

Bankers' Landlord

Phila. firm helps an industry in constant flux to stay flexible.



By Henry J. Holcomb
INQUIRER STAFF WRITER

In 1998, Nicholas S. Schorsch read in the newspaper that First Union Corp., to cut costs after its \$20 billion takeover of Philadelphia's CoreStates Financial Corp., was closing 106 bank branches.

A few minutes later, in the shower, he had an idea: Buy all 106 and start a new kind of business. He dried off, then talked it over with his wife and business partner, Shelley.

The firm could become the prime landlord for the financial-services industry. It could help banks stay flexible when priorities shift

from one city to another. It could help banks dispose of excess property.

Its approach could give a bank cash from the sale of real estate in return for property the new business could deal with profitably. Sometimes it would lease the property back to the bank long-term; other times it would put rival banks in the space or sell it.

A few hours later he called the bank, now Wachovia Corp., and said he wanted to buy the 106 properties. All of them. He didn't just want to cherry-pick the nicest. No dogs would be culled from



Nicholas S. Schorsch started his firm in 1998.

See **BANK BUILDINGS** on C7

American Financial Realty Trust real estate includes the Odell Building (1) and Independence Center (2), both housing Bank of America in Charlotte, N.C.; Bank of America Center (3), Chicago; Bank of America Plaza (4), St. Louis; Wachovia (below), Center City, Phila.

BONNIE WELLER /
Inquirer Staff Photographer

