

# trends

Richmond Retail

**There is good demand for both small strip retail and second generation anchor or big box space.**

## Leasing strong in active retail market

A flood of Q3 leasing boosted net absorption to 287,000 square feet. Both former HQ locations were finally leased -- the Midlothian Turnpike location changing use to a distribution center for HCA, and the West Broad Street location going to Bloom Brothers Furniture. The former Pleasant's Hardware in Short Pump was subdivided and leased to Staples and Steinmart. New to Richmond, A. J. Wright opened in the former Michael's anchor space at Merchant's Walk and Value City signed a lease for 62,000 square feet in the former Rack & Sack grocery on West Broad Street. The 173,500 square foot Food Lion-anchored Bermuda Crossroads opened in the Southwest Quadrant, and Ashland Square commenced construction with a 156,000 square foot Wal-Mart and 30,000 square feet of strip retail.

The under construction Short Pump Town Center is 80% preleased and all outparcels along Broad Street in front of the regional mall are under letters of intent to national tenants. Interior parcels are being offered for ground lease or sale to potential developers with strip retail quoted in the mid-\$30s per square foot. Stony Point Fashion Park is also substantially preleased. Richmond shoppers can look forward to many retailers entering the Richmond market for the first time when both malls open next September.

Challenges remain in finding small tenant space of 1,800 square feet or less.

**Richmond Retail Trends**

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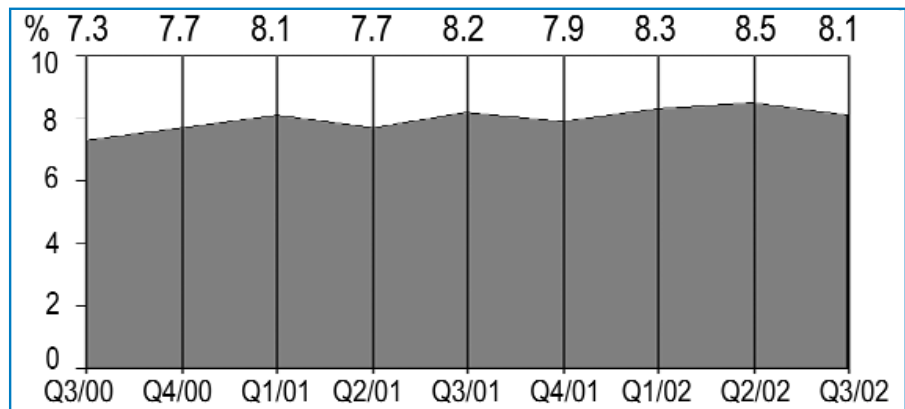
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**Richmond Retail Vacancy Rate\***

\* All Product Types & Submarkets

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	3,801,509	321,831	8.5%	9,519	279,347	28,800	\$9.83	
Northwest	11,954,540	515,043	4.3%	115,250	72,006	1,243,680	\$13.03	
Southeast	273,326	13,609	5.0%	(5,002)	(3,242)	0	\$15.00	
Southwest	14,092,499	1,670,060	11.9%	165,348	(122,742)	727,498	\$11.27	\$22.00
Tri-Cities	3,988,370	256,655	6.4%	1,800	25,200	0	\$8.06	
<b>Total</b>	<b>34,110,244</b>	<b>2,777,198</b>	<b>8.1%</b>	<b>286,915</b>	<b>250,569</b>	<b>1,999,978</b>	<b>\$10.78</b>	<b>\$22.00</b>
By Product Type (All Submarkets)							Asking Rent By Product Type	
Community	6,941,907	837,572	12.1%	155,083	246,926	0	\$9.85	
Freestanding	7,738,003	522,136	6.7%	84,320	56,169	0	\$7.45	
Neighborhood	7,841,144	793,685	10.1%	37,660	(57,257)	0	\$10.78	
Power	2,889,651	42,550	1.5%	(4,800)	(41,350)	0	\$22.00	
Regional	4,746,108	321,008	6.8%	0	0	1,690,000	\$32.15	
Strip	3,953,431	260,247	6.6%	14,652	46,081	309,978	\$10.50	
<b>Total</b>	<b>34,110,244</b>	<b>2,777,198</b>	<b>8.1%</b>	<b>286,915</b>	<b>250,569</b>	<b>1,999,978</b>	<b>\$13.07</b>	

(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 third quarter of 2002.**

### Books-A-Million

17,937 SF Lease  
Westland Shopping Center, Henrico  
Jerry Yospin

### Jo-Ann Fabrics & Crafts

9,000 SF Lease  
Southgate Square, Colonial Heights  
Jerry Yospin

### S&K Famous Brands

6,182 SF Lease  
Midlothian Square, Chesterfield  
Jerry Yospin, Brian Glass

### Movie Time Video

4,000 SF Lease  
Hungarybrook Shopping Center, Henrico  
Susan Jones, Mike Weisberg

