

RETAIL Market Trends

Richmond, VA

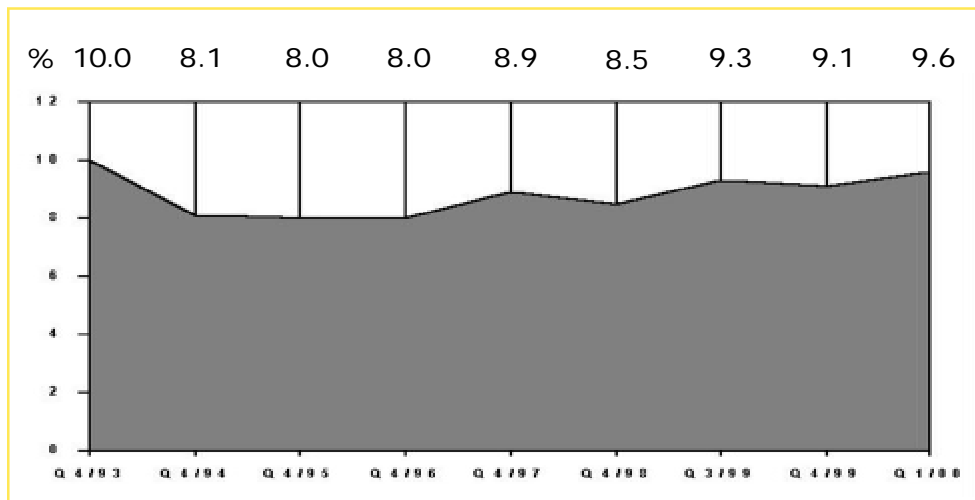
A SURVEY OF THE RICHMOND RETAIL MARKET · FIRST QUARTER 2000

Big Box Activity Dominates 1st Quarter News

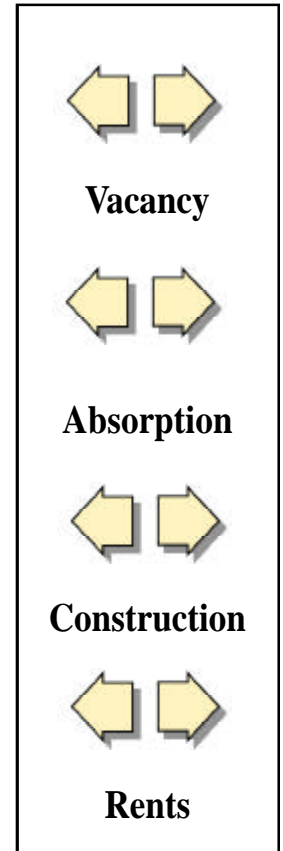
As predicted in our 2000 Forecast, big box vacancies have increased in the first quarter. With the recent liquidation of Jumbo Sports (Sports & Recreation) and Just for Feet and the downsizing of Service Merchandise, the casualties of a competitive marketplace are starting to fall. The good news is that the Jumbo Sports on West Broad Street has been purchased at auction and a new retailer to our market, DSW (Designer Shoe Warehouse) will open later this year. Also, both Richmond area Just for Feet stores are well located at Virginia Center Commons and Chesterfield Marketplace and should be relatively easy to lease. It's conceivable that the 40,000 square foot former Jumbo Sports on Midlothian Turnpike could be leased or sold for a non-retail use, since it is not as well located as the other properties noted above. At this point, the added properties should not significantly hamper absorption of existing inventory. Further, with the opening of Barnes & Noble and Petsmart at Libbie Place on West Broad Street, supply and demand will remain in equilibrium into the second quarter.

Added to inventory during the first quarter were two new Lowe's on Pouncey Tract Road in the Northwest Quadrant and at Chippenham & Forest Hill in the Southwest Quadrant. Also opening were Home Depot at Chesterfield Crossing, Home Place at Commonwealth Centre and the Winn Dixie-anchored Winterpock Crossing, all on the Hull Street Road corridor in the Southwest Quadrant.

Richmond Retail Vacancy Rate



Next 6 Months



Retail Market Trends Richmond, VA

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2000 FIRST QUARTER

Market Snapshot

Richmond, VA Retail Market

By Submarket (All Types)	Total SF ⁽¹⁾	Vacant SF	Vacant %	Net Absorption	Under
				Y-T-D	Const. ⁽²⁾
Northeast	2,765,987	425,669	15.4%	82,256	0
Northwest	11,304,953	683,634	6.0%	82,396	488,500
Southeast	512,548	28,384	5.5%	11,424	0
Southwest	12,680,850	1,494,933	11.8%	269,997	786,288
Tri-Cities	3,782,108	336,302	8.9%	18,133	0
Total	31,046,446	2,968,922	9.6%	464,206	1,274,788
By Product Type (All Submarkets)					
Community	6,355,634	1,025,071	16.1%	94,870	472,900
Freestanding	6,439,702	558,438	8.7%	182,942	0
Neighborhood	7,688,221	821,568	10.7%	67,591	79,000
Power	2,029,638	17,129	0.8%	157,871	706,288
Regional	4,658,408	148,122	3.2%	-42,122	0
Strip	3,874,843	398,594	10.3%	3,054	16,600
Total	31,046,446	2,968,922	9.6%	464,206	1,274,788

(1) Inventory includes multi-tenant, single tenant, and owner occupied buildings with at least 10,000 sq. ft.

(2) Space under construction includes speculative, build-to-suit for lease and owner-built projects.

