

# Retail Market Trends Richmond

Grubb & Ellis Research

4th Quarter 2006



## Developments Moving Forward

*The pace of construction in the retail sector is beginning to pick up again after taking a breather for much of 2006.*

Large scale projects and investment sales dominated retail market news for the quarter. A trio of projects broke ground in Henrico County - Short Pump Station and West Broad Village on the West Broad Street corridor in the Short Pump submarket, as well as White Oak Village at I-64 and Laburnum Avenue where demolition of the old Viasystems plant is underway.

Construction is expected to begin this Spring on Hancock Village at the southwest corner of Hull Street Road and Winterpock Road in Chesterfield County. The project developer, EDCO, LLC announced Wal-Mart and J. C. Penney as anchors with 204,000 square feet and 103,000 square feet respectively. The total project size will be about a half million square feet.

Charlotte-based Crosland, Inc. contracted to purchase Cloverleaf Mall from Chesterfield County for about \$9.2 million. If all goes as planned, the 34-year-old mall will be demolished within the next year and construction will begin on Chippenham Place, a mixed-use development of homes, offices and stores. Crosland has already secured a commitment from Kroger to anchor the retail portion. The necessary rezoning of the property is expected to be completed by Fall.

Recent retail investment sales included the transfer of 124,000 square feet at Harbour Pointe Village to Harbour Pointe Acquisition Company for \$23.16 million or \$187 per square foot. Also sold was the 15,000-square-foot Shops at Railey Hill to Silver Spruce, LLC for \$3.08 million or \$212 per square foot.

Looking ahead, the pending acquisition of Inland Retail Real Estate Trust, Inc. by Developers Diversified will affect Inland's Richmond portfolio of community and power centers including Downtown Short Pump, The Creeks at Virginia Center, Chesterfield Crossing and Commonwealth Centre Phase II.

### Richmond Retail Market Trends

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### Richmond Retail Market Snapshot

Total Retail Inventory	67,427,290 SF
Vacant Retail Space	3,693,922 SF
Vacancy Percent	5.5%
Year-to-Date Deliveries	336,617 SF
Under Construction	433,408 SF

Source: CoStar Q4 2006 Report

## Tenant Representation

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

NEW



**Site Criteria:**

0.6 - 1.0 Acre Lots, Prefer to Purchase  
Minimum 15,000 VPD Traffic Count  
Canopy Construction & Drive-Thru  
Minimum 3-Mile Population of 15,000  
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:**

2,000 - 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:**

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



**Site Criteria:**

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

## Recent Transactions

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

**11201 Midlothian Turnpike**

8,800 SF Sale  
Chesterfield County  
Yasmine Hamad, Bill Mattox,  
Zac Frederick

**4501 W. Hundred Road**

6,100 SF Sale  
Chesterfield County  
Yasmine Hamad, Bill Mattox

**Saxby's Coffee**

Short Pump Station  
1,380 SF Lease  
Henrico County  
Susan Jones

**Hull Street Retail Business Center  
10601 Hull Street Rd, Chesterfield**

Kitty's Hair - 600 SF Lease  
Tammy Nails - 1,500 SF Lease  
Tesoro Printing - 750 SF Lease  
Yasmine Hamad, Brian Glass

**1-2-3 Fit**

1,860 SF Lease  
Bowles Farm Retail Center  
Hanover County  
Susan Jones, Allyson Petty, Tom Burke

**Town & Country Shops**

**1940 Sandy Hook Rd, Goochland**  
Fancy Nails - 1,529 SF Lease  
Barber Shop - 1,490 SF Lease  
Fox's Pizza - 1,250 SF Lease  
Commonwealth Gallery Florist - 550 SF  
Susan Jones

## Featured Listings

Partial Listing of Retail Properties Currently Available

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



NEW

**Former Winn Dixie**  
3300 Broad Rock Blvd  
47,075 SF on 6.58 Ac  
Sale - \$2,295,000  
Lease - Negotiable  
Brian Glass, Yasmine Hamad



NEW

**Chesapeake Commons**  
Kilmarnock, VA  
1,200 to 8,160 SF (endcap)  
Lease - \$12 to \$16 NNN  
Susan Jones



NEW

**Former First Virginia Bank**  
11400 Midlothian Tpke  
2,605 SF on .83 Ac  
Sale - \$1,400,000  
Bill Mattox, Steve Gentil,  
Stacie Wiczulis



NEW

**Sunoco**  
15841 Jefferson Davis Hwy  
Rt 1 & Woods Edge Rd  
1,200 SF on 2.2 Ac  
Sale - \$950,000  
Yasmine Hamad

Existing & Under Construction Retail Space & Buildings



**NEW**

**Restaurant/Catering Facility**  
2124 Willis Road  
6,840 SF on 2.02 Ac  
Sale - \$785,000  
Bill Mattox, Stuart Cary



**NEW**

**8007 Mechanicsville Tpk**  
9,669 SF  
Lease - \$10.50 Gross  
Bill Mattox



**Under Contract**

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



**Now Open!**

**Hull Street Retail Business Center**  
10601 Hull Street Road  
600 - 7,200 SF  
Lease \$15.00 NNN  
Yasmine Hamad, Brian Glass



**Summer Delivery**

**The Shops at 51 S Laburnum**  
51 S. Laburnum Avenue  
1,000 to 9,600 SF  
Lease - \$15.00 NNN  
Brian Glass, Yasmine Hamad



**Triangle Park**  
7110 Patterson Avenue  
1,400 SF Available 3/1  
Lease - \$16.25  
Melanie Holloway, Tom Burke



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



**King William Square**  
Rt 360, Central Garage  
1,200 to 6,000 SF  
Lease  
Susan Jones, Allyson Petty



**Gayton Crossing**  
1302 Gaskins Road  
In-line space 928 to 6,000 sf  
and pad sites available  
Lease - \$10 to \$25 NNN  
Susan Jones, Allyson Petty



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



**Hanover Village**  
Mechanicsville Turnpike  
1,500 to 4,000 sf  
Lease - \$14 to \$16 NNN  
Susan Jones, Allyson Petty



**Glen Lea**  
3800 Mechanicsville Turnpike  
35,000 sf anchor space  
available  
Susan Jones, Allyson Petty

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

**NEW**

**Spring Branch Retail Center**  
Anderson Hwy / Powhatan  
1,200 to 9,600 SF  
Lease - \$15.50 NNN  
Pad Sites Available  
Susan Jones

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
- 16600 Hull Street Rd - 15.74 Ac - \$60,000/ac
- 15820 Woods Edge Rd - 7 Ac - \$2,100,000  
Call Yasmine Hamad
- 1200 Koger Center Blvd - 2.09 Ac - \$800,000  
Call Bill Mattox or Steve Gentil

**Under Contract**

**Under Contract**

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

17.18 Acres. 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
- 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

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