

# Rivercrest Sets Its Sights On High Quality Real Estate

by Joe Dyton

Raleigh, NC based Rivercrest Realty Investors was founded in 1967. The company is family owned and operated and specializes in the acquisition, long-term ownership and management of apartments, shopping centers and office buildings throughout the eastern United States. Since its inception, Rivercrest has assembled a portfolio of assets from Syracuse, NY to Clearwater, FL that encompasses more than 2.5 million sq.ft. of retail space, eight office properties and 1,200 apartments.

Rivercrest's investment strategy focuses on both current yield and future appreciation, yet each acquisition is approached individually. The search for property acquisitions begins and ends with high quality real estate; properties that are well located, appropriately designed, soundly constructed and suitable to their local markets. Shrinking capitalization rates and its focus on core real estate fundamentals, however, has not prevented substantial growth; the company has added more than 35 properties to its portfolio in the last three years alone.

This investment strategy is not based simply on acquiring high quality real estate, but also by creating value through first-rate management of those assets. Rivercrest manages every property it acquires, and does not undertake third-party management, preferring instead to focus all of its attention on its own assets. The reward for intensive and effective property management has been consistent returns on investment and steady property appreciation. This approach has been validated by nearly four decades of success in all economic seasons.

Rivercrest usually looks for dominant supermarket-anchored centers throughout the mid-Atlantic and southeast regions. Candidates for acquisition include shopping centers that are shadow-anchored by Wal\*Mart Super Center, Super Targets or other major retailers in markets spanning from Maryland to Florida. The company currently operates 45 shopping centers, totaling 2,792,915 sq.ft. Rivercrest boasts an extensive list of tenants, which include Aaron Rents, Gamestop/EB Games, Rent-A-Center, Advance America, GNC, Rent-Way, Atlanta Bread Company, Goody's Family Clothing,

Sally Beauty/Davidson Beauty, Bi-Lo, Hibbett Sports, Shoe Show/The Shoe Dept., Blockbuster, H&R Block, Simply Fashions, Catherine's, LA Weight Loss, Staples, Cato/It's Fashion, Lowes Food, SteinMart, Check Into Cash, Maxway, Supercuts, Citi Trends, Movie Gallery, The UPS Store, Dollar Tree, Office Depot, TJ Maxx, Eckerd, Payless Shoes, Ultra Tan, Family Dollar, Pier 1 Imports, Fashion Bug, Pizza Hut, Food Lion, Popeye's, Friedman's Jewelry and Radio Shack

Rivercrest began acquiring a portfolio of shadow-anchored Wal\*Marts and grocery-anchored shopping centers in the summer of 2003. The company purchased 16 Wal\*Mart Supercenters from one of the largest Wal\*Mart developers in the southeast – Wyatt Development. The properties were located throughout GA, MD, NC, SC, VA and WV. In 2003, Rivercrest also purchased a shopping center anchored by Food Lion and Steinmart in Myrtle Beach, SC.

The company's growth continued in 2004 and 2005. It purchased a portfolio consisting of an additional three Wal\*Mart Supercenters from Edens & Avant. These shopping centers are located throughout GA, SC and VA. In 2004, Rivercrest also acquired a Kroger-anchored shopping center in Raleigh, NC and a strip shopping center in Charlotte, NC. In 2005, it purchased two grocery-anchored shopping centers – one anchored by Food Lion, Kmart and Pier 1 in Durham, North Carolina and the other anchored by Bi-Lo in Lexington, South Carolina. Rivercrest also acquired a T.J. Maxx anchored center in Greenville, SC.

Some of Rivercrest's acquisitions include Westwood Plaza, an 83,200 sq.ft. center located at the intersection of Highway 72 Bypass and Center Street in Greenwood, SC and anchored by Goody's, Cato and Dollar Tree. It is also shadow anchored by Wal\*Mart Supercenter. The company also owns Southpointe Plaza in Augusta, GA. The 34,849 sq.ft. center is anchored by Dollar Tree, Cato and a freestanding Popeye's. Rivercrest's portfolio also includes the 107,215 sq.ft. Timberlyne Shopping Center, which is located in Chapel Hill, NC. The center is home to Food Lion, Eckerd Drugs and the U.S. Post Office. Other properties Rivercrest controls include the Boiling Springs Center, Southside

Commons, Haywood Plaza, Hillview Plaza and Northwood Plaza in SC; East River Plaza in Princeton, WV; Ridgeview Plaza, Garber's Crossing, Mountainview Plaza, Peppers Ferry Centre and South Boston throughout VA; Southtowne Commons and Landover Crossing in MD and Coral Island and Tottenville Square in NY.

In October, Rivercrest acquired Parkway Plaza from CB Richard Ellis for \$14.15 million. The 154,227 sq.ft. shopping center is located at 4215 University Drive in Durham, NC. Kmart and Food Lion anchor the center. Cotenants include Pier 1 Imports, Dollar Tree, The Athlete's Foot, Sally Beauty, Radio Shack, Hallmark and GNC.



**Vijay Shah**  
RiverCrest Realty Investors

Vijay Shah is one of the key players in Rivercrest's arsenal. The 19-year real estate veteran is responsible for leasing shopping centers and the acquisitions of new properties. Prior to working with Rivercrest, Shah worked in southern CA where he

focused on retail real estate acquisitions and development projects. In 1996, he began working with Advantis where he handled retail investments and sale-leaseback opportunities. Shah joined Rivercrest in 2003.

Rivercrest is always in the hunt for new properties, especially those with attractive cap rates and yields. The company pools money to generate the capital to acquire retail centers, apartments and office buildings along the east coast. The company expects continued growth in 2006. It will close on 10 retail centers by the end of the first quarter. Rivercrest's acquisitions will include a portfolio of nine Wal\*Mart centers purchased from Edens & Avant. These shopping centers are located in DE, MD, SC, NC and VA and a Lowes Food and Eckerd anchored shopping center in Advance, NC

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