

RETAIL Market Trends

Richmond, VA

A SURVEY OF THE RICHMOND RETAIL MARKET · SECOND QUARTER 2000

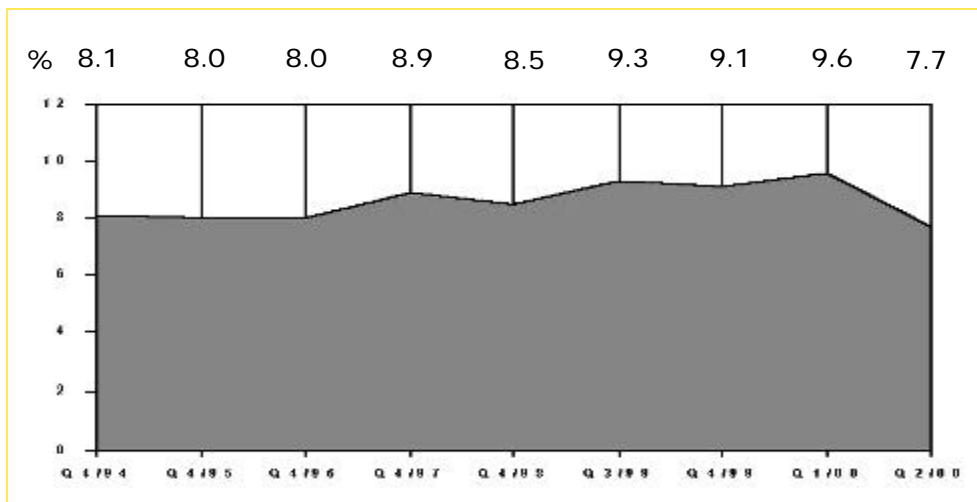
The Richmond retail market surged ahead in the second quarter with over 600,000 square feet of absorption and a drop in overall vacancy from 9.6% to 7.7%.

The biggest retail news of the quarter was the April announcement of signed anchors for Short Pump Town Center in western Henrico County. Upscale retailers Nordstrom and Lord & Taylor are coming to the area and will be joined by Hecht's and Dillard's. Construction on the 1.1 million square foot project will begin later this year with opening projected for Fall of 2002. A 22-screen Edward's Theatre was announced but subsequently pulled out as a 10-screen Regal theatre was already under construction on a nearby project.

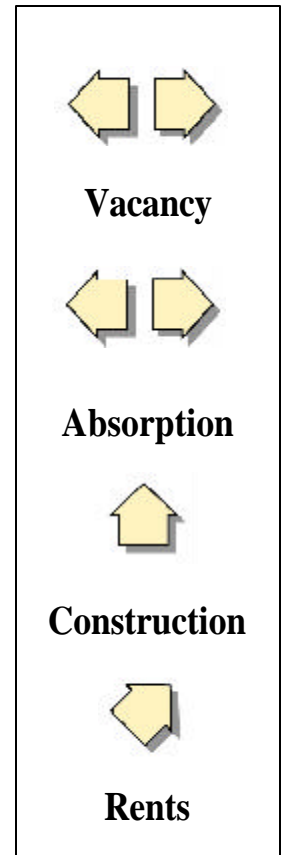
Despite first quarter liquidations and downsizing, both power center and freestanding retail categories showed less vacancy than at the end of the first quarter. This can be attributed to a few large leases such as Barnes & Noble and PetSmart at Libbie Square, as well as the opening of additional big boxes in the Rt. 360/Rt. 288 area including a Wal-Mart at Chesterfield Crossing.

Going forward, look for rents to increase slightly due to continued strong demand and diminishing supply.

Richmond Retail Vacancy Rate



Next 6 Months



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Market Snapshot

Richmond, VA Retail Market

By Submarket (All Types)	Total SF ⁽¹⁾	Vacant SF	Vacant %	Net Absorption		Under
				Current Qtr	Y-T-D	Const. ⁽²⁾
Northeast	2,825,178	390,664	13.8%	35,005	117,261	23,500
Northwest	11,161,539	533,058	4.8%	166,496	248,892	1,042,875
Southeast	511,891	20,672	4.0%	7,712	19,136	0
Southwest	12,919,134	1,173,424	9.1%	370,987	640,984	566,288
Tri-Cities	3,792,270	281,045	7.4%	38,635	56,768	0
Total	31,210,012	2,398,863	7.7%	618,835	1,083,041	1,632,663
By Product Type (All Submarkets)						
Community	6,295,929	903,633	14.4%	97,086	191,956	803,750
Freestanding	6,478,099	394,840	6.1%	171,794	354,736	263,625
Neighborhood	7,736,895	663,775	8.6%	118,096	185,687	79,000
Power	2,218,221	0	0.0%	188,583	346,454	486,288
Regional	4,601,108	103,008	2.2%	-7,008	-49,130	0
Strip	3,879,760	333,607	8.6%	50,284	53,338	0
Total	31,210,012	2,398,863	7.7%	618,835	1,083,041	1,632,663

