

Land Market Trends Richmond

Grubb & Ellis Research

First Quarter 2008



Commercial Land Sales Remain Stable

By Bruce Milam

Demand for industrial zoned land is the highest its been in years.

Commercial properties, largely owned, financed and managed by Real Estate Investment Trusts (REITs), are fairly stable investments. Very few, if any, face the probability of foreclosure locally despite the perception that the real estate market is in a recession. Therefore, the price for undeveloped land zoned for retail and office uses remains very stable as well. The Richmond region is seeing the largest influx of retail development in any one-year time frame, with more than 3.75 million square feet of space (Westchester Commons, White Oak Shopping Center, Courthouse Commons, West Broad Village, etc.) expected to hit the market by Spring 2009. The market's ability to find tenants may dictate how retail land sells during 2009 and 2010. The most active buys continue to be the corner sites at signalized intersections with utilities, for such uses as pharmacies, gas-convenience stores, as well as hotel sites near interstate interchanges.

Industrial land is the most active it's been in years, as developers perceive the region as an underserved intra-modal location. Land aside Interstates 64 and 95, particularly south and east of the City, are getting a lot of attention for the construction of 100,000-square-foot or larger warehouses and flex warehouse/office uses. Office sites are less in-demand, but good sites are available for development in most of the area's established office parks.

The housing market, jolted by more setbacks in underwriting and lending standards, continues to wane. Most builders feel that 2008 is a write-off and hope for a rebound in 2009. Still, the major landholdings are in the hands of well-financed developers, and no substantial discounts in land values are foreseen for the near term. Zoned multi-family land, in good locations, is nearly impossible to come by.

Overall, Richmond is a very stable commercial real estate market. If you want to know if now is a good time to put your property on the market, give us a call for a "no-strings attached" assessment.

Richmond Land Market Trends

is a newsletter published quarterly by Grubb & Ellis|Harrison & Bates.

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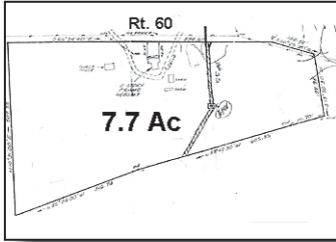
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Representative First Quarter Richmond Area Land Sales

- 30.12 acres on Hill Carter Parkway in the Ashland Business Park to Mother Parker's Tea & Coffee, Inc. for \$2,560,200 (\$85,000/ac) for a manufacturing facility.
- 12.53 acres at 1320 Starling Drive in Henrico County to BJ's Wholesale Club Inc. for \$4.5 million (\$359,138/ac) for a retail store.
- 10.56 acres at Ruffin Mill Road & Continental Boulevard in Chesterfield to The Landmark Company for \$495,000 (\$46,875/ac) for flex development.
- .89 acres at 11011 W. Broad Street in Henrico County to First Capital Bank for \$1.5 million (\$1,685,393/ac) for a bank branch.

Featured Land Listings

To search all listings including improved property, go to www.harrison-bates.com/properties.



NEW

3117 Anderson Hwy - 7.7 Ac
950' frontage on Rt 60 in Powhatan.
Zoned commercial. \$849,000.
Call Yasmine Hamad.



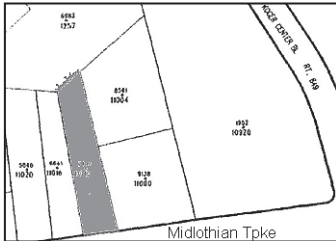
NEW

5030 Castlewood Rd - 26.7 Ac
Industrial land. Three adjoining parcels at
Castlewood & Cardwell Roads. \$40,000/acre.
Call Chip Louthan.



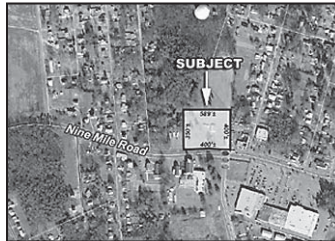
NEW

Creighton & Cold Harbor - 33.75 Ac
Five adjoining parcels suitable for retail/
commercial development. \$87,500/ac.
Call David Williams or Lewis Little.



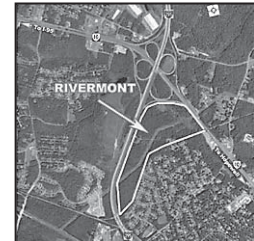
NEW

11010 Midlothian Tpk - .86 Ac
Improved with 2,900 sf building.
Sale (875,000) or ground lease (\$60,000/yr).
Call Jeff Williams.



