

in the NEWS

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Village Walk *Where it all comes together*

MURRIETA, CA - A few years back, The City of Murrieta had a catch phrase that stated: “*Murrieta: Where it all Comes Together.*” Today, the Rancon Group, under the direction of Village Walk Square LLC, is helping bring that phrase to fruition with a life-style centric promotional center that will bring people together in a village-like, multiple-use environment.

Village Walk is a 60-plus acre master-planned, phased development that includes a corporate center with Class A office space, a 453-unit luxury apartment complex and a 320,000 square foot retail center that will raise the bar for retail centers in the area.

“We have set out to create something special for the citizens of Murrieta,” says Judy Rosen, Rancon project manager. “Our intent from the start was to work on a human scale within all aspects of the project. That means creating environments where people feel comfortable. **Village Walk Plaza** is a cross-shopping promotional center where people will be encouraged to park once and walk through a village of stores, restaurants and specialty boutiques.



Grading has begun on Village Walk Plaza and Village Walk Murrieta Senior Apartments.



Artist rendering of Village Walk Plaza, an up-scale shopping/promotional center located in the heart of Murrieta.

Village Walk Square includes a first class restaurant, bank and a class A, three-story office building, which is now Rancon’s official headquarters. **Village Walk Murrieta** is an upscale senior apartment complex. With the **Village Walk** master plan, we are going beyond just creating “spaces” for businesses and residents; we are creating a premier center that reflects the value people are looking for today in Murrieta.”

Location, Location, Destination

Village Walk is located along the I-15, north of Kalmia and west of the freeway, and includes more than a mile of freeway frontage. Rancon has worked diligently with city counsel, city planners and city leaders to develop a project that mirrors the city’s master plan while meeting the needs of the city. The



project includes some major infrastructure improvements such as a new freeway interchange at Kalmia / Cal Oaks and I-15, and two new roads. Village Parkway will provide access at the southwestern side of the project and includes a bridge across one of the Murrieta Creek tributaries. Village Parkway will intersect with another new road, CenterPointe Court at the northern border of the project. CenterPointe Court will provide access to the residential portion of the project and serve as an east-west connector to Jefferson Avenue.

As part of the project agreement, The City of Murrieta will acquire a land area at the northeast corner of the freeway and Kalmia that will become a new, improved ramp system. In addition, Rancon will finance some \$1.3 million in road improvements for Jefferson Avenue.

“We know that any successful project depends on a solid infrastructure with good circulation,” says Dan Stephenson, founder of Rancon. “To ensure that, we reserved property to improve the freeway interchange, which would not have been a requirement to build the project. We’ve also chosen one of the premier shopping center development firms in the country—the Arthur Pearlman Corporation--to design the retail portion of **Village Walk**. Our philosophy is to create a destination, rather than just big boxes that sell products.”

Phased Elements Combine Business, Retail, Residential

Village Walk is being built in three phases. Phase I, which is nearing completion, represents the “corporate” vision of the project. **Village Walk Square** is located at the intersection of Kalmia and I-15 and is adjacent to the new Village Walk Drive. It includes a corporate center, a bank and an upscale restaurant. The completed **Village Walk Corporate Center** features dramatic exteriors and stylized lobby decor in a 35,000 square foot, three-story office structure. The landmark corporate center is the first Class A Office structure in Murrieta. Community National Bank opened in October. Grading for RJ’s Sizzling Steer began in December.

Village Walk - A Phased Development

Phase I - Village Walk Corporate Center
 3-story, Class A Office Building - Completed 12/03
 Community National Bank - Completed 10/04
 RJ Sizzling Steer Restaurant - Under Construction

Phase II- Village Walk Plaza
 320,000 square foot Retail Plaza - Now Grading

Phase III- Village Walk Murrieta
 453-unit Senior Apartments by Cameo Homes - Now Grading

According to Rosen, the remaining second and third phases of **Village Walk** will be developed simultaneously so that the construction of residential and commercial components won’t interfere with each other. The total cost of the shopping center portion of the project is estimated at \$52, million. A construction loan from The Bank of the West was secured in December by Village Walk Retail, LP, which is the development entity for the shopping center. Grading for both the retail and residential phases began in December. Vertical construction is scheduled to begin in August of 2005 with a grand opening anticipated for March of 2006.



The **Village Walk Plaza** will be a premier promotional center designed with lifestyle in mind. This regional center is designed to draw people within five to 20 miles away and will include a mix of large tenants, specialty businesses, and restaurants. According to Art Pearlman of the Arthur Pearlman Corporation, **Village Walk Plaza** will give shoppers a “sense of place” with artfully designed facades, and numerous outdoor amenities. The design guidelines call for “four-sided” architecture which means that all four sides of a building will be aesthetically pleasing.

As of December, 2004, approximately two-thirds of the 320,000 square feet of retail space was in final negotiations. Leases have been signed with Levitz Furniture, Babies R Us, Bed Bath and Beyond, PETCO, Famous Footwear, Sports Authority, Office Depot, David’s Bridal, Verizon and Lakeshore Learning Center. According to Pearlman, letters of intent are now being negotiated with many other tenants. In fact, it is expected that the center will open in March 2006 with a 100 percent lease up.

Generating Revenue for Generations to Come

The retail portion of **Village Walk** is expected to generate \$41 million in first generation construction. Once the center opens, and lease up is completed, sales revenues are expected to top \$100 million per year.

Village Walk Plaza is expected to create approximately 800 full-time jobs and about the same number of construction jobs, which will last 14 to 16 months.

“This is a very exciting time for our company and both in terms of the relationship we have created with the City of Murrieta as well as the relationship we’ve developed with Dan Stephenson and Rancon,” says Pearlman. “It started about four years ago with a simple handshake, and today we are building a project. The best kind of business starts with a handshake as well as mutual trust and admiration. We enjoy working with Rancon and look forward to future projects.”

Senior Residential Lifestyle

Village Walk Murrieta will be a 453-unit luxury apartment complex designed for a senior lifestyle. Under development by Cameo Homes, the project will feature numerous amenities and walking access to **Village Walk Plaza**.

Putting it All Together

“**Village Walk** is a unique project in that it is master planned,” says Rosen. “We have been working with the City of Murrieta for more that three years to ensure that all the components work together. This is not a case where there was one approval for an office building, one approval for a retail center and another for residential. We know that a good project begins with good planning, and with the help of city planners, premier developers like Cameo Homes, the Arthur Pearlman Corporation and lots of local input, we are putting it all together for the future generations of Murrieta.

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