

Retail Market Trends Richmond

Grubb & Ellis Research

3rd Quarter 2006



Retail developers remain bullish on Richmond as they move forward with additional large-scale projects.

More Retail Projects Planned

Laburnum Investments LLC closed on the purchase of 137 acres at Laburnum Avenue and I-64 from ViaSystems Technologies for \$7,056,000. The partnership of Forest City Enterprises and local developer, Thomas G. Pruitt, earlier this year received approval from Henrico County to develop up to 900,000 square feet of retail space and a 150-room hotel at the project to be named White Oak Village. They are the same team responsible for Short Pump Town Center.

On the West Broad Street corridor, Archon Group purchased 41 acres across from Short Pump Town Center for \$15 million, or about \$365,319 per acre. Archon plans to develop a mixed-use project to be named The Corner at Short Pump which would include about 200,000 square feet of retail space along with office and town homes in a pedestrian-friendly layout.

Bass Pro Shops announced plans to anchor a proposed retail development on 186 acres at I-95 and Lewistown Road in Hanover County to be developed by Holladay Properties of South Bend, Indiana. The approximately 150,000-square-foot sporting goods store would open in late 2008. The project will be supported by hotels, restaurants and entertainment facilities.

Leasing velocity has slowed in recent months, especially in areas such as Mechanicsville and around Chesterfield Town Center where the submarkets have perhaps reached saturation. Conversely, activity has picked up further west on Route 60 at Route 288 in Chesterfield County with Zaremba Group announcing the following tenants at Westchester Commons: SuperTarget, Petco, Office Max, RoomStore and Consolidated Theatres.

Richmond Retail Market Trends

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Richmond Retail Market Snapshot

Total Retail Inventory	67,453,657 SF
Vacant Retail Space	3,739,274 SF
Vacancy Percent	5.5%
Year-to-Date Deliveries	215,096 SF
Under Construction	236,170 SF

Source: CoStar Q3 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:

800-1,500 SF
 Vibrant small, medium-sized business nearby
 Grocer or other strong anchor
 Excellent visibility
 Contact Susan Jones

Recent Transactions

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

Mechanicsville Tpk & Creighton Rd
 13 Acre Sale
 3 Acre Sale
 15.65 Acre Sale
 Susan Jones

10539 Hull Street Road
 1.5 Acre Sale
 1.07 Acre Sale
 1.106 Acre Sale
 Yasmine Hamad

Dollar Tree Stores
 Emporia Shopping Center
 18,900 SF Lease
 Allyson Petty

Great Taste, Inc.
 Southpark Square Shopping Center
 9,600 SF Lease
 Brian Glass

Gayton Crossing
 1,000 SF Lease - **Bella**
 900 SF Lease - **Zohar Gifts**
 1,000 SF Lease - **The Science Place**
 Susan Jones, Allyson Petty

H&R Block
 Willow Lawn Shopping Center
 2,104 SF Lease
 Susan Jones

Featured Listings

Partial Listing of Retail Properties Currently Available

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



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



Gayton Crossing
 1302 Gaskins Road
 In-line space 1,000 to 6,000
 sf and pad sites available
 Lease - \$10 to \$22 NNN



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



Hanover Village
 Mechanicsville Turnpike
 1,500 to 4,000 sf
 Lease - \$16 NNN



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



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



*Southgate Square
Colonial Heights, VA
1,600 SF
Lease - \$18.00 NNN
Allyson Petty*



*Brook Run North
5950-5962 Brook Road
1,250 to 2,500 SF
Lease - \$15 to \$17 NNN
Brian Glass*



*Three Chopt Plaza
8901-C Three Chopt Road
8,441 SF
Available May, 2007
Lease - \$12 to \$15 NNN
Brian Glass*

NEW



*Former Bank Branch
10051 Midlothian Turnpike
2,800 SF
Sale - \$980,000
Bill Mattox, Steve Gentil*

NEW



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



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



*Midlothian Square
11521 Midlothian Tpk
1,200 SF
4,000 SF Restaurant
Lease
Brian Glass, Yasmine Hamad*



*King William Square
Aylett, VA
6,000 SF Endcap
1,200 SF In-line
Susan Jones, Allyson Petty*



*Former Spa Hearth & Home
7905 W. Broad Street
9,500 SF
Lease - \$10.00 NNN
Susan Jones, Allyson Petty*



*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*



*Irongate Village
6401-6429 Iron Bridge Road
2,800 SF Endcap
Lease - \$15.00 NNN
Allyson Petty*

Under Construction or 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
1,000 to 9,600 SF
Lease - \$15.00 NNN
Brian Glass, Yasmine Hamad*

*Hull Street Retail Business
Center - Delivery March '07
10601 Hull Street Road
600 to 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

16527 Hull Street Rd - 15.17 Ac - \$1,500,000

Call Yasmine Hamad

1200 Koger Center Blvd - 2.09 Ac - \$800,000

Call Bill Mattox or Steve Gentil

Henrico County - Short Pump Area

11950 W. Broad St - Two 1.7 Acre parcels - Zoned B-2C

\$1.3 million/acre or lease at \$240,000/parcel - Yasmine Hamad

Henrico County - Short Pump Plaza - 4.8 Acres, All or Part

Ground lease or build-to-suit. Call Susan Jones or Bill Mattox

Henrico County - Gayton & Broad Development Site

29.6 Acres - \$21,771,600

Call Bill Mattox, Susan Jones, Lewis Little

Under Contract

Under Contract

NEW

NEW

NEW

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
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- 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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Since 1910



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