

RETAIL Market Trends

Richmond, VA

A SURVEY OF THE RICHMOND RETAIL MARKET - THIRD QUARTER 2000

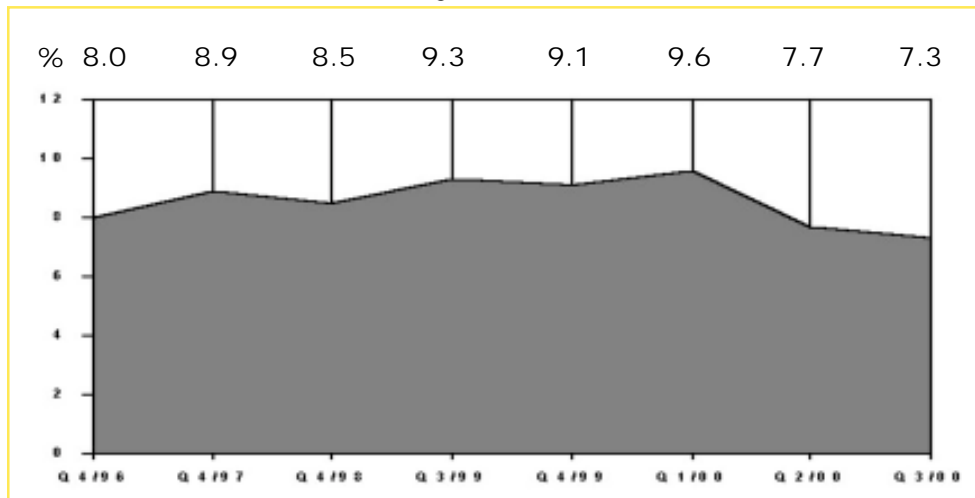
Sheetz, WaWa Enter Richmond Market

Two regional convenience store chains entered the Richmond market during the third quarter. **WaWa** opened a store on Ironbridge Road in Chesterfield County and **Sheetz Oil** opened a store at the northwest quadrant of Sliding Hill Road and Leadbetter Road in Hanover County. Both retailers plan to open additional stores in the area. 7-Eleven is also active again in the market. Reports indicate East Coast Oil, a Richmond-based gas/convenience store operator, will be selling 36 of its stores to Convenience USA of Durham, NC. Speculation is that the East Coast sale and the arrival of Sheetz and WaWa were not coincidental.

Richmond welcomed several other new retailers to the market during the quarter:

- **Kroger** opened in ten former Hannaford stores throughout the area and will be seeking sites to build additional stores.
- **Dick's Sporting Goods** opened in the Chesterfield Crossing Shopping Center near Chesterfield Towne Center. A second store is under construction at the Creeks at Virginia Center Commons with a third location in the planning stages.
- **Old Navy** opened a store at Virginia Center Commons. A second location will open at the Shoppes at Willow Lawn in early October.

Richmond Retail Vacancy Rate



After dropping significantly in the second quarter, the overall vacancy rate remained relatively flat in the third quarter.

Forecast: Next 6 Months

Vacancy

Absorption

Construction

Rents

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Market Snapshot

Richmond, VA Retail Market

By Submarket (All Types)	Total SF ⁽¹⁾	Vacant SF	Vacant %	Net Absorption		Under Const. ⁽²⁾
				Current Qtr	Y-T-D	
Northeast	3,111,200	394,164	12.7%	-3,500	113,761	0
Northwest	11,705,224	566,428	4.8%	45,630	294,522	814,250
Southeast	511,891	20,672	4.0%	0	19,136	0
Southwest	13,310,180	1,144,487	8.6%	291,225	932,209	656,193
Tri-Cities	3,792,270	243,927	6.4%	37,118	93,886	0
Total	32,430,765	2,369,678	7.3%	370,473	1,453,514	1,470,443
By Product Type (All Submarkets)						
Community	6,514,929	854,433	13.1%	49,200	241,156	584,750
Freestanding	7,039,707	357,812	5.1%	37,028	391,764	239,331
Neighborhood	7,815,895	702,285	9.0%	40,490	226,177	70,000
Power	2,504,509	0	0.0%	262,288	608,742	386,362
Regional	4,601,108	103,008	2.2%	0	-49,130	160,000
Strip	3,954,617	352,140	8.9%	-18,533	34,805	30,000
Total	32,430,765	2,369,678	7.3%	370,473	1,453,514	1,470,443

