

# trends

Richmond Retail Market

## Economic conditions impacting local market

**Retail land prices on major corridors appear to have peaked after several years of aggressive expansion and construction.**

### 4th Quarter Highlights

Overall vacancy inched up during the 4th quarter, primarily due to the opening of a new 145,000 sf J. C. Penney store at Chesterfield Towne Center and the simultaneous closing of a 200,000 sf store at Cloverleaf Mall. There are indications that retail land prices on major corridors have peaked after being driven up by several years of aggressive expansion and construction. Pleasant's Hardware closed its store at Short Pump under heavy competition from both Lowe's and Home Depot nearby, but will maintain its "in town" flagship store. Barnes & Noble improved its position in time for holiday shopping by closing its store at Parham Plaza and opening a new one in Short Pump.

### Looking Ahead

Retailers are scaling back expansion plans in anticipation of a soft economic landing. Look for the pace of new construction to slow with the exception of Short Pump Town Center which will take two years to complete and The Creeks at Virginia Center scheduled to open this Spring. Expect asking prices for retail land to trend downward and major retailers to continue trying to out-flank each other. Those who can achieve the right combination of price, product and service will keep consumers coming back. Others will not survive.

#### Richmond Retail Market Trends

is a newsletter published quarterly by Grubb & Ellis | Harrison & Bates. To obtain additional copies or other Grubb & Ellis publications, please contact:

#### Lynn McDaniel

Marketing Director

Grubb & Ellis | Harrison & Bates

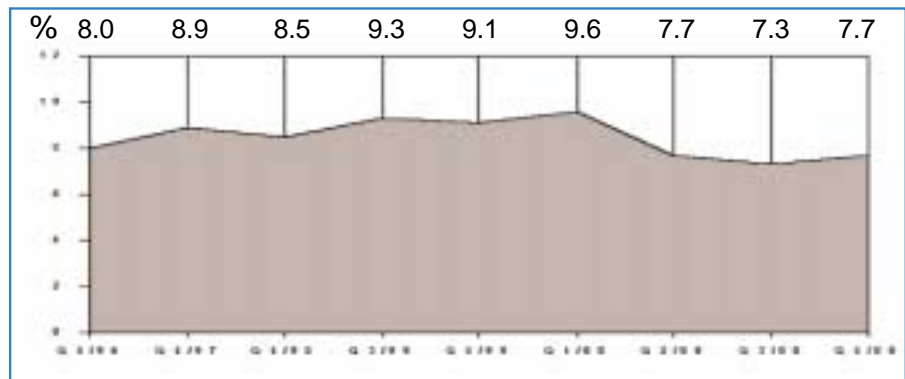
830 E. Main Street, 5th Floor

Richmond, VA 23219-2725

Phone: 804.788.1000 Fax: 804.782.1145

E-mail: [lynn.mcdaniel@harrison-bates.com](mailto:lynn.mcdaniel@harrison-bates.com)

Internet: [www.harrison-bates.com](http://www.harrison-bates.com)



Richmond Retail Vacancy Rate\*

\* All Product Types & Submarkets

# Market Snapshot

Richmond, VA Retail Market

By Submarket (All Types)	Total SF(1)	Vacant SF	Vacant %	Net Absorption		Under Construction(2)	Asking Rent(3)	
				Current Qtr.	Year-to-date		Centers	Freestanding
Northeast	3,111,200	408,744	13.1%	(14,580)	99,181	0	\$ 9.73	\$10.00
Northwest	11,844,724	505,711	4.3%	200,217	494,739	591,655	\$17.60	\$13.50
Southeast	511,891	22,724	4.4%	(2,052)	17,084	0	\$10.04	N/A
Southwest	13,535,011	1,355,284	10.0%	14,034	946,243	10,125	\$19.98	\$ 12.00
Tri-Cities	3,792,270	241,237	6.4%	2,690	96,576	0	\$19.02	\$ 10.50
<b>Total</b>	<b>32,795,096</b>	<b>2,533,700</b>	<b>7.7%</b>	<b>200,309</b>	<b>1,653,823</b>	<b>601,780</b>		

By Product Type (All Submarkets)	Total SF(1)	Vacant SF	Vacant %	Current Qtr.	Year-to-date	Under Construction(2)	Asking Rent By Product Type	
							Centers	Freestanding
Community	6,594,929	901,588	13.7%	32,845	274,001	377,750	\$13.22	
Freestanding	7,179,038	373,919	5.2%	123,224	514,988	124,030	\$ 7.84	
Neighborhood	7,815,895	622,504	8.0%	79,781	305,958	70,000	\$11.43	
Power	2,504,509	24,000	1.0%	(24,000)	584,742	0	\$22.33	
Regional	4,746,108	321,008	6.8%	(73,000)	(122,130)	0	\$36.23	
Strip	3,954,617	290,681	7.4%	61,459	96,264	30,000	\$10.93	
<b>Total</b>	<b>32,795,096</b>	<b>2,533,700</b>	<b>7.7%</b>	<b>200,309</b>	<b>1,653,823</b>	<b>601,780</b>	\$16.99	

(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 design-build projects.

(3) Asking rates are per square foot per year triple net.

