

Investec Celebrates Opening of First Ground-up Smart & Final Extra! Store and Staples at New \$17.5 Million Shopping Center in Palm Springs

Investec Real Estate announces the grand opening of the first ground-up 30,000 sq. ft. Smart & Final Extra! store in Palm Springs at Gene Autry Plaza, Investec's new \$17.5 million, 60,000 sq. ft. shopping center. The addition of Gene Autry Plaza to Investec's retail portfolio brings the company's total to nearly 2,000,000 sq. ft. of retail space in California, valued at over \$600 million.

September 28, 2009 (FPRC) -- SANTA BARBARA, CALIF. - Investec Real Estate, specializing in the acquisition, development, management and leasing of retail properties in California, announces the grand opening of the first ground-up Smart & Final Extra! store in Palm Springs at Gene Autry Plaza, Investec's new \$17.5 million, 60,000-square-foot shopping center. Located at the southeast corner of Ramon Road and Gene Autry Trail in Palm Springs, Smart & Final Extra! will join a newly opened Staples and 11,500 square feet of shop space.

"Smart & Final is a leader in discount, necessity-based grocery shopping and should perform very well through this current recession as will Staples," said Investec Real Estate's General Partner, Jim Slaughter, Gene Autry Plaza's project manager and asset manager. The new 30,000-square-foot Smart & Final Extra! Store, which will hold a Grand Opening Preview Night on October 6 at 5:00 pm, will carry a greatly expanded selection of products in key categories like produce, fresh meat, frozen foods, dairy, deli and grocery basics like cereal, yogurt, bread and snacks. There are also entirely new sections for baby food and diapers and health and beauty care.

"The development of Gene Autry Plaza further strengthens our portfolio and meets our criteria of owning and managing necessity-based, recession-resistant market/drug anchored neighborhood shopping centers located at strategic locations in thriving markets in California," Slaughter noted. This is Investec's first Smart & Final lease and fifth lease with Staples.

Slaughter said that the addition of Gene Autry Plaza to Investec's retail portfolio brings the company's total to nearly 2,000,000 square feet of retail space in California, valued at over \$600 million.

Gene Autry Plaza is part of a 60-acre retail development that includes Wal-Mart Supercenter, Office Depot, PetSmart and Lowe's Home Improvement Warehouse. Both Smart & Final Extra! Store and Staples are relocating from existing stores in Cathedral City. "Gene Autry Plaza offers Smart & Final and Staples a far superior location at an intersection with unsurpassed visibility and traffic, plus increased cross-shopping potential from the drawing power of the adjacent anchor tenants, Wal-Mart, Lowe's and Home Depot," Slaughter stated.

"Situated at one of Coachella Valley's busiest intersections, Gene Autry Plaza has more than 42,000 cars per day passing by and provides an excellent opportunity for retailers to thrive while serving customers in the Palm Springs and Cathedral City marketplace," Slaughter added.

Goody's Cafe, a successful operator of four restaurants in the area, will be opening a 3,000-square-foot drive-thru restaurant at Gene Autry Plaza. Investec is marketing the remaining

8,500 square feet of available shop space and is targeting financial institutions, cell phone stores, coffee stores, and other food users. "The corner shop buildings offer visibility, access, and anchor traffic that we feel is superior to any competitor in the marketplace," said Slaughter.

Also, in the corner plaza, Investec will unveil a bronze, life-sized statue of Gene Autry, the revered broadcasting and media pioneer and legendary singer widely known for popularizing the American Western musical and bringing professional baseball in the spring to Palm Springs.

Local architect Jim Cioffi provided the concept design for Gene Autry Plaza. KKE Architects of Pasadena, Calif. served as the project architect. The general contractor was GHA Companies of Cathedral City, Calif.

According to Kenneth Slaughter, president of Investec Real Estate, "Contrary to the general gloom about retail real estate, not all retail real estate is the same. Much of the adverse retail press has been focused on discretionary retail or the woes affecting large niche chains. In contrast, all of our existing grocery anchor tenants have shown sales increases averaging 2.9 percent over the past 12 months; Wal-Mart up 7.2 percent; Albertsons' parent company SuperValu up 0.1 percent; Raley's even; Vons' parent company Safeway up 4.3 percent. Drug store sales are up 1.5 percent over the same period (CVS up 14.6 percent). With the grocery and drug stores typically accounting for approximately 60 percent of the leasable area of our centers, we are confident of gross sales increases at all our shopping centers."

Traffic and sales are increasing at Investec's necessity-based shopping centers as consumers return to basics by eating at home more often and by searching our discount retailers for bargains. "Knowing this type of real estate in California, particularly Coastal California, is performing well during this severe downturn, has us excited about the future," Slaughter stated. "We plan to continue buying the same type of properties in Coastal California, but during the next few years, we are going to have a once-in-a-generation opportunity to buy this exclusive asset class at below replacement cost."

For more information about Investec's acquisition criteria, please contact Jim Slaughter at 805-962-8989 or jims@investecre.com.

ABOUT INVESTEC REAL ESTATE

Since its inception in 1983, Investec Real Estate has handled more than one billion dollars in real estate transactions. Having thrived in one of the nation's most competitive real estate markets for more than two decades, Investec remains ideally positioned for continued growth in this dynamic and challenging industry during turbulent economic times. Investec's current portfolio includes more than three million square feet of commercial properties under management in California including shopping centers, office buildings and self-storage facilities. Investec's acquisition and development strategy is primarily focused on necessity-based, recession-resistant market/drug anchored neighborhood shopping centers. For more information, call 805.962.8989 or visit www.investecre.com.

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