

CASE STUDY 4: SHUTTERED THEATER ANCHORED RETAIL REDEVELOPMENT

SANTEE VILLAGE

Santee, CA

- 100,000+ SF Retail center anchored by a closing movie theater tenant
- Acquired the property and signed a lease with Vons while in escrow for a new supermarket development



OPPORTUNITY

In 2000, an affiliate entity led this redevelopment in Santee, California. At the time the center was losing occupancy and the anchor tenant, an outdated movie theater, was vacating.

VALUE ADD

Ownership acquired the property for \$6,525,000. During escrow for purchase, ownership signed a ground lease with Vons for a new supermarket. Ownership was then able to secure approvals from the City of Santee for the new grocer's site, as well as the consent of two existing tenants, Wendy's and Kragen Auto Parts, for the development of approximately 20,000 square feet of new space. The total redevelopment required more than \$3.5 million of construction expenses.

RESULTS

The new development commanded substantially higher rents than the previous property, and the new Von's anchor tenant allowed strong leasing activity which filled the new in-line shop space. With the property near 100% occupancy, ownership sold the property in 2003 for approximately \$17 million.

Disclaimer: Information and details provided regarding PacVentures, Inc.'s capabilities, strategy, and investment track record are subjective statements, have not been audited by any third party, and are not intended to be viewed as objective. Past results are not necessarily indicative of future results. PacVentures does not assume any responsibility regarding the accuracy or completeness of the information or other items provided by PacVentures and the use of such information is at your own risk. The information in document has been prepared solely for informational purposes and is neither an offer to sell nor the solicitation of an offer to buy any security or instrument. All information is confidential and may not be reproduced without PacVentures' express written consent.