(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>Advisor(s) Involved</u>
Sale	Trammell Crow BTS	1 acre	Deer Run Center (Chesterfield)	Brian Glass, Jerry Yospin
Lease	Baby Superstore	36,125 SF	Tuckernuck Square (Henrico)	Brian Glass
Lease	Eckerd Drug	8,450 SF	Irongate Village (Chesterfield)	Mike Weisberg
Lease	Premier Tops, Inc.	5,112 SF	133 E. Belt Blvd (Richmond)	Jackie Noel
Lease	Peking Restaurant	4,523 SF	Loehmann's Plaza (Henrico)	Mike Weisberg, Brian Glass
Lease	eVineyard, Inc.	4,400 SF	Irongate Square (C'field)	Mike Weisberg
Lease	J&P, Inc. Maytag Dealer	2,400 SF	11001 Midlothian Tpk (C'field)	Jerry Yospin
Lease	Kenneth E. Graham, Jr.	2,250 SF	11005 Midlothian Tpk (C'field)	Jerry Yospin
Lease	Dent Wizzard International	2,125 SF	10803 Midlothian Tpk (C'field)	Jerry Yospin
Lease	The Tavern	2,084 SF	Triangle Park Retail (Henrico)	Jackie Noel
Lease	Mama P's	2,080 SF	Shops at the Arboretum (C'field)	Jackie Noel, Brian Glass
Lease	Rich Nails	1,600 SF	Hungarybrook Center (Henrico)	Mike Weisberg
Lease	Exclusive Hair	1,237 SF	Shops at the Arboretum (C'field)	Jackie Noel, Brian Glass
Lease	SLM Financial	1,050 SF	Shops at the Arboretum (C'field)	Jackie Noel, Brian Glass

FEATURED

Listings

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

Chesterfield



NEW

11950 Midlothian Turnpike
1 acre
Sale - \$1,200,000
Jerry Yospin



NEW

Former Sofas Plus
10050 Midlothian Turnpike
9,300 SF
Lease - \$14.00 PSF NNN
Mike Weisberg



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



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

Henrico



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



2575 Homeview Drive
4,350 - 17,400 SF
Sale - \$1,225,000
Lease - \$10.50 NNN
Jackie Noel, Dawn Carson



Starling Center
1412 Starling Drive
1,575 SF
Lease - \$15.00 PSF NNN
Mike Weisberg



Audubon Crossing
4746 S. Laburnum Avenue
3,200 SF
Lease - \$11.00 PSF NNN
Brian Glass, Jackie Noel

Richmond



NEW

Dr. John's Auto Clinic
4123 W. Broad Street
6,639 SF
Business for Sale - \$190,000
Property for Lease - \$9.00 PSF
Mike Weisberg, Bruce Milam



NEW

College Station
930 - 938 W. Grace Street
660 SF @ \$650/mo gross
1,526 SF @ \$1,500/mo gross
Brian Glass



Fan Showcase
900-906 W. Grace Street
2,248 SF
Lease - \$12.00 NNN
Brian Glass



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

Virginia & Other



Triangle Plaza
Louisa, VA
50,865 SF
Sale - \$1,300,000
Jackie Noel, Mike Weisberg



Southgate Square
Colonial Heights, VA
1,560 - 6,000 SF
Lease - \$16.00 PSF
Jerry Yospin



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



NEW

The Marketplace Shopping Center
Ocean City, MD
69,724 SF
Sale - \$5,400,000
M. Lowry, M. Weisberg, J. Yospin

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 (top row) Brian Glass, Jerry Yospin, Jackie Noel, CCIM, CPM, (bottom row) Mike Weisberg and Jeff Williams.

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



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Third Quarter 2000

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