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Cinemark will open 14-screen theater in South Austin

Multiplex is first entertainment venue in massive Southpark Meadows retail development.

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Cinemark USA Inc. will double its presence in the Austin area in the next 18 months.

The Plano-based theater chain announced Thursday that it plans to open a 14-screen movie theater at Southpark Meadows, a giant South Austin retail center that is quickly becoming a retail juggernaut in the rapidly growing area.

It will also open a multiplex in Round Rock at Interstate 35 and Chandler Road, near the Chelsea Outlet Mall under construction, in August.

The company previously announced it is adding two other multiplexes to Central Texas: one in the Wolf Lakes development in Georgetown and one in the Hill Country Galleria in Bee Cave.

Cinemark now operates four movie theaters in the Austin area, including one in Pflugerville and one in Round Rock.

The company recently signed a lease to open a 46,000-square-foot cinema in Southpark Meadows, expected to open on the development's south side in March 2007.

"Cinemark will add an entertainment component to the center that we've wanted to add for a long time, so we're thrilled," said Chris Ellis, principal with Southpark developer Endeavor Real Estate Group. "They'll bring the latest in stadium seating theater technology and really kick off the third phase of the project, and we hope they will be the first of several entertainment-oriented tenants."

It is unclear whether the chain's location nearby, Tinseltown 17 just north of Stassney Lane, will remain open. Cinemark did not return phone calls Thursday.

At Southpark Meadows, Cinemark is expected to be a major traffic generator at the 425-acre retail and residential development at I-35 and Slaughter Lane. It will not, however, be the largest tenant.

Wal-Mart Stores Inc. has opened a 206,000-square-foot supercenter fronting I-35, and J.C. Penney Co. Inc. has leased 99,000 square feet in the northern portion of Southpark Meadows.

Others on the tenant roster include: Circuit City; Bed, Bath & Beyond; Rooms to Go; Firestone Tires; Ashley Furniture; Hobby Lobby; Office Max; Ross Dress for Less; T.G.I. Friday's; Johnny Carino's; Chick-fil-A and Wachovia Bank. Bassett Furniture recently signed a lease for 16,200 square feet.

South Austin has been underserved by retailers, who have preferred to put stores near larger and more established populations in North Austin and Williamson County. The nearest major shopping complex is in Sunset Valley, almost seven miles away.

About 250,000 people now live within seven miles of the Southpark Meadows project, according to Endeavor, and that population is quickly growing with several proposed residential projects that may add as many as 11,700 new housing units to the area.

This booming residential development has caught the attention of retailers.

"Everybody is positioning for the growth that is occurring all the way down to the north side of San Marcos," said Rodger Anderson, president of United Commercial Realty, an Austin retail brokerage.

Dallas-based Provident Realty Advisors is assembling 165 acres directly across I-35 from Cabela's in Buda, about eight miles from Southpark Meadows, for a regional shopping center with more than 1 million square feet of stores and commercial buildings.

Southpark Meadows' early lead in attracting major tenants, however, has made it difficult for other projects to get off the ground. In the past two years, two national retail development companies announced and later called off plans for regional shopping centers in the area.

"Southpark has been successful in delivering a great anchor tenant lineup, and it's going to be hard for other people to compete with that," Anderson said.

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