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55 YEARS

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## **Company of the Month: With over 35 years of experience in real estate, RK Centers has a proven track record of success**

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/MIAMI, FL RK Centers was started by Raanan Katz. He started out his career as a basketball player in Israel, but in the 40 years since he retired from his playing days, Raanan Katz has been leasing, managing and developing commercial and residential real estate. In the early 1980s, after acquiring over 2,000 apartments in the Boston area, he transitioned his focus from residential to commercial real estate and has since grown his portfolio to over 40 commercial properties, totaling over 6 million s/f of retail space and about 100,000 s/f of office space. Raanan's pride in maintaining top quality shopping centers is evidenced by his personal "signature" emblazoned on each building with the initials "RK" alongside the unique company basketball logo.

The signature basketball RK Centers logo and RK initials have become a beacon for shopping center patrons and prospective tenants. When a patron or prospective tenant sees the "RK logo" on the side of a building or the basketball logo on the pylon sign, they expect to enter a well maintained and attractive shopping center. According to Raanan Katz, "The RK logo is distinctive; our prospects know they are getting a professionally maintained center that will be clean and inviting. I personally visit the properties on a regular basis to ensure that our centers are top quality." The RK Centers brand has grown and evolved over the past 40 years, but the "RK Way" of shopping center management and maintenance has been a constant.

Katz has guided the company with a steady growth rate which has withstood numerous market cycles. His "hands-on" approach and conservative borrowing practices have resulted in a portfolio of first-class properties with an extremely low debt structure. With a focus on open-air community and regional shopping centers in New England and South Florida, the company has aggressively acquired about 1,737,676 s/f of retail space in the past 7 years. The past 3 years represents 984,166 s/f of stable growth. The company is proud to have surpassed the 6 million s/f mark with the latest round of New England acquisitions that included 460,694 s/f in Pembroke, Mass., 65,000 s/f in Foxboro, Mass., 160,000 s/f in North Reading, Mass., and 159,989 s/f in Raynham, Mass..

The Pembroke acquisition of North River Plaza and Pembroke Square are a great testament to the "RK Way." The tenant mix between the two centers included Kohl's, Stop & Stop, Staples, 99 Restaurant, Friendly's Restaurant, Au Bon Pain, Staples, and Sleepy's, but a strong effort was needed to round out the tenant roster. Since the acquisition the "RK Way" has been fully executed. The "RK Way" was described in detail in the August 24, 2012 NEREJ article, "How Raanan Katz's basketball logo tells a story and represents the RK Centers' brand."

The leasing and construction teams hit the ground running working in great synergy to execute the "RK Way." It has been about 18 months since RK Centers closed on the Pembroke properties. The construction team has transformed RK North River Plaza by adding a new façade, improved landscaping, and renovated pylon sign. The leasing team has added a 12,500 s/f Petco, GNC, Star

Nails, Fit WORX, and Yogurt City to the tenant roster leaving just two available spaces of 2,650 s/f and 3,250 s/f.

Across the street at RK Pembroke Square, RK Centers recently received approval from the town of Pembroke for the proposed redevelopment plan. The leasing team once again worked side by side construction team to get two new pad buildings approved and leased on the property. The approval included removal of an existing building that housed Au Bon Pain and Rockland Trust ATM. Construction is now underway for the new pad buildings. In these buildings, RK Centers is excited to welcome Panera Bread and Taco Bell. The property will also have a free standing Rockland Trust ATM. The 99 Restaurant, Friendly's, Sleepy's and the other tenants will remain.

While RK Centers has fewer than 30 employees completing all the leasing, property management, accounting, legal and development roles for the over 6 million s/f of retail space, the company's growth could not have been accomplished without this team of dedicated first class professionals. With the business being family owned there is a limited amount of management layers enabling the staff to work together in non-traditional ways. Tasks like rent collection and tenant relations are not pigeon holed to one staff member, those tasks are everyone's responsibly.

Technology has also played a role in the efficiency of the team and the ability for RK Centers to maintain a lean staff. Investing in first class infrastructure gives office and field staff access to company information remotely on 4G enabled Apple iPads, remote energy management system access, and even septic system monitoring via 4G mobile data cards with Cradle Point routers.

With a stable business model utilizing a minimal amount of leverage, RK Centers is poised to acquire additional properties as they continue to grow their portfolio. The commitment to that growth can be seen in the fact that they typically close on acquisitions in less than 30 days with their own funds; thereby eliminating the need to obtain financing.

With over 35 years of experience in real estate, RK Centers has a proven track record of success with tenants, customers and the communities in which we operate. All of RK Centers' leasing and management is performed in-house by company staff.

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