

# Factory Stores at Y sold – major changes coming

By Kathryn Reed

More than \$1 million is about to be infused into the Y in South Lake Tahoe.

Sutter Capital Group based in Sacramento last month bought the Factory Stores at the Y.

But don't expect discount stores to fill the empty spaces. Owners want to revamp this prime piece of real estate that has 51,811-square-feet of leasable space.

"Factory stores are outdated for that location," Burke Fathy, general manager of the ownership group, told *Lake Tahoe News*.

The vision is for a mixed-use retail center that will include a restaurant that would be family friendly.

"Our business plan is to renovate, reposition, rebrand the property, to reinvigorate it and stabilize the assets," Fathy said.

With 33,000 cars passing by the property each day, the location is one of the main things that attracted the real estate management firm.

The owners also want to capitalize on the area plan that is in the works for this section of town. A greenway is planned for behind the center where a revamped bike path exists.

Fathy said it's possible to knock out the vacant section of the building where the L connects so people using the greenway would have access to the center. Then that square footage may be relocated elsewhere on the property.

Owners hope the more than \$1 million worth of improvements will begin this summer.

Fathy would not divulge what the sale price was. For several years Wells Fargo Bank has owned the center because former owners Shannon Casteel and Nancy Irmer defaulted in 2012. At that time the sisters owed more than \$8 million.

In 2004, they bought the center from their brother, Gary Casteel. He still runs Heavenly Village.

Fathy wouldn't say if the few remaining stores will have a future in the revitalized center, but added, that they've managed to survive this long, so they might thrive going forward. (Izod and Van Heusen closed in December.)

When Big 5 opened in spring 2013 the company signed a five-year lease with an option for 20.