

Retail Market Trends Richmond

Grubb & Ellis Research

2nd Quarter 2006



Retail Activity Mixed

Rental rates have stabilized.

Rental rates, while still high in some submarkets, have stabilized. In the very competitive southwest quadrant, rates are actually slipping a little as some landlords are finding new projects are taking longer to fill than anticipated. Leasing activity is flat in the vicinity of Chesterfield Towne Center, perhaps an indication of saturation in this submarket. The Short Pump area is seeing more resistance from tenants to \$40+ asking rates plus steep pass-throughs of \$5 to \$6.50 per square foot for non-mall space. Developers will have difficulty pushing rates any higher for the one million square feet of additional retail proposed for this submarket.

Chesterfield County announced in May that it will work with Crosland, Inc., a Charlotte, NC based developer to redevelop the old Cloverleaf Mall site at Midlothian Turnpike and Chippenham Parkway into a mixed complex with residential, office and retail components. In the meantime, the largely vacant mall, which is owned by the county, remains open.

In eastern Henrico County, Forest City Enterprises, Inc. moved a step closer with its plans to redevelop the former Viasystems site at Laburnum Avenue and I-64 into a major shopping destination with up to 1 million square feet of retail. The Henrico County Board of Supervisors approved rezoning the 136-acre site from industrial to business. Forest City could deliver White Oak Village in 2008.

Investment activity included the sale of the 130,201-square-foot Oxbridge Square to Stoltz Real Estate Partners LLC for \$15.2 million or \$116 per square foot. This Ukrop's anchored center is on the Hull Street Road corridor in Chesterfield County.

Richmond Retail Market Trends

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Independently Owned and Operated

Richmond Retail Market Snapshot

Total Retail Inventory	67,743,078 SF
Vacant Retail Space	3,812,844 SF
Vacancy Percent	5.6%
Year-to-Date Deliveries	143,192 SF
Under Construction	167,042 SF

Source: CoStar Mid-Year 2006 Report

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



Site Criteria:

2,500 - 4,000 SF Bldg
 Endcap position in a high profile location
 Contact Susan Jones



Site Criteria:

1,800 - 2,400 SF
 Ideal frontage is 30 feet
 Convenient access and ample parking
 Excellent visibility
 Contact Susan Jones or Tom Burke

NEW

Recent Transactions

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

11440 Midlothian Turnpike
 3,348 SF Sale
 \$1,310,000
 Susan Jones, Bill Mattox

105 E. Broad Street
 8,580 SF Sale
 \$320,000
 Brian Glass

Diamond Billiards, LLC
 Pocono Green Shopping Center
 6,036 SF Lease
 Susan Jones

Little Saigon Restaurant
 Robious Hall Shopping Center
 2,603 SF Lease
 Allyson Petty, Susan Jones

Central Crossing Phase II
 1,200 SF Lease - **China Grill**
 1,200 SF Lease - **Check n Go**
 1,200 SF Lease - **Regal Nails**
 Susan Jones, Allyson Petty

Hull Street Retail Business Center
 10601 Hull Street Road
 1,500 SF Lease - **Tammy Nails**
 Yasmine Hamad, Brian Glass

Featured Listings

Partial Listing of Retail Properties Currently Available

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



NEW Village Shopping Center
 7001-7043 Three Chopt Road
 One space - 2,156 sf
 Lease - \$24 NNN



NEW Gayton Crossing
 1302 Gaskins Road
 In-line space 900 to 6,000 sf
 and pad sites available
 Lease - \$10 to \$22 NNN



NEW Laburnum Park
 4330-4350 S. Laburnum Ave
 810, 900, and 2,100 sf
 \$16 to \$20 NNN



NEW Hanover Village
 Mechanicsville Turnpike
 1,500 and 3,025 sf
 Lease - \$16 NNN



NEW Glen Lea
 3800 Mechanicsville Turnpike
 35,000 sf anchor space
 available



Contact
 Susan Jones or
 Allyson Petty
 for more information on
 any of these Regency
 Centers properties.

Existing Retail Space & Buildings



NEW
Former Healthsouth Rehab
7217 W. Broad Street
7,462 -17,302 SF
Lease - \$10.50 NNN
Susan Jones, Bill Mattox



NEW
Chestertowne Square
4211 Beulah Road
1,350 to 37,625 SF
Lease - \$6.00 NNN anchor
\$12.00 NNN small space
Brian Glass, Yasmine Hamad



NEW
Brook Run North
5950-5962 Brook Road
1,250 to 5,000 SF
Lease - \$15 to \$17 NNN
Brian Glass



NEW
10801-10807 Midlothian Tpk
2,125 and 3,825 SF
Lease - \$14 to \$15 NNN
Overhead Door Each Space
Brian Glass



NEW
11201 Midlothian Tpk
8,820 SF
100% Leased - Two Tenants
Investment Sale - \$1,400,000
Yasmine Hamad, Bill Mattox,
Zac Frederick



NEW
6019 W. Broad Street
5,127 SF
Lease - \$11.50 NNN
Brian Glass



NEW
Gaskins Place
1123-1127 Gaskins Road
880 SF Office/Retail
Lease - \$14.50 Full Service
Tom Burke, Bill Mattox



One Space Left!
316 N. Arch Road
1,600 SF
Lease - \$14.00 NNN
Susan Jones



NOW OPEN !
Central Crossing Phase II
Aylett, VA
4,000 & 6,000 SF Endcaps
1,200 SF In-line
Susan Jones, Allyson Petty



9011-9017 W. Broad Street
2,400 & 2,800 SF
Lease - \$18 to \$20 NNN
Jeff Williams



One Space Left!
Bowles Farm Retail
6500 Mechanicsville Tpk
1,860 SF
Lease - \$21.50 NNN
Allyson Petty, Susan Jones



Robious Hall Shopping Center
10064 Robious Road
1,634 SF and 6,410 SF
3,535 SF Restaurant Space
Lease - \$16.00 NNN
Allyson Petty, Susan Jones

Planned Retail Development

Ashland Retail Shops
Adjacent to Wal-Mart
Proposed Retail Strip
1,200 to 16,800 SF
Lease - \$22 NNN
Susan Jones, Allyson Petty

Dover Square
Rt. 250, Manakin-Sabor
1,200 to 53,250 SF
Shops and Outparcels
Coming 2007
Allyson Petty, Susan Jones

The Shops at 51 S Laburnum
51 S. Laburnum Avenue
Delivery March, 2007
9,600 SF
Lease - \$15.00 NNN
Brian Glass, Yasmine Hamad

Hull Street Retail Business
Center - Delivery March '07
10601 Hull Street Road
12,750 SF
Lease - \$15.00 NNN
Yasmine Hamad, Brian Glass

Powhatan County
Anderson Highway
Retail/Office/Flex Sites
1 to 6 Acres
Sale or Lease
Susan Jones, Bill Mattox,
Lewis Little

Retail Land

Chesterfield County - Midlothian

16421 Hull Street Rd - 5.67 Ac - \$510,000

16511 Hull Street Rd - 10.23 Ac - \$1,023,000

16519 Hull Street Rd - 4.05 Ac - \$745,200

Call Yasmine Hamad

Henrico County - Short Pump Area

11950 W. Broad St - 4.76 Acres - Zoned B-2C

\$4,150,000 - Call Bill Mattox **Under Contract**

Henrico County - Gayton & Broad Development Site

29.6 Acres - \$21,771,600

Call Bill Mattox, Susan Jones, Lewis Little

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
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- 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

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Real Estate Excellence
Since 1910



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