Abacoa Town Center. In 2001, when the project opened, de Guardiola envisioned a place where people could live, work and play. He expected residents in nearby Abacoa neighborhoods to walk over to shop. The pedestrian-friendly ideal is called New Urbanism.

"It was based on a concept that if you put all the shopping in the middle of a residential community, everybody would walk to the town center," said Rebel Cook, of Rebel Cook Real Estate of Jupiter.

Similar thinking went into the much-larger CityPlace in West Palm Beach. De Guardiola said New Urbanism can work but has turned out to be vulnerable to many factors. "This includes recession, pricing wars (among retailers), anything like that," he said. Stores offering the cheapest products will draw customers who will drive some distance even if slightly more expensive stores are within a short walk, he said.

But Cook said Abacoa Town Center was flawed. "That concept looked great on paper," Cook said, "but in reality it doesn't work, particularly in South Florida. It's too hot (for people to walk)." Cook says Abacoa Town Center also suffers from the lack of an anchor store, such as a grocery store.

Others say Town Center has problems because it is hidden off Donald Ross and doesn't have the right shops to interest patrons outside of Abacoa. Parking also is difficult, said Peter Reed, a principal with Commercial Florida Realty Services in Boca Raton. CityPlace, meanwhile, has had its own troubles navigating the live-work-shop concept. Fitch Ratings Service recently categorized the outdoor shopping mecca's owner as being in "imminent default" on a \$150 million loan. CityPlace's owners say there is no problem, and they are maneuvering to get better terms for the loan. Both centers look lively. CityPlace officials say the center is at 94 percent occupancy. Abacoa Town Center is 87 percent occupied, according to Woolbright's website.

After he built Abacoa Town Center with the late Bruce Rendina, de Guardiola didn't hold onto it for long. The center was sold back to its lender, Lehman Brothers, in 2003. Woolbright bought the center for \$11 million in 2007. For that price, Reed had expected Woolbright to do well. Wells Fargo now seeks foreclosure, repayment of the loan, collection of rents and the appointment of a receiver for the property.

Abacoa Town Center today is known chiefly for its Green Market, the ArtiGras Fine Arts Festival and car shows. Roger Dean Stadium is adjacent to the center. Florida Atlantic University is nearby. Tenants include J.J. Muggs Stadium Grill, Jumby Bay Restaurant and Rooney's Public House. Beth Kelso, executive director of the Abacoa Property Owners' Assembly, said Abacoa Town Center seemingly never has been busier. "We find people come from all over," Kelso said. Scientists from Scripps Florida frequent the center, especially French bistro Le Metro, Kelso said.

G4S Wackenhut will provide a boost. The security company broke ground last month for its North America headquarters at Abacoa and plans to employ about 225 people there. De Guardiola said he still expects Abacoa Town Center will one day achieve "critical mass" and a measure of success for its tenants and owner.