

PRUNEDALE SHOPPING CENTER

Salinas, CA

PROJECT DESCRIPTION

The City of Prunedale, near Salinas, California was underserved in local shopping alternatives for its residents. Drake Property Group undertook the basic market / demographic research to test the commercial viability of the project, planned and pre-leased the Center and managed its construction through final lease up in 1987.

The site was particularly challenging in that it required construction of an interchange and access roads from Highway 156 and Hwy 101. Local environmental conditions required that the developer draw its water supply from some 400 feet below ground and undertake to elevate the grade on the west end of the Center approximately 30 feet over the existing grade.

The Center was anchored by Safeway and Long's Drugs and included 24,000 sq. ft. of retail shops. Drake Property Group worked with underwriters to structure unusual takeout financing based on a bond issue guaranteed by a letter of credit from a major overseas bank.

Drake delivered a full service acquisition / construction / leasing and takeout package to the property owner, a passive investor.

PROJECT FACTS

Building area	104,000 sq. ft.
General Contractor	Midstate
Anchor Tenants:	Safeway Stores and Longs Drugs, Inc.
Developer Entity	Prunedale Properties LP
Funding:	\$24,000,000
Construction Lender	Tokai Bank
Takeout Guarantor:	Tokai Bank