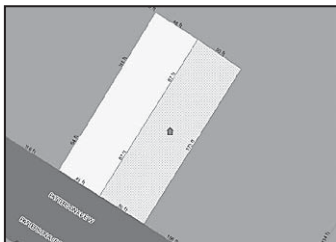
NEW

5910-5920 Nine Mile Rd - 3.5 Ac
450' frontage, B-3 zoning, Enterprise Zone.
\$700,000. Call Yasmine Hamad or Stuart Cary.



NEW

Rivermont Crossing - 36 Ac
Commercial sites on Rt 10 at I-295
in Chesterfield.
Call Allyson Petty or Bill Mattox.



NEW

5408-5410 Patterson Ave - .40 Ac
Two R-5 zoned lots currently improved with
single family residences. \$495,000.
Call Yasmine Hamad.



NEW

Rives Road - 203 Ac
8 parcels along Rives Road between I-95
and I-295. Petersburg/Prince George.
Call Chip Louthan.



Theme Park Way, Doswell - 113 Ac
1/2 mile frontage on I-95 and adjacent to Kings
Dominion. Hanover County. \$8.9 million.
Call Bruce Milam or Lee Hilbert

Recent Transactions

Grubb & Ellis|Harrison & Bates is pleased to announce that it represented the following companies in recent land transactions:

Richland Limited Partnership
in the sale of 30.12 Acres
Ashland Business Park
Hanover County
Bill Mattox, David Williams

Landmark Company
in the purchase of 10.55 Acres
16001 Continental Boulevard
Chesterfield County
David Williams, Lewis Little

Virginia Credit Union
in the purchase of 1.65 Acres
Weir Road & Jeff Davis Hwy
Chesterfield County
Bill Mattox, Steve Gentil, Yasmine
Hamad, Jason Bernstein



Ashland Business Park - Ph I
Two parcels zoned M-1C. 8.52 ac or 5.98 ac.
\$97,500 to \$125,000/acre.
Call Bill Mattox or David Williams.

