

trends

Richmond Retail Market

Both land prices and rents have reached a plateau.

Slowing demand for retail sites and buildings

1st Quarter Highlights

Vacancy increased slightly to 8.1%, and absorption was weak with the exception of the Northwest Quadrant where first quarter completions included Circuit City (32,000 sf) and Dick's Sporting Goods (45,000 sf) at the Creeks at Virginia Center and the Food Lion at Twin Hickory Shopping Center on Nuckols Road. Also opening were a 100,000 sf Lowe's Home Center at Lombardy & Broad in the City of Richmond and a 130,000 sf Home Depot in Colonial Heights.

Retail land prices reached a plateau and began trending down in some instances. The exception is the Short Pump area along Broad Street in the Northwest Quadrant, a prime development area commanding higher prices. Rental rates for in-line stores are generally flat, again with the exception of the Broad Street corridor from Innsbrook to Short Pump where asking rates range from \$25 to \$34 per square foot.

Looking Ahead

There will be fewer new players due to the fallout from consolidations and bankruptcies. With fewer retailers chasing real estate, both second generation big boxes and retail land, in all but the best locations, can be expected to have longer marketing periods.

Richmond Retail Market Trends

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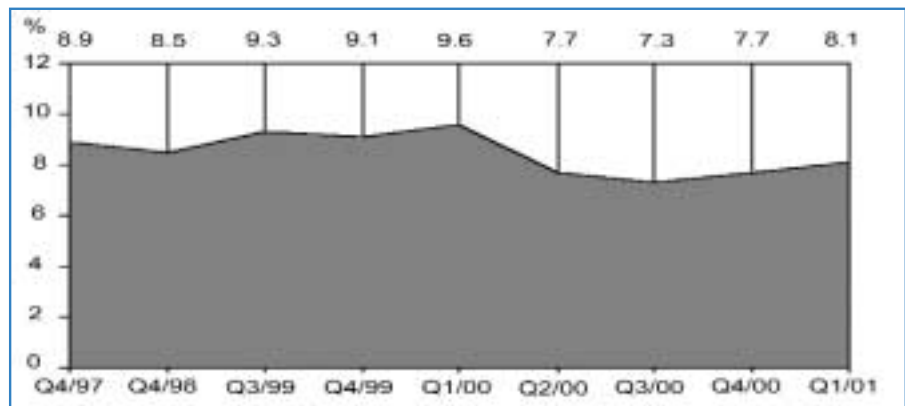
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Richmond Retail Vacancy Rate*

* All Product Types & Submarkets

Market Snapshot

Richmond, VA Retail Market

By Submarket (All Types)	Total SF(1)	Vacant SF	Vacant %	Net Absorption		Under (2) Construction	Asking Rent(3) Neighborhood Power	
				Current Qtr.	Year-to-date			
Northeast	3,111,200	407,620	13.1%	1,124	1,124	0	\$8.12	
Northwest	12,162,824	638,781	5.3%	108,030	108,030	289,655	\$12.47	
Southeast	511,891	19,332	3.8%	3,392	3,392	0	\$12.50	
Southwest	13,540,174	1,380,232	10.2%	(19,785)	(19,785)	10,125	\$12.50	
Tri-Cities	3,922,270	251,737	6.4%	(10,500)	(10,500)	0	\$7.43	
Total	33,248,359	2,697,702	8.1%	82,261	82,261	299,780	\$10.97	
By Product Type (All Submarkets)							Asking Rent By Product Type	
Community	6,563,207	926,288	14.1%	30,300	30,300	245,750	\$9.64	
Freestanding	7,594,023	515,672	6.8%	(20,490)	(20,490)	24,030	\$8.44	
Neighborhood	7,885,895	651,675	8.3%	40,829	40,829	0	\$10.97	
Power	2,504,509	0	0%	24,000	24,000	0		
Regional	4,746,108	321,008	6.8%	0	0	0	\$32.13	
Strip	3,954,617	283,059	7.2%	7,622	7,622	30,000	\$10.81	
Total	33,248,359	2,697,702	8.1%	82,261	82,261	299,780	\$12.87	

(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. Rates for each building are weighted by the amount of available space within the building.

(4) Vacant space includes vacant sublease space.

RECENT Transactions

Grubb & Ellis| Harrison & Bates is pleased to announce the following transactions during the first quarter of 2001.

Former Advance Auto
6,000 SF Sale - \$285,000
6011 Midlothian Tpke, Richmond
Jerry Yospin

Chase City Colonial Shopping Center
14,488 SF Sale - \$140,000
Chase City, VA
Jerry Yospin, Mike Weisberg

4123 W. Broad Street
6,639 SF Sale - \$460,000
Richmond, VA
Mike Weisberg, Bruce Milam

Foster & Dorr, PC
4,255 SF Lease
Ballou Park, Danville, VA
Jerry Yospin

Technovation Systems
3,744 SF Lease
Brandermill Trade Center, Chesterfield
Jerry Yospin

The Salvation Army
12,000 SF Lease
Petersburg, VA
Brian Glass

Richmond Fitness
31,900 SF Lease
Shops at the Arboretum, Chesterfield
Brian Glass

JBI Apparel, Inc.
5,000 SF Lease
11003 Midlothian Turnpike, Chesterfield
Jerry Yospin

Gentlemen's Ridge
2,021 SF Lease
Ballou Park, Danville, VA
Jerry Yospin

H&R Block
2,000 SF Lease
Triangle Plaza, Louisa, VA
Mike Weisberg

Gunner's
1,800 SF Lease
Emporia Shopping Center, Emporia
Jackie Noel

Jumbo Sports
40,200 SF Sale - \$1,525,772
Greensboro, NC
Brian Glass

Listings

Partial Listing of Retail Properties Currently Available

Go to www.harrison-bates.com to view all listings including land.



El Paso Restaurant
910 E. Parham Road
1,890 SF
Sale - \$599,000
Jerry Yospin

NEW



Restaurant Row
Mall Dr & Koger Center Blvd
8.26 Ac
4 Pad Ready Sites
Jerry Yospin, Mike Weisberg

NEW



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



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



Twin Star BMW Saab
1927 Westmoreland Street
6,500 SF
Lease - \$5,000/month
Jerry Yospin

NEW



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



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 Worley



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



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

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.



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