

Bankruptcy judge approves \$47M bid for Publix-anchored shopping center



By Brian Bandell – Senior Reporter, South Florida Business Journal
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U.S. Bankruptcy Judge Erik P. Kimball approved on May 10 the \$47.3 million winning bid for the Publix-anchored Fountains of Boynton shopping center west of Boynton Beach.

DRA Fund IX LLC, an affiliate of DRA Advisors, submitted the bid during the May 3 auction. Fortune Capital Partners was approved as the backup bidder at \$47.2 million.

Attorney Daniel Y. Gielchinsky, who represents Fortune Capital Partners, said his client remains available as a backup option should DRA not close on the purchase. Fortune Capital Partner's May 9 objection to the results of the auction was denied by Judge Kimball.

Secured creditor Hanover Acquisition 3 LLC, an affiliate of New York-based Guardian Life Insurance Co. of America, was owed \$50.5 million, so the result of the auction won't be enough to fully repay its loan.

The debtor has about \$1.7 million in unsecured claims plus \$600,000 in outstanding property taxes.

The 185,372-square-foot Fountains of Boynton is located west of Boynton Beach at 6627, 6545, 6555, 6661 and 6667 Boynton Beach Blvd. plus 9811 and 9915 S. Jog Road. In addition to Publix, tenants include McDonalds, Berkshire Hathaway Real Estate, MD Now, Duffy's Sports Grill, and the American Freedom service station.

It was developed on the 23.2-acre site between 1995 and 1999.

Fountains of Boynton Associates, owned and managed by John B. Kennelly, filed Chapter 11 reorganization in February 2016 to stay the foreclosure lawsuit from Hanover.

Attorney Patrick Dorsey in Boca Raton represented the debtor.

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