(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	Superfresh	27,792 SF	Triangle Plaza (Louisa)	Mike Weisberg
Lease	Fresh Pride	21,284 SF	Emporia Shopping Center	Jerry Yospin
Lease	Little Appliance	8,848 SF	Williamsburg Center (Henrico)	Mike Weisberg, Jerry Yospin
Lease	Roma Italian Restaurant	6,000 SF	Tappahannock Towne Center	Jeff Williams
Lease	AMF Bowling Centers	5,000 SF	1100 Jeff Davis Hwy (Richmond)	Mike Weisberg
Sale	Haverty Furniture	4,500 SF	Branchway Rd (Chesterfield)	Jerry Yospin, Brian Glass
Lease	Labor Ready, Inc.	2,450 SF	Fredericksburg Shopping Center	Brian Glass
Lease	Bella Italia	2,000 SF	Irongate Square (Chesterfield)	Mike Weisberg
Lease	Dr. Bill's Pet Infirmary	1,716 SF	Deer Run Village (Chesterfield)	Jerry Yospin
Lease	Bazaar Americano	975 SF	Tuckernuck Square (Henrico)	Jackie Noel

EXCLUSIVE Listings

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



** Citgo*
13530 Midlothian Turnpike
3,995 SF on .99 acre
Sale - \$1,200,000
Jerry Yospin, Mike Weisberg



** 11001-11005 Midlothian Tpk*
(Chesterfield)
3,200 SF
Lease - \$9.25
Jerry Yospin



** Ballou Park Shopping Center*
Danville, VA
500 - 21,631 SF
Lease - \$8.00 - \$12.00
Jerry Yospin



Shops at Tappahannock
Tappahannock, VA
19,950 SF
Sale - \$2,350,000
Jackie Noel, Morrie Piersol



** VCU Housing Complex*
1100 W. Broad Street
1,000 - 6,000 SF
Lease - \$12.00 NNN
Brian Glass



** Coalfield Road*
Entrance to Sycamore Village
3 Acres
Sale - \$300,000
Jackie Noel, Dawn Carson



Irongate Village
6403-6425 Iron Bridge Road
1,200 - 3,600 SF
Lease - \$10.00 NNN
Mike Weisberg



Waikiki Rest/fmr Alpine Outfitters
11010-11016 Midlothian Tpk
.69 ac - \$800,000
.80 ac - \$1,200,000
Jerry Yospin, Jeff Williams



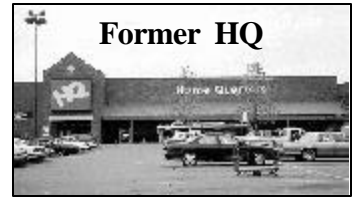
9530 Midlothian Turnpike
40,205 SF on 4.825 ac
Sale - \$3,190,000
Brian Glass, Mike Lowry,
Morrie Piersol



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



Emporia Shopping Center
Emporia, VA
85,000 SF
Sale - \$3,250,000
Mike Weisberg, Jackie Noel



200 Wadsworth Drive
84,683 SF
Lease \$7.50 - \$8.50 PSF
Sale - \$6 million
Brian Glass



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
1,560 - 6,000 SF
Lease - \$16.00 PSF
Jerry Yospin

Former Food Lion Stores
Available for Lease
Various Locations
16,000 - 39,000 SF
\$3.00 - \$6.00 NNN
Mike Weisberg
Jerry Yospin

***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
- ◆ Broker's Price Opinion
- ◆ Buyer/Tenant Representation
- ◆ Highest & Best Use/Alternate Use Studies
- ◆ Investment Analysis
- ◆ Lease Review for Owners & Tenants
- ◆ Lease Vs. Own Analysis
- ◆ Marketing Plans & Services
- ◆ 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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