RECENT RETAIL TRANSACTIONS

<u>L/S</u>	<u>Buyer/Tenant</u>	<u>Size</u>	<u>Location</u>	<u>Agent(s) Involved</u>
Lease	Staples	28,200 SF	Southgate Square (Colonial Heights)	Jerry Yospin
Lease	Michael's	28,203 SF	Southgate Square (Colonial Heights)	Jerry Yospin
Sublease	Indoor Swap Mart	28,502 SF	Colonial Corner (Hopewell)	Mike Weisberg, Jerry Yospin
Lease	NTK Computer	2,100 SF	Hungarybrook (Henrico)	Mike Weisberg
Lease	\$1.50 Cleaners	2,400 SF	4916 W. Broad (Henrico)	J. Noel, D. Pretlow, M. Weisberg
Sale	Nick Moudilos	10,606 SF	Triangle Park Retail (Henrico)	Jackie Noel, John Gentry
Sale	H. Cosner	36,700 SF	Former Safeway (Stafford)	Brian Glass
Lease	Peking Restaurant	4,523 SF	Loehmann's Plaza (Henrico)	Brian Glass, Mike Weisberg
Lease	SLM Financial	1,050 SF	Shops at the Arboretum (C'field)	Jackie Noel, Brian Glass
Lease	Mary Washington Shop	11,875 SF	Fredericksburg Shopping Center	Brian Glass

New Web Site Launched

On April 3, 2000 Grubb & Ellis | Harrison & Bates launched its new and expanded web site. The new site includes individual and team profiles, direct e-mail links to all employees, a searchable database of listings, our annual market report and quarterly newsletters, news releases, regional information, maps & statistics, and links to nearly 100 other web sites offering information relating to commercial real estate in Central Virginia.

Visit us at www.harrison-bates.com and let us know what you think.

EXCLUSIVE Listings

Partial Listing of Retail Properties Currently Available
Go to www.harrison-bates.com to view all listings including land.



* 9530 Midlothian Turnpike
40,205 SF on 4.825 ac
Sale - \$3,190,000
Brian Glass, Mike Lowry,
Morrie Piersol



* 2575 Homeview Drive
17,400 SF
Lease \$10.50 NNN
Sale - \$1,200,000
Jackie Noel, Dawn Misiaszek



* Emporia Shopping Center
Emporia, VA
85,000 SF
Sale - \$3,250,000
Jerry Yospin



200 Wadsworth Drive
84,683 SF
Lease \$7.50 - \$9.50 PSF
Sale - Asking \$7 million
Brian Glass



Mega Office Furniture
8401 Midlothian Turnpike
12,600 SF
Sublease - \$6.50 PSF NNN
Jerry Yospin



Nationwide Insurance
11800 Midlothian Turnpike
1,032 SF
Sale - \$560,000
Jerry Yospin



Deer Run Village Shopping Center
Hull Street Road (C'field)
Outparcels Available
1acre to 9.76 acres
Brian Glass, Jerry Yospin



Southgate Square
Colonial Heights
1,200 - 6,000 SF
Lease - \$16.00 PSF
Jerry Yospin



Former Advance Auto
6011 Midlothian Turnpike
6,000 SF
Sale - \$320,000
Jerry Yospin



The Shops at the Arboretum
9101-9111 Midlothian Tnpk
1,050 - 3,000 SF
Lease - \$13.00 to \$15.00
Brian Glass, Jackie Noel, CCIM



Hungarybrook Shopping Center
Parham Road & Rt 1 (Henrico)
3,000 SF Available
Lease - \$12.50 PSF
Mike Weisberg



Fredericksburg Shopping Center
507 Jeff Davis Highway
600 - 11,330 SF
Lease - \$12.00 PSF
Brian Glass



Food Lion Surplus
2420 E. Little Creek Rd (Norfolk)
50,718 SF
Sale - \$1,500,000
Mike Weisberg, Jerry Yospin



Food Lion Surplus
8910 Patterson Ave (Henrico)
19,089 SF
Lease - \$6.00 PSF
Mike Weisberg, Jerry Yospin



Food Lion Surplus
5700 Hopkins Rd (Chesterfield)
24,352 SF
Lease - \$5.00 PSF
Mike Weisberg, Jerry Yospin



Food Lion Surplus
7635 Granby St. (Norfolk, VA)
16,080 SF
Lease - \$6.00 PSF
Mike Weisberg, Jerry Yospin

Other surplus Food Lion stores are available. Call for information.

*NEW LISTINGS

RETAIL BROKERAGE Services

Superior Service Through Innovative People With Traditional Values

THE RETAIL BROKERAGE TEAM specializes in all facets of retail real estate locally, as well as nationally, through our affiliation with Grubb & Ellis, one of the nation's largest commercial real estate services firms. Clients benefit from the depth of experience and superior market knowledge of these highly trained professionals. Services provided include:

- ◆ Acquisition/Disposition Services
- ◆ Buyer/Tenant Representation
- ◆ Feasibility Studies
- ◆ Highest & Best Use/Alternate Use Studies
- ◆ Investment Analysis
- ◆ Lease Review for Owners & Tenants
- ◆ Lease Vs. Own Analysis
- ◆ Marketing Plans & Services
- ◆ Opinions of Value
- ◆ Project Management
- ◆ Sales-Leasebacks
- ◆ Site & Facility Selection
- ◆ Strategic Real Estate Planning
- ◆ Tax Deferred Exchanges
- ◆ Tenant Retention



Grubb & Ellis/Harrison & Bates' Retail Brokerage Team includes Brian Glass, Jerry Yospin, Jackie Noel, CCIM, CPM, Mike Weisberg, and Jeff Williams.



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