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## Some Detroit-area Macy's, Kmart stores closing

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(Photo: Detroit News)

Retail analysts have long predicted American malls faced a reckoning, and 2017 has started with major closings of Kmart, Sears and Macy's outlets nationwide, including 15 Michigan stores.

Seven Detroit-area Kmart and Macy's will close, according to company statements released Wednesday.

Four Macy's department stores in Michigan are among 68 stores across the country that the retailer will close this year, the nation's largest department store company said.

In Metro Detroit, the stores at Eastland Center in Harper Woods and Westland Shopping Center will close. Elsewhere in Michigan, the Lakeview Square Mall site in Battle Creek and the Lansing store will shutter. Final clearance sales begin Monday and will run for eight to 12 weeks.

Sears announced it is shutting 108 Kmart stores and 42 Sears stores by April, with 10 Kmart outlets and one Sears closing in Michigan. The affected Sears store is in Grand Rapids.

Five Detroit-area Kmart stores, stores in Garden City, Plymouth, Roseville, Waterford and Westland, will be shuttered. Garden City was the location of the original Kmart discount store. The other Michigan Kmart stores that will close are in Acme Township, Adrian, Jackson, Lansing and Muskegon.

It's a sign of the times as consumers flock to online shopping and discount brick-and-mortar stores such as Target and Meijer, retail analysts said. And that's tough news for shopping malls.

"Anchor stores are more like boat anchors. They are sinking malls," said Ken Dalto, a Bingham Farms-based analyst who follows retail. "You are going to see stores in the middle — like Sears and Macy's — get hit, and that will bring down many shopping malls."

Analysts forecast anywhere from one of every four to one of every three shopping malls across the nation may close in the near future.

Eastland Center, one of the malls where Macy's will close a store, is operating under bank ownership after the former owner Ashkenazy Acquisition Corp. defaulted on \$42.5 million in loans on the property, according to Trepp LLC, which follows commercial mortgage-backed securities.

The closures at Macy's are part of a plan to shut down about 100 stores over the next couple of years.

"We are closing locations that are unproductive or are no longer robust shopping destinations owing to changes in the local retail shopping landscape, as well as monetizing locations with highly valued real estate," Chief Executive Terry Lundgren said in a statement.

Kmart released a statement Wednesday citing sluggish sales.

"Many of these stores have struggled with their financial performance for years and we have kept them open to maintain local jobs and in the hopes that they would turn around," parent company Sears Holdings said in a statement.