

Retail Market Trends Richmond

Grubb & Ellis Research

3rd Quarter 2005



And The Beat Goes On...

More than one million square feet of additional retail product is on the drawing board for the Richmond area.

Still more new retail projects are on the drawing board in the Richmond market. Clover Hill Marketplace on Hull Street is planning up to 400,000 square feet of retail and is rumored to have a Super Wal-Mart as anchor and possibly a Kohl's store.

The Liesfield Tract on West Broad Street near Short Pump is under contract with a Florida developer who has named the project West Broad Village. No anchors have been announced although rumors of a Whole Foods deal have been circulating. This project could also add another 400,000 square feet of retail to the market.

The Breeden Company's Towne Center West project is located just west of Short Pump Town Center. When completed, this project will have up to 80,000 square feet of retail shops and pad sites. And just west of that, the Wilton Companies gained Henrico County Planning Commission approval for a mixed use project that will contain up to 100,000 square feet of retail.

And finally, the partners that developed Short Pump Town Center, Forest City Enterprises and Tommy Pruitt, plan to join forces again to re-develop the former ViaSystems plant property on Laburnum Avenue in eastern Henrico County. Word on the street is that the anchors will be Super Wal-Mart and Lowe's.

Construction has begun on the redevelopment of Willow Lawn Shopping Center, but the only anchor deal announced so far is Gold's Gym.

Lowe's received final county approvals for a new store in Mechanicsville. Several other retail developments are in the planning stages, but small shop retail space is fast approaching the saturation point in this submarket.

In summary, the Richmond market already has over 40 million square feet of retail which is twice the national average. Are there enough local consumers to sustain the new projects planned for 2006-2007? And with the price of land at an all-time high and the increasing cost of construction materials, the question on everyone's mind is "can retailers support the high rents we are seeing", upwards of \$40 per square foot in the Short Pump area and mid-to-high \$20's for new product everywhere else?

Stay tuned as the beat goes on.

Richmond Retail Market Trends

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To obtain additional copies or other Grubb & Ellis|Harrison & Bates publications, please contact:

Lynn McDaniel

Vice President - Marketing Services

Grubb & Ellis|Harrison & Bates

6606 W. Broad Street, Suite 400

PO Box 11027

Richmond, VA 23230-1027

Phone: 804.788.1000

E-mail: lynn.mcdaniel@harrison-bates.com

Internet: www.grubb-ellis.com; www.harrison-bates.com

Independently Owned and Operated

Tenant Representation

Grubb & Ellis|Harrison & Bates is pleased to represent these and other retailers in their site selection process.



Site Criteria:

2,000 - 2,300 SF Bldg without Margarita Bar
 2,500 - 2,700 SF Bldg with Margarita Bar
 Corner Sites and Close Proximity to
 Complementary Tenants
 Contact Susan Jones



Site Criteria:

1,200 SF Building
 ±.25 Acre Pad Site
 Prefers Build-to-Suit
 End Cap and/or Drive-thru a plus
 Contact Susan Jones

Recent Transactions

Grubb & Ellis|Harrison & Bates is pleased to announce the following recent retail transactions:

12000 W. Broad Street

14 Acre Sale
 \$7,043,000
 Bill Mattox

Skate America

7147 Brandy Run Drive

25,000 SF Sale
 \$1,600,000
 Mac Bates

Richmond Goodwill

12210 Iron Bridge Road
 11,308 SF Lease
 June Smith

Airport Drive & Nine Mile Rd

1.78 Acre Sale
 \$350,000
 Susan Jones

Hungarybrook Shopping Center

Video Asylum - 1,600 SF Lease
 Weight Watchers - 1,487 SF Lease
 Susan Jones, June Smith

Woodlake Commons

Shopping Center

Dream Dinners - 1,500 SF Lease
 Spotlight Dance Studio - 3,600 SF Lease
 Bottoms Up Pizza - 3,600 SF Lease
 H & R Block - 1,500 SF Lease
 Castaway's Coffee - 1,200 SF Lease
 June Smith, Allyson Petty

Direct Buy Showroom

Manakin Trade Center
 15,365 SF Lease
 Brian Glass

Former BB&T

4851 S. Laburnum Avenue
 2,509 SF Sale
 \$850,000
 Bill Mattox, Steve Gentil

Featured Listings

Partial Listing of Retail Properties Currently Available

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



Towne Center West **NEW**

Proposed new retail development just west of Short Pump Town Center. In-line retail spaces starting at 1,400 sf available first quarter 2007. Nine outparcel sites for sale or ground lease available third quarter 2006.

Contact: June Smith or Allyson Petty



W. Broad Street at Gayton Road **NEW**

Six parcels totaling 17.18 acres on the north side of West Broad Street and west of Gayton Road. Zoned A-1 with public water and sewer on site. Frontage on I-64.