	LAND TYPE/SIZE/LOCATION	MUNICIPALITY/PRICE	CONTACT(S)	COMMENTS
Commercial	Commercial - 62.46 Acres 3001 New Market Rd	Under Contract Henrico \$6,573,000	Bruce Milam Bill Mattox	Median break and I-295 exposure. Public water and sewer available for mixed-use development.
	Commercial - 41.46 Acres Ladysmith	Caroline \$100,000/ac	Stuart Cary Lewis Little, Jr.	Zoned A-1 with water/sewer on site. Great interstate access.
	Commercial - 15.17 Acres 16527 Hull Street Rd	Chesterfield \$1,517,000	Yasmine Hamad	
	Commercial - 30 Acres 14601 Midlothian Tpke	Under Contract Chesterfield \$4,000,000	Chip Louthan Bruce Milam	Rt 288 & Rt 60. Excellent parcel for future commercial development.
	Commercial - Royal Oaks - 1 to 12 Acres Chippenham Pkwy & Iron Bridge Rd	Chesterfield \$100,000-125,000/ac	Bill Mattox Chris Wallace	Retail & office sites available
	Commercial - 11.4 Acres International Street, Doswell	Hanover \$300-500,000/ac	Yasmine Hamad	Across from King's Dominion. Sale or ground lease. Subdividable.
	Commercial - 10.425 Acres 310-320 LeGordon Dr	Chesterfield \$415,000	Bill Mattox Jason Hetherington	Ideal for small office user. 2.9 acres is buildable. Just off Midlothian Tpke.
	Commercial - 1 to 9.21 Acres 11402 Holiday Bowl Rd	Chesterfield \$85,000/ac	Yasmine Hamad Lewis Little	Former driving range in Enterprise Zone location. Near intersection Rt. 1 and Rt 288
	Commercial - 9.01 Acres 1612 E. Hundred Rd	Chesterfield \$1,800,000	Bill Mattox Yasmine Hamad	I-295 & Rt 10. Zoned C-3. Subdividable.
	Commercial - 7.38 Acres 16200 Midlothian Tpke	Under Contract Chesterfield \$2,125,000	Lewis Little Bill Mattox, Susan Jones	Retail development site at Rt 60 and Huguenot Springs Road.
	Commercial - 4.8 Ac Pouncey Tract Road/Short Pump	1.7 Ac Under Contract Henrico \$1.5 M/ \$2.21 M	Susan Jones Bill Mattox	Sale, ground lease or build-to-suit. Retail Sites - 1.766 ac & 3.045 ac
	Commercial - 1 to 4 Acres Temple Avenue	Colonial Heights \$750,000	Yasmine Hamad	Potential for retail or multifamily development. 4 useable acres. Will ground lease for \$75,000/yr
	Commercial - 1.71 to 3.42 Ac 11950 W. Broad St.	Henrico \$1,300,000/ac	Yasmine Hamad	Two 1.71-acre retail outparcels. Adj. Short Pump Towne Center
	Commercial - 1.22 Acres Nine Mile Road & Laburnum Avenue	Henrico \$650,000	Yasmine Hamad Brian Glass	Outparcel of Fairfield Commons.
	Commercial - 1.4 Acres 801 South Ave	Colonial Heights \$1,320,000	Yasmine Hamad	Off I-95 at Southpark Exit
	Commercial - 2.09 Acres 1200 Koger Center Boulevard	Chesterfield \$800,000	Steve Gentil Bill Mattox	Adjoins VA Credit Union & near Chesterfield Towne Center.
	Commercial - 1.82 Acres 3800 Castle Rock Road	Chesterfield \$695,000	Bill Mattox Jason Bernstein	Retail zoned site with frontage on Hull Street Road. Ideal for fast food or automotive.
	Commercial - 1.02 Acres 10510 Midlothian Turnpike	Chesterfield \$750,000	Yasmine Hamad Chip Louthan	170' frontage on Midlothian Tpke in front of Johnston Willis Hospital.
	Commercial/Retail - .97 Acres 10173 Robious Road	Chesterfield \$350,000	Bill Mattox Lewis Little	Ideal site for florist, C-store or car wash.
	Industrial	Commercial - .91 Acres Jupiter Drive	Hanover \$495,000	Lewis Little, Jr. Bill Mattox
Commercial/Office - 5.766 Ac Patterson Ave @ Rt 288		Goochland \$975,000	David Williams Lewis Little, Jr.	Great office development opportunity. Just past West Creek.
Commercial/Office - 1.997 Ac Shrader Road		Under Contract Henrico \$450,000	John Gentry Zac Frederick	N. line of Shrader south of Parham.
Industrial - 36 Acres Bermuda Hundred Road		20 Ac Under Contract Chesterfield \$1,150,000	Bill Mattox Bruce Milam	36 acres. Mixed Use. Near Meadowville Technology Center.
Industrial - 25.6 Acres Dry Bridge & Old Williamsburg Rd		Henrico \$1,875,000	David Williams Lewis Little, Jr.	M-1C. Near Infineon (White Oak)
Industrial - 7.2 Acres 4201 Oakleys Lane		Henrico \$687,800	Yasmine Hamad Chip Louthan	Industrial site in eastern Henrico.
Industrial - 7 to 14 Acres 307 Quarles Road, Ashland		Hanover \$60,000/ac	David Williams Stuart Cary	M-1 Zoning, Water & Sewer Owner will build-to-suit.
Industrial - 2.08 Acres 5010 W. Broad Street		Henrico \$618,600	Jason Hetherington Chip Louthan	Commercial/Industrial site near Willow Lawn. Adjacent to self storage. Some access issues.
Industrial/Office - 1.66 Acres Anderson Hwy (Rt 60)		Powhatan \$280,000/ac	Bill Mattox Lewis Little, Jr.	Business sites in mixed use development.
Residential		Residential - 352 Acres Pierce Road	Powhatan \$10,000/ac	Yasmine Hamad Bruce Milam
	Residential - 50.75 Acres 18800 Woodpecker Road	Chesterfield \$1,558,000	Bill Mattox Lewis Little	Approved for 82-lot subdivision. Good topo. Water & sewer available.
	Residential - 22.47 Acres Ashland Road (Rt 623)	Henrico \$765,000	Bruce Milam Bill Mattox	Subdivided into 3 lots for single family development

The Land & General Brokerage Team specializes in all facets of commercial 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
- Assemblages
- Buyer/Tenant Representation
- Feasibility Studies
- Highest & Best Use/Alternative Use Studies
- Investment Analysis
- Land Topography Evaluation
- Lease Review for Owners & Tenants
- Lease vs. Own Analysis
- Marketing Plans & Services
- Multi-Family Property Valuation
- Sales-Leasebacks
- Site & Facility Selection
- Special/Unusual Property Transactions
- Strategic Real Estate Planning
- Tax Deferred Exchanges

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