

## Slow Growth in High Desert Excepted In 2013

Macy's to trigger traction for other businesses

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The Victor Valley is expected to continue growing slowly in 2013 thanks to the economic recovery nationwide and in other parts of Southern California, according to local commercial real estate brokers.

Economic recovery in Southern California usually begins in urban areas along the coast and spreads like a wave, said Donald Brown, president of Lee & Associates Commercial Real Estate Services. When the market gets saturated and pricey in these areas, businesses start migrating inland in search of a cheaper place to operate.

"We are seeing some real positive absorption in the coastal areas, and it's starting to happen along the I-10 and 60," Brown said. "They are starting to fill up. ... We're seeing the lease and sale prices starting to move up toward the coast."

Joseph Brady, president of The Bradco Companies, said it's easier for businesses to make decisions now that the national and local elections are over.

"Now we know who we have as a president. No more guessing about what could happen," Brady said. "Now the only uncertainty left is what's going to come out of the fiscal cliff."

One addition to the Victor Valley most residents are excited about is the opening of Macy's in the Mall of Victor Valley. The company announced that the grand opening will be held March 20.

"It added a lot of confidence to our market in 2012 even when the store was not open," said Jason Lamoreaux, president of Coldwell Banker Commercial. "When Macy's go into a market like this and if they are successful, you'll see other retailers coming into the market. It's like a domino effect. Macy's has given traction in the market here."

Lamoreaux said his office has seen an increase in calls inquiring about the area.

Crazy 8 is scheduled to open a store in the mall in late January or February, according to Eddie Hernandez, the mall's marketing manager. The mall is still looking for a tenant to fill the former JCPenney site, Hernandez said Friday.

Panera Bread is constructing a new cafe in the Dunia Plaza shopping center at the southwest corner of Bear Valley and Amargosa roads. The 4,200-square-foot drive thru is expected to open early 2013.

"It's representative of national chains now looking at the Victor Valley, realizing that this is an active and viable market for them," Lamoreaux said.

Although he couldn't disclose specific names, Lamoreaux said he expects the High Desert Gateway and Jess Ranch shopping centers to get a few new sub-major retailers coming in next year.

"Retailers are expanding, vacancy rates are moving down, which tells us there's consumer confidence and optimism," Lamoreaux said. "We're in the recovery mode."

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**UNDER CONSTRUCTION:** Mall of Victor Valley customers walk by the new Macy's store under construction and scheduled to open in the spring of 2013. The store is one of the larger improvements to the retail business of the Victor Valley coming in 2013.