Contact: Bill Mattox, Lewis Little, Jr. or Susan Jones

Existing Retail Space & Buildings



NEW
Robious Hall Shopping Center
 10064 Robious Road
 1,634 SF & 6,410 SF
 Lease - \$16.00 NNN
 Allyson Petty, Susan Jones



NEW
Former Winn Dixie
 351 N. College St, Franklin
 45,000 SF
 Sale - \$2,500,000
 Lease - \$7.00 NNN
 June Smith



NEW
Former Towne & Country Grocery, Goochland
 1940 Sandy Hook Rd
 17,500 SF
 Lease - \$10 - \$14 NNN
 Susan Jones



NEW
Julian's Barony Restaurant
 11129 Three Chopt Road
 6,715 SF
 Sale - Asking \$2,000,000
 Established restaurant with equipment.
 Brian Glass



NEW
1660 Anderson Highway Powhatan
 1,000 to 3,000 SF
 Lease - \$13.00 NNN
 June Smith



NEW
Park Hill Plaza South Hill, VA
 3,200 SF
 Lease - \$14.00 NNN
 Allyson Petty



NEW
Former H&R Block
 11440 Midlothian Tpke
 3,348 SF
 Sale - \$1,100,000
 Susan Jones, Bill Mattox



NEW
4501 W. Hundred Road Chester
 2,750 to 5,500 SF
 Lease - \$10.00 NNN
 June Smith



NEW
105 E. Broad Street
 8,580 SF
 Sale - \$395,000
 Brian Glass



NEW
9015 W. Broad Street
 6,960 SF
 Lease - \$16.50 NNN
 Jeff Williams



NEW
Nile Ethiopian Restaurant
 309 N. Laurel Street
 Established business in VCU area
 Sale - \$318,400
 Allyson Petty, Lewis Little



NEW
Ettrick Liberty
 3000 E. River Road
 Convenience/Gas
 Sale - \$1,300,000
 Yasmine Hamad

New Retail Development

NEW
Amelia Retail
 Route 360
 Planned retail building in front of Food Lion
 810 - 4,420 SF
 Lease - \$18 NNN
 June Smith
 (Owner/Agents)

Ashland Retail Shops
 Adjacent to Wal-Mart
 1,200 to 20,000 SF
 Lease - \$20 NNN
 Susan Jones, Allyson Petty

Central Crossing Ph II
 Aylett, VA
 1,200 to 20,000 SF
 For Lease
 Susan Jones, Allyson Petty

Woodlawn Shopping Center
 Fredericksburg, VA
 1,000 to 10,000 SF
 Lease
 June Smith, Yasmine Hamad

Retail Land

NEW
 Chesterfield County - Rt 10 & I-295, Chester
 731 Bermuda Hundred Rd - 3.2 Acres - \$1,400,000
 800-806 Bermuda Hundred Rd - 4.1 Acres
 Call Yasmine Hamad, June Smith

NEW
 Chesterfield County - Midlothian
 10539 Hull Street Rd - 4.729 Acres Total
 1.5 Acre Site - \$550,000
 Three 1-Acre Sites - \$150,000 to \$250,000/ac
 16421 Hull Street Rd - 5.67 Acres - \$510,000
 Call Yasmine Hamad

NEW
 South Hill (Mecklenberg County) - U.S. Route 58
 1 to 2.5 Acres between Burger King & Wendy's
 \$72,000 Annual Ground Lease
 Susan Jones, Allyson Petty

The Retail Services 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
- Buyer/Tenant Representation
- Feasibility Studies
- Highest & Best Use/Alternative Use Studies
- Investment Analysis
- Lease Review for Owners & Tenants
- Lease vs. Own Analysis
- Marketing Plans & Services
- Opinions of Value
- Project Management
- Sales-Leasebacks
- Site & Facility Selection
- Strategic Real Estate Planning
- Tax Deferred Exchanges
- Tenant Retention

Brian Glass
Senior Vice President
804.788.1000 ext 207
brian.glass@harrison-bates.com



Yasmine Hamad
Associate
804.788.1000 ext 279
yasmine.hamad@harrison-bates.com



Susan Jones
Vice President
804.788.1000 ext 266
susan.jones@harrison-bates.com



Bill Mattox, SIOR
Senior Vice President
804.788.1000 ext 331
bill.mattox@harrison-bates.com



Allyson Petty
Associate
804.788.1000 ext 352
allyson.petty@harrison-bates.com



June Smith
Associate
804.788.1000 ext 305
june.smith@harrison-bates.com



J. F. (Jeff) Williams, III
Chairman Emeritus
804.788.1000 ext 263
jeff.williams@harrison-bates.com



Superior Service Through
Innovative People
With Traditional Values



Harrison & Bates Incorporated
6606 W. Broad Street, Suite 400
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Richmond, VA 23230-1027
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