## RECENT Transactions

Grubb & Ellis| Harrison & Bates is pleased to announce the following transactions during the fourth quarter of 2000.

### Shoe Forum

8,375 SF Lease  
Janaf Shopping Center, Norfolk  
Jerry Yospin

### Design Intershop, LLC

9,084 SF Lease  
3957 & 3965 Deep Rock Road, Henrico  
Jackie Noel

### Sunchasers

1,830 SF Lease  
Midlothian Square, Chesterfield  
Jerry Yospin, Brian Glass

### Ace Hardware

20,064 SF Lease  
Franklin, VA  
Mike Weisberg, Jerry Yospin

### Old Dominion Piano, Inc.

3,176 SF Lease  
11010 Midlothian Turnpike, Chesterfield  
Jeff Williams

### Food Lion

50,718 SF Sale  
2420 E. Little Creek Road, Norfolk  
Mike Weisberg, Jerry Yospin

### New Fitness

7,700 SF Lease  
Hungarybrook Shopping Ctr, Henrico  
Mike Weisberg

### Rentway, Inc.

3,500 SF Lease  
Emporia Shopping Center, Emporia  
Jackie Noel

### Merchant's Tire

1 Acre Outparcel Sale  
Deer Run Shopping Ctr, Chesterfield  
Brian Glass, Jerry Yospin

### Morton's of Chicago

7,800 SF Lease  
Turning Basin Bldg, Richmond  
Brian Glass

### Plantation Motor Sports

3,200 SF Lease  
11005 Midlothian Turnpike, Chesterfield  
Jerry Yospin

### Belt Trade Center

61,056 SF Investment Sale  
133 E. Belt Blvd, Richmond  
Jackie Noel

### U. S. Post Office

1,500 SF Lease  
Ballou Park Shopping Center, Danville  
Jerry Yospin

### 1911-1913 Huguenot Road

7,623 SF Investment Sale  
Chesterfield County  
Mike Weisberg, Rich Pappert

### 1203-05 E. Main Street

20,000 SF Investment Sale  
1203-05 E. Main Street, Richmond  
Jackie Noel

# Listings

Partial Listing of Retail Properties Currently Available

Go to [www.harrison-bates.com](http://www.harrison-bates.com) to view all listings including land.



*Colonnades West  
W. Broad Street @ Cox Road  
2,888 to 7,205 SF  
Lease - \$24 NNN  
Jackie Noel, Brian Glass*

**NEW**



*Virginia Paint Building  
2601 Tuckernuck Drive  
6,700 SF  
Sale - 800,000  
Jerry Yospin*

**NEW**



*Retail/Office - West End  
2575 Homeview Drive  
4,350 - 17,400 SF  
Sale \$1,225,000 Lease \$10.50  
Jackie Noel, Dawn Carson*



*Former Dr. John's Auto Clinic  
4123 W. Broad Street  
6,639 SF, 4 bays & lifts  
Sale \$495,000 or Lease \$9.00  
Mike Weisberg, Bruce Milam*



*Hungarybrook Shopping Center  
Rt 1 & Parham Road  
1,500 to 3,000 SF  
Lease - \$12.00 - \$14.00 NNN  
Mike Weisberg*



*Carytown Square  
3218-3228 W. Cary Street  
700 - 1,600 SF  
Lease - \$15.00  
Jackie Noel, Rich Pappert*



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



*Texaco/Convenience Store  
E. Williamsburg Road  
Car Wash, 10 Pumps  
Sale - \$1,600,000  
Jackie Noel, Sam Worle*

**NEW**



*Southgate Square  
Colonial Heights, VA  
3,000 - 6,000 SF  
Lease - \$16.00 NNN  
Jerry Yospin*



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



*Emporia Shopping Center  
84,544 SF - Emporia, VA  
Sale - \$3,200,000  
Lease space from 3,000 SF  
Jackie Noel*



*Fredericksburg Shopping Ctr  
Fredericksburg, VA  
600 - 6,650 SF  
Lease - \$8.00 - \$12.00 NNN  
Brian Glass*



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



*Food Lion  
984 Laskin Road, Va Beach  
17,505 SF  
Lease - \$9.00 NNN  
Mike Weisberg, Jerry Yospin*



*The Marketplace  
Ocean City, MD  
69,724 SF - Food Lion Anchor  
Sale - \$5,400,000  
Mike Weisberg, Jerry Yospin*

## MIDLOTHIAN TPKE

*11016 - former Waikiki  
Restaurant; 4,000 sf on .69 ac;  
all equipment; \$800,000*

*11800 - Nationwide Insurance;  
1,032 sf on .55 ac at Alverser  
Drive; \$560,000*

*11950 - adjacent EuroClassics;  
1.34 ac; \$1,200,000*

Call Jerry Yospin

# Services

Superior Service Through Innovative People With Traditional Values

The Retail Brokerage Group 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/Alternative 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 Group includes (top row) Brian Glass, Jerry Yospin, Jackie Noel, CPM, CCIM, (bottom row) Mike Weisberg and Jeff Williams.*



Harrison & Bates Incorporated  
 One Capitol Square  
 830 E. Main Street, 5th Floor  
 Richmond, VA 23219-2725  
*Independently Owned and Operated*

4th Quarter 2000

trends  
 Richmond Retail Market