

Gramor, New Seasons strike again

Signing retailer was critical to shopping center

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Progress Ridge TownSquare would not have opened without New Seasons as an anchor tenant.

"The thing about New Seasons is their customers shop every day,"

said Barry Cain, co-founder and president of Tualatin's Gramor Development.

Gramor invested about \$100 million to construct the 325,000-square-foot shopping center on the Beaverton-Tigard border. It opens Sept. 14.

New Seasons will occupy 40,000 square feet of leased space — enough to showcase its entire 30,000-item inventory. Cain said

The center's service-oriented tenants will benefit from the traffic generated by the grocery store.

Gramor and New Seasons have teamed three times — at Happy Valley, Progress Ridge and Fisher's Landing, which opens later this year on Vancouver's east side.

Lisa Sedlar, president of New Seasons, said the Progress Ridge store answers demand from the market, as will Fisher's Landing. Each store will employ about 175. Together, they will push its payroll to about 2,200.

The Progress Ridge store is Portland-based New Season's 11th.

Nearly 90 percent of the space at Progress Ridge is leased through its leasing agent, Real Estate Investment Group. The strong leasing performance helps validate Gramor's decision to proceed with a series of ambitious retail projects despite the recession.

Gramor typically leverages private equity and bank loans to construct grocery-anchored retail centers.

Leasing agent George Diamond, who helped Gramor buy the land a decade ago, said Progress Ridge fills an unmet need in the Beaverton area for a destination that mixes shopping and entertainment.

"There was nowhere for people to go," he said.

It's been a busy summer for Gramor, which defied recession trends and launched four projects collectively worth more than \$230 million in the past two years.

In July, it opened Wilsonville Old Town Square, its



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New Seasons President Lisa Sedlar, left, and Gramor Development President and co-founder Barry Cain go over plans at New Seasons' new Progress Ridge location.

200,000-square-foot Fred Meyer-anchored shopping center adjacent Interstate 5.

It is putting the finishing touches on its Fisher's Landing project on Vancouver's east side and is working on an ambitious effort to reconnect downtown Vancouver to its waterfront by redeveloping the former Boise Cascade property.

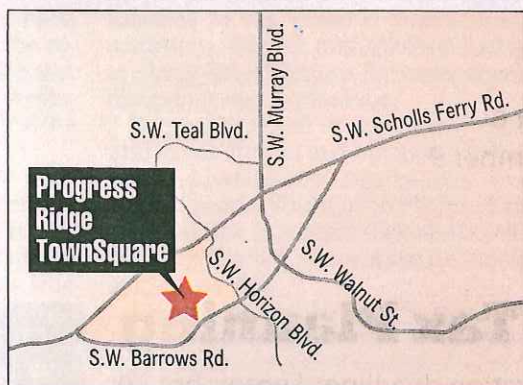
Progress Ridge is the most ambitious. Cinetopia, an upscale 14-screen movie theater, opened in June. New Seasons Market opens Sept. 14. The balance of

its signed tenants will open the weeks that follow.

The flurry of leasing activity confirms what Kidder Mathews noted at mid-year: Portland's 112 million-square-foot retail sector is seeing positive activity.

Citywide, the retail vacancy rate is about 5.9 percent, down slightly from the first quarter and its lowest level in two years, according to Kidder Mathews' second quarter statistics.

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Aequitas CEO Jesenik reflects on court victory

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One business day after his firm won a major court victory, Aequitas Capital Management Inc. CEO Bob Jesenik on Tuesday said he remains focused on the firm's growth plans.

The Lake Oswego-based investment firm last Friday won \$1.7 million in judgments against Culver City, Calif.-based CashReady LLC

fraudulently entered the contract to buy loans because it didn't have \$50 million in cash at the time the deal closed. CashReady's attorneys argued that had the company known the cash wasn't immediately available it would have slashed overhead expenses instead of burning through operating capital. The company is no longer operational.

Before the trial



and education. It's put together \$2.5 billion in deals in its near 20-year history. Its investors include family businesses, wealthy individuals and institutions.

"This was really a small transaction to us in the scheme of all that we do," said Jesenik, who's one of the area's most prominent CEOs, having served on several high profile boards, such as those of Greater Portland Inc. and Special Olympics Oregon.

in loans neared, Aequitas focused on raising the money from Varde Partners, according to CashReady's lawyers. As the closing date for the deal neared, Varde decided not to invest, forcing mad scramble to find the cash.

Aequitas disputed that it promised CashReady it would have \$50 million in the bank the day the agreement was signed.

"From mid-2009 to mid-2010, Aequitas raised funds, including