

Most local Whitehall Jewelers stores sold

IN BANKRUPTCY | Deal marks Australian firm's entry into U.S.

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Most Whitehall Jewellers stores in the Chicago area, including a store at Water Tower Place, are being sold to Michael Hill International, an Australian specialty jewelry retailer, according to media statements and reports Friday.

Michael Hill International's \$5 million purchase of 17 Whitehall Jewellers stores marks Michael Hill's entry into the U.S. market. The purchase price reflects 80 cents on the dollar for Whitehall's inventory, according to a report by National Jeweler Network.

Bankrupt Whitehall Jewellers has found a buyer for its Chicago area stores. (AP file)

Chicago is a good market for a newly arrived retailer, partly because of the geographic time overlaps between Chicago and Australia and because Chicago is a "non-coastal, dense, sophisticated metropolitan hub that a lot of retailers consider a good mix," said Chris Ellis, a partner with Boston-based investment banking firm Consensus Advisors, which is representing Michael Hill in the United States.

The Michael Hill jewelry company operates 210 stores in New Zealand, Australia and Canada.

Whitehall filed for bankruptcy protection June 23 and was slated to start liquidation sales. Any Whitehall stores that remain unsold are expected to complete their liquidation sales shortly after Christmas.

Of the 17 Whitehall stores, 15 are in and around Chicago (see list below). The other two are in Missouri.

Whitehall's bankruptcy petition listed assets of \$207.1 million against debt of \$185.4 million. Whitehall's 373 stores in 39 states include 78 purchased in April in the Chapter 11 liquidation of Friedman's jewelers.

Michael Hill is slated to take over the following Whitehall jewelry stores and one Lundstrom store:

- Water Tower Place, 835 N. Michigan Ave.

- Chicago Ridge Mall
- 241 St. Clair Square, Fairview Heights
- Hawthorn Center, Vernon Hills
- 3340 Mall Loop, Joliet
- 3333 W. Touhy Ave., Lincolnwood
- 275 Golf Mill Rd., Niles
- 4202-A Harlem Ave., Norridge
- 7501 West Cermak Rd., North Riverside
- Oakbrook Center, Oak Brook
- Old Orchard Shopping Center, Skokie
- 620 Orland Square, Orland Park
- Stratford Square Mall, Bloomingdale
- Woodfield mall, Schaumburg
- Yorktown Shopping Center, Lombard

Six Chicago area stores were not mentioned in court documents as being purchased: Evergreen Park, Calumet City, Matteson, Aurora, West Dundee and at 7601 S. Cicero in Chicago.