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INVESTMENT BUDGET OF TERRA CITY SHOPPING CENTER REACHED €150-MILLION

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With its 120,000 square meters construction area, it will be the largest shopping center in Antalya

ISTANBUL – Dr. Frithjof Fuchs, founder-partner of EriaPartners, announced the total investment cost of “Terra City” shopping center to be built in Antalya to have reached 150 million euros.

Speaking at the press launch of TerraCity Project, Fuchs claimed that the project to be realized by EriaPartners and its foreign investor Pramerica Real Estate Investors would be the largest shopping center project to be developed by Turkish banks since the beginning of the financial crisis.

Fuchs, noted that considering the 120,000 square-meter construction area of the project to be built in Lara district of Antalya with 48,000 square meters of gross leasable area, that includes 140 stores, the shopping center would be the largest of its kind in Antalya.

Adding that the total investment cost of the shopping center had reached €150 million, Fuchs then said that he believed the inclusion of investors and financial institutions in this project in Antalya to be a sign of the recovery and shall initiate the bank project financing for outstanding projects in Turkey, which was previously on hold for a while.

Fuchs explained that EriaPartners, local partner the project, and owning 5% share in the investment, would be responsible for the development of the project, and also that EriaPartners had already invested more than 500 million euros in Turkey.

Dr. Frithjof Fuchs, also said that they had observed a sign of recovery in the Turkish markets, notably in the real estate market, and that they believed 2010 would be a much better year than 2009.

First ever investment of Pramerica in Turkey

Burhanettin Yurtseven, General Manager of Pramerica Türkiye, said that this project 95% of, which they had financed, is a sign of Pramerica’s long-term commitment, and an indication of its other investment plans in Turkey in the near future.

Yurtseven, pointing out that a worldwide portfolio of US\$44 billion was under the management of his company, stressed that this is Pramerica’s first investment in Turkey.

Saying, “We want to generate long-term projects, and wish to be an enduring entity in countries where we have made significant investments, Yurtseven went on with the words, “With an investment of about US\$100 million, we have started building summer villas in Bodrum. This will be a long-term investment. We shall also have an elegant project in central Istanbul. Our present portfolio in Turkey with amount of ~US\$600 million, is aimed to reach up to US\$ 1 billion in the near future.

Aytek Şavkan, a co-partner of EriaPartners, underlining that Antalya was one of the fastest developing metropolitan towns in Turkey, added that 40% of 25 million tourists annually arriving in Turkey preferred Antalya as their destination.

Şavkan, commenting that regular growth in GNP and increase in population rendered Antalya, economically speaking, one of the most interesting cities in Turkey. He added that 1.9 million permanent residents caused Antalya to be highly desirable in terms of retailing sector as well as tourism. Moreover, demand for housing units turns Antalya into a very attractive province in terms of future investments.

Employment for 1,500

Şavkan, remarking that they had come up with special project for Antalya, emphasized his way of thinking with the words, "When this project is completed in mid-2011, it will provide jobs for 1,500 people, and with 10 million visitors per year, it will contribute quite a bit to the economy of Antalya, and indeed, of Turkey.

Şavkan, disclosed that 50% of the investment at Terra City was funded by equity, and the remainder through the loans extended for the project.

Speaking of the features of Terra City, Şavkan had this to say:

"Terra City was enriched by pleasant catering spaces such as the food court and terrace, playgrounds for children between the ages of 3 to 14 where activities, each more entertaining than the other will be available, an assortment of stores selling wares presenting national and international trademarks, a supermarket, an electronics market, and a 9-hall cinema complex, the biggest in Antalya. Terra City, boasting a parking space for 1,400 cars, and a large terrace featuring restaurants and cafés overlooking the peerless landscape of the surrounding area will offer visitors the pleasures of open-air atmosphere and the experience of a shopping center distinct from all others.

Andreas Hohlmann, General Manager of ECE Türkiye, which will undertake leasing and management of Terra City shopping center, remarking on the high purchasing power of Antalya citizens, continued with, "Perhaps, we shall see international trademarks for the first time in Terra City that have not yet opened shop anywhere else in Turkey".

Enis Öncüoğlu, General Manager of Öncüoğlu Mimarlık that operates the architectural aspect of the project, pointing out that his company was presently running the architectural operations of 14 shopping centers in Turkey, added that they had chosen natural materials indigenous to the region for the construction of the Terra City shopping center.

Öncüoğlu emphasized energy and water saving features of the shopping center through the employment of special systems.