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University of Pennsylvania Finalizes Purchase of U.S. Postal Service Property

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PHILADELPHIA - The University of Pennsylvania announced today that it has finalized arrangements for the acquisition of the U.S. Postal Service Philadelphia 30th Street facility, a 24-acre parcel of land in the University City section of Philadelphia. The agreements signed on March 26 by representatives of Penn and the Postal Service cover a site west of the Schuylkill River and east of the Penn campus between Market and South streets. The University will be acquiring all of the Postal Service holdings in the area, including the main post office building at 30th and Market streets and, to the south, its Annex building, a parking garage at 31st and Chestnut streets and 14-acre surface parking lot south of Walnut Street. These additional 24 acres expand Penn campus to the east, creating new development opportunities, as well as physically connecting the campus to the Schuylkill River and Amtrak 30th Street Station.

The acquisition is a key component of the University 25-year Campus Plan, a long-term strategy for controlled, consistent development of the Penn campus, and a key part of the strategy for development by the Schuylkill River Development Corporation. Planning for the site is being coordinated with the master plans of the city and the SRDC for improvements and development on the east and west sides of the river.

"Our purchase of the postal lands is a significant milestone for both Penn and Philadelphia," Penn President Judith Rodin said. It will ultimately have the effect of connecting University City and Center City and has the potential to create a new research and technology zone, residential and recreational areas and a variety of other activities. It will create jobs, improve the quality of life and transform the western side of the riverfront, she said. In order to achieve this ambitious goal, we have joined an unprecedented development partnership involving the University of Pennsylvania, Drexel University, the Delaware River Port Authority, the U.S. Postal Service, the University City District, Amtrak, the Army Corps of Engineers, the City of Philadelphia and the Commonwealth of Pennsylvania, among others. This project is one of the most promising economic development initiatives for the Philadelphia region in decades."

"The Postal Service is delighted that we were able to complete this agreement with the University of Pennsylvania," said S. David Fineman, chairman of the Postal Service Board of Governors.

"With this sale and completion of our new plant in Southwest Philadelphia, we look forward to our continued partnership with Penn, The city of Philadelphia and the Commonwealth of Pennsylvania in the economic development of the region."

Mayor John F. Street views the purchase as a key component of the city plans for the redevelopment of Philadelphia riverfront areas.

"The City of Philadelphia looks forward to working with the University of Pennsylvania as it embarks on this exciting redevelopment of one of the City's waterfront landmarks, Street said.

The substantial investment by Penn in the existing main post office building and the 14 acres of undeveloped riverfront is just one indication of the positive impact we can have by focusing our efforts on the underutilized waterfront. This project is exactly what I had envisioned when I spoke about the need to turn our attention to the opportunities that await us along the Schuylkill River, along the Northern Delaware River and within the Navy Yard."

Under the agreement, Penn will take ownership of the site in 2007. While the Postal Service will continue to occupy parts of the main post office building as a tenant, the remaining properties and much of the main building will be available for redevelopment. Rodin explained that planning for the development of the site continues to be a joint effort among several organizations.

In the past year we have spent a considerable amount of time working with all of the major players in the Schuylkill Gateway area to form a common vision that serves Penn, the surrounding institutions and the city at large, Rodin said. Now that the agreement is finalized, we will step up this planning effort to solidify future development plans for the site