

FOR IMMEDIATE RELEASE

850,000 sq. ft. BALDWIN HILLS CRENSHAW PLAZA MALL
purchased by
Baldwin Hills Crenshaw Plaza, LLC and Del Norte Plaza, LLC,
both related entities of
HAGER PACIFIC PROPERTIES

Los Angeles, CA - March 31, 2003

Hager Pacific Properties (www.hagerpacific.com), through two of its related entities, completed the acquisition of the 850,000 sq. ft., 42.8 acres, BALDWIN HILLS CRENSHAW PLAZA MALL, located at the intersection of Crenshaw and Martin Luther King Boulevards in Los Angeles, California, from **PAN PACIFIC RETAIL PROPERTIES, INC.** for approximately \$68,000,000.

As part of the transaction, a related entity of **Hager Pacific Properties** sold to Pan Pacific the 231,000 sq. ft. Del Norte Plaza Shopping Center in Escondido, California for \$33,000,000. Mr. Reza Etedali with Reza Investment Group, a retail division of Sperry Van Ness in Newport Beach, represented all parties in both transactions (www.gowithreza.com).

The Baldwin Hills Crenshaw Plaza Mall is one of the largest enclosed regional shopping malls in Los Angeles. It is home to the first ever three story Wal-Mart store in the country. The Wal-Mart store opened in January 2003 to record sales of approximately 40% above expectations, which put this urban location among the top Wal-Mart stores nationwide. This location is a non-traditional store for Wal-Mart because instead of building its own store, Wal-Mart retrofitted an existing location (a former Broadway department store which had been vacant for nearly four years) because of the attractiveness of the central location of the Mall. Since the opening of Wal-Mart the majority of the tenants in the Mall have been reporting significant increases in sales volume.

The Baldwin Hills Crenshaw Plaza Mall is also home to the 15 screen Magic Johnson Theater, which opened in 1995, Robinsons-May, Sears and Albertson's stores. In addition, there are over 100 specialty stores including such nationwide chains as TJ Maxx, Walden Books, Hollywood Video, Radio Shack, Footlocker, Kay Bee Toys, The Wherehouse, Payless Shoes, Lane Bryant, Lerner Stores, Forever 21, Bath & Body Works, See's Candy, Footaction USA and a Disney store. The mall also has a large food court to serve a wide variety of tastes with such large restaurant chains as McDonald's, Taco Bell, Subway, Panda Express, Sizzler and Fatburger. In addition, **Home Town Buffet** is scheduled to open a restaurant at the mall later this year.

The Baldwin Hills Crenshaw Plaza Mall also serves as community center for the Baldwin Hills area. It is home to the annual Pan African Film and Arts Festival (which draws over 100,000 people each year) and the Martin Luther King, Jr. Parade as well as other community events. In addition, there is a Museum of African American Art located on the third level of the Robinsons-May store and the African Marketplace Boutique on the second mall level. As an added convenience to the community the mall has a post office, gas company payment center, Army Recruiting Center, LAPD substation and a MTA service center.

When completed in 1988, the Baldwin Hills Crenshaw Plaza Mall was the first project undertaken by the Los Angeles Community Redevelopment Agency (LACRA). In 1995 the LACRA participated in adding the first Magic Johnson Theaters in the nation to the mall. As part of the acquisition, **Hager Pacific Properties** assumed the existing \$30,000,000 Industrial Revenue Bonds financing originally funded via the LACRA. Due to the success of the redevelopment of the mall, the LACRA is now working on three additional redevelopment projects within the Crenshaw area including the \$123 Million Marlton Square Project located immediately west of the Mall.

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HAGER PACIFIC PROPERTIES with offices in Los Angeles, Encino and Newport Beach, is headed by veteran real estate entrepreneurs, David Hager, Adam Milstein and Robert Neal. Among their related entities, they own and manage approximately 8 million square feet of industrial and commercial property and about 3,000 apartment units throughout Southern California. **They invest heavily in Southern California because they believe in the region's future and take their acquisition of Baldwin Hills Crenshaw Plaza Mall as a serious commitment to the community.**

Hager, Milstein and Neal recently completed the purchase of several large industrial buildings, including the 488,817 sq. ft. previous Heilig Meyer warehouse and distribution facility in Hesperia, California. During the last several years, they have been on a state wide acquisition campaign at the rate of approx. one million sq. ft. annually and fully expect to continue buying at that pace.

Hager Pacific Properties has awarded the management of the Baldwin Hills Crenshaw Plaza Mall to **The Festival Companies** of Los Angeles. The Festival Companies, headed by veteran real estate developers, Mark and Rosalind Schurgin, have built a solid reputation for innovation and quality in the retail and commercial real estate business and have handled such local centers as the Thousand Oaks Promenade, Westchester Village, Buena Park Mall and the El Monte Town Center.

For additional information on this significant transaction, please contact David J. Hager at (323) 653-2000, Adam Milstein at (818) 905-3200 or Reza Etedali at (949) 250-4100.