

\$4M bid wins Hamed family Plaza Extra in Tutu

By JONATHAN AUSTIN
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With the flip of a coin in a courtroom, the bidding began Thursday, as two partners and co-owners of The Tutu Park Plaza Extra grocery store finally decided who wanted the store badly enough to buy the other out.

The first bid was for \$2 million, and back and forth each side inched the price up incrementally.

Near the end, Fathi Yusuf had offered \$3.9 million.

The family of Mohammad Hamed countered with a bid of \$4 million, and there it stopped, said attorney Joel Holt, who represents the Hameds.

With that act the family gained ownership of the St. Thomas grocery store in a face-to-face auction ordered by Judge Douglas Brady.

Holt told The Daily News that

The auction resolved ownership of the final Plaza Extra grocery store after an extended legal battle between representatives of the Yusufs and the Hameds, who jointly had owned three grocery stores for decades.

the Hamed family was to take 100 percent ownership of the store at midnight Thursday.

"They look forward to continuing to serve the St. Thomas community," he said.

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A previous court order had divided ownership of the two Plaza Extra grocery stores on St. Croix, with one going to each family.

The resolution for the single St. Thomas store was ordered by the Superior Court to resolve the last dispute over store ownership.

Holt said the transfer should not disrupt the business operations of any of the Plaza Extra stores.

"I'd never see that process before," Holt said about the unorthodox manner of settling the dispute. "I'd be surprised to see it again. It was unusual."

Fathi Yusuf and Mohammad Hamed opened Plaza Extra in Sion Farm, St. Croix, in 1986. Over time, the local grocery chain

built a second store on the west end of St. Croix and a store on St. Thomas in the Tutu Park Mall complex.

In 1996, Mohammad Hamed retired and one of his sons, Waleed Hamed, took over operation of the business.

In 2003, members of both families were indicted in federal court on tax evasion charges.

Yusuf's company, United Corporation, agreed to plead guilty to tax evasion charges in 2011 if the charges against the individuals were dropped, which they were.

In 2003, a federal receiver was appointed to oversee the profits of the stores, collecting approximately \$43 million in an escrow account.

During this time period, from 2003 to about 2011, the business relationship between the two families began to break down, according to court records.

After years of co-managing the three Plaza Extra stores in the territory, the Hamed family sued the Yusuf family in 2012, seeking damages for financial losses they attributed to the Yusuf family.

The V.I. Superior Court granted an injunction, and an appeal went to the V.I. Supreme Court, which upheld the decision.

The partners agreed to split the St. Croix stores between the two families.

The Hamed family kept the Plaza Extra West in Grove Place, and the Yusuf family kept the Plaza Extra East in Sion Farm.

All three stores are entitled to keep the Plaza Extra name.

The stores employ about 600 people, according to court documents.

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