### Richmond Florist, LLC

1,650 SF Lease  
Triangle Park, Henrico  
Jackie Noel

### Goodwill Industries

15,000 SF Lease  
8018 W. Broad Street, Henrico  
Mike Weisberg, Brian Glass

### Eckerd

8,470 SF Lease  
Hungarybrook Shopping Center  
Susan Jones, Mike Weisberg

### A Little Peace of Mind

6,000 SF Lease  
Shops at the Arboretum, Chesterfield  
Courtney Moore, Brian Glass

### ABC, Inc.

2,705 SF Lease  
Carytown Square, Richmond  
Jackie Noel

### Weight Watchers

1,487 SF Lease  
Hungarybrook Center, Henrico  
Susan Jones, Mike Weisberg

### Dollar General

10,000 SF Lease  
Mechanicsville Shopping Ctr, Hanover  
Jerry Yospin

### Dollar General

8,000 SF Lease  
Tappahannock, VA  
Susan Jones, Courtney Moore

### Estabrook Hallmark

4,180 SF Lease  
Ballou Park, Danville  
Jerry Yospin

### Banner Express

2,000 SF Lease  
Shops at the Arboretum, Chesterfield  
Courtney Moore, Brian Glass

### Super Cuts

1,400 SF Lease  
Creighton Crossing, Hanover  
Susan Jones

FEATURED

# Listings

Partial Listing of Retail Properties Currently Available

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



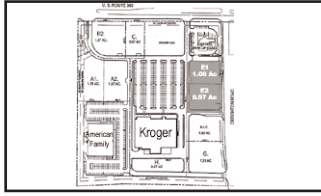
*Irongate Shopping Center*  
57,830 SF - 100% Leased  
Ideal 1031 Exchange  
Call for package.  
Mike Weisberg

**NEW**



*Retail Site - Tappahannock*  
Tappahannock Blvd (Rt 360)  
17.56 Acres  
Sale - \$950,000  
Susan Jones, Bill Mattox

**NEW**



*Creighton Crossing II*  
Rt 360 East & Creighton Rd  
1,000 - 17,000 SF  
For Lease  
Jim Ashby, Susan Jones

**NEW**



*Child Care Center Portfolio*  
For Sale  
5 Excellent Locations  
\$2 Million for Entire Portfolio  
Susan Jones, Morrie Piersol,  
Mike Lowry

**NEW**



*Urban Retail Locations*  
115, 311, 325 W. Broad Street  
1,200 to 6,600 SF  
Lease from \$5.00 NNN  
228 W. Broad Street  
2,000 SF - Renovated  
Lease - \$11.50 NNN  
Jim Ashby, Brian Glass

**NEW**



*Former Hank's BBQ*  
315 Cowardin Avenue  
Lease - \$1,800/month  
Jim Ashby, Jerry Yospin,  
Jeff Williams

**NEW**



*Bermuda Square Shopping Ctr*  
12601 Jefferson Davis Hwy  
4,000 SF  
Sublease - \$11.00 NNN  
Jerry Yospin

**NEW**



*Parham & Staples Mill*  
8601 Staples Mill Road  
6,760 SF  
Lease - \$8.50  
Scott White

**NEW**



*Restaurant - Financial District*  
1108 E. Main Street  
3,516 SF  
Lease - \$22.00 net utilities  
and janitorial  
Denson Pretlow

**NEW**



*Restaurant or Retail*  
911 W. Grace Street  
4,411 SF  
Lease - \$11.50 NNN  
Brian Glass



*Amberleigh*  
Hull Street Rd @ Gregory Pond  
Mixed Use Commercial  
Development  
1,000 to 16,000 SF @ \$16 NNN  
Ground Lease @ \$50,000/acre  
Susan Jones, Courtney Moore



*5004 Nine Mile Road*  
4,654 SF  
Sale - \$275,000  
Brian Glass,  
Jim Ashby

**PRICE REDUCED**



*The Shops at the Arboretum*  
9101-9111 Midlothian Tpk  
647 - 1,353 SF  
Lease - \$13 to \$17 NNN  
Brian Glass, Courtney Moore



*Harbour Point Village*  
Hull Street Road  
15,000 SF  
Sublease - \$4.89 NNN  
Jerry Yospin, Bill Mattox



*Development Site*  
Mechanicsville Tpk &  
Creighton Road  
40.8 Acres  
Sale - \$7,140,000  
Sam Worley, Susan Jones



*Tappahannock Towne Center*  
US 17/360 & SR 617  
1,050 to 24,000 SF  
Lease - \$6 to \$12  
2 Outparcels Available  
Susan Jones, Courtney Moore

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



*Jim  
Ashby*



*Brian  
Glass*



*Susan  
Jones*



*Courtney  
Moore*



*Jackie  
Noel  
CPM, CCIM*



*Mike  
Weisberg*



*Jeff  
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*Jerry  
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& Bates

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3rd Quarter 2002

**trends**

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