

Retail Market Activity Report

Salt Lake County | **Second Quarter 2010**

Retail Market Overview - Q2 2010

Total Market Square Feet:

	Current	Change since:	
		Q1 10	Q4 09
Retail Vacancy	9.25%	↓	↑
Average Market Lease Rate	\$19.12	↓	↓
Completed Construction	74,216 SF	na	↓

- Closures of national retailers have mostly subsided in the Salt Lake market from 2009.
- Lease rates have remained relatively level with the exception of the SW trade area where they have softened to below \$20 psf.
- Even with published rates remaining level, landlords are still willing to grant significant rent concessions for new deals, and to blend and extend for renewal of existing tenants.
- The grocery category, including Winco and Sunflower Farmers markets is seeing the aforementioned continue to add locations along the Wasatch Front.
- Tight underwriting requirements and a cautious retail market has kept new retail development at a minimum.

Retail Market Overview by Sub-Market

	Market SF	With Malls	
		Vacant SF	Vacancy
Northeast	4,784,404	411,492	8.60%
Central East	6,096,714	509,609	8.36%
Southeast	9,528,489	1,074,931	11.28%
Northwest	876,650	54,639	6.23%
Central West	7,108,751	714,909	10.06%
Southwest	8,658,063	660,597	7.63%
Total	37,053,071	3,426,177	9.25%

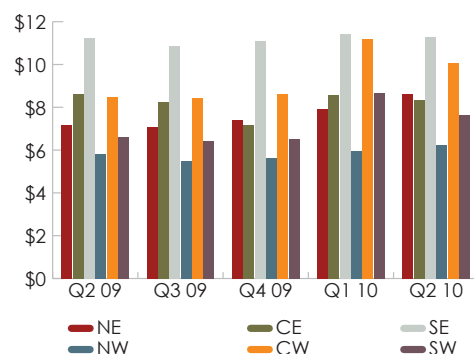
	Market SF	Without Malls	
		Vacant SF	Vacancy
Northeast	4,546,313	290,065	6.38%
Central East	4,991,564	490,195	9.82%
Southeast	8,259,803	1,073,131	12.99%
Northwest	876,650	54,639	6.23%
Central West	6,508,954	615,468	9.46%
Southwest	8,658,063	660,597	7.63%
Total	33,841,347	3,184,095	9.41%

Retail Market Overview by Type

	Market SF	With Malls	
		Vacant SF	Vacancy
Mall	3,211,724	242,082	7.54%
Regional	6,713,041	615,373	9.17%
Community	15,176,402	1,255,558	8.27%
Neighborhood	7,508,007	725,530	9.66%
Strip	4,443,897	587,634	13.22%
Total	37,053,071	3,426,177	9.25%

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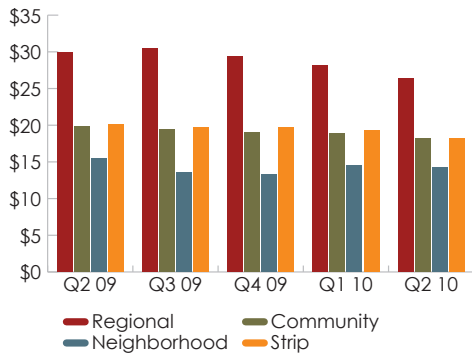
Lease Rates by Sub-Market



Weighted Average Asking Lease Rates by Sub-Market

	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10
Northeast	\$21.75	\$22.37	\$21.69	\$22.24	\$22.62
Central East	\$20.34	\$19.17	\$18.90	\$17.93	\$18.48
Southeast	\$20.29	\$19.09	\$18.58	\$19.74	\$19.13
Northwest	\$13.56	\$13.56	\$13.65	\$13.67	\$13.45
Central West	\$20.57	\$19.80	\$19.81	\$19.18	\$19.50
Southwest	\$24.77	\$25.71	\$24.50	\$22.31	\$18.34
Total	\$21.01	\$20.60	\$20.16	\$19.89	\$19.12

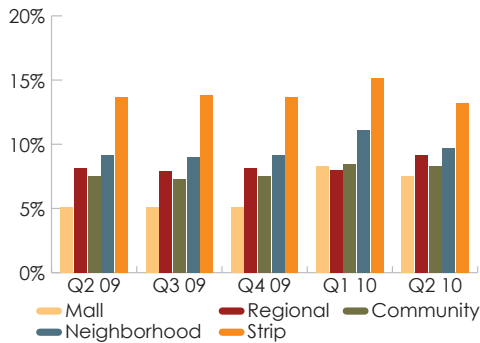
Lease Rates by Type



Weighted Average Asking Lease Rates by Type

	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10
Regional	\$29.88	\$30.40	\$29.41	\$28.15	\$26.39
Community	\$19.78	\$19.49	\$19.07	\$18.87	\$18.17
Neighborhood	\$15.49	\$13.54	\$13.32	\$14.50	\$14.20
Strip	\$20.09	\$19.76	\$19.63	\$19.28	\$18.13
Total	\$21.01	\$20.60	\$20.16	\$19.89	\$19.12

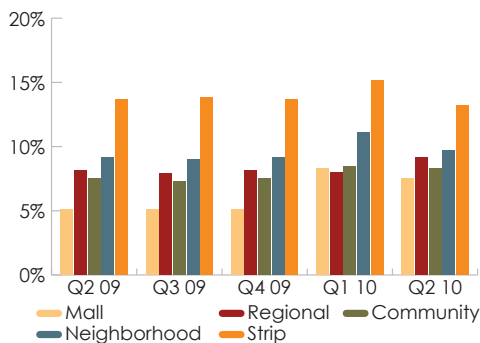
Vacancy by Sub-Market



Vacancy by Sub-Market

	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10
Northeast	7.15%	7.09%	7.39%	7.92%	8.60%
Central East	8.60%	8.24%	7.18%	8.56%	8.36%
Southeast	11.26%	10.86%	11.08%	11.43%	11.28%
Northwest	5.81%	5.50%	5.65%	5.95%	6.23%
Central West	8.46%	8.45%	8.60%	11.17%	10.06%
Southwest	6.62%	6.43%	6.53%	8.69%	7.63%
Total	8.50%	8.32%	8.29%	9.69%	9.25%

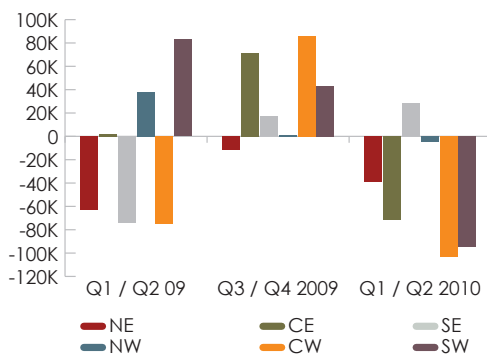
Vacancy by Type



Vacancy by Type

	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10
Mall	5.08%	5.08%	5.08%	8.31%	7.54%
Regional	8.12%	7.87%	8.12%	8.01%	9.17%
Community	7.55%	7.26%	7.55%	8.45%	8.27%
Neighborhood	9.18%	8.98%	9.18%	11.06%	9.66%
Strip	13.64%	13.81%	13.64%	15.12%	13.22%
Total	8.50%	8.32%	8.29%	9.69%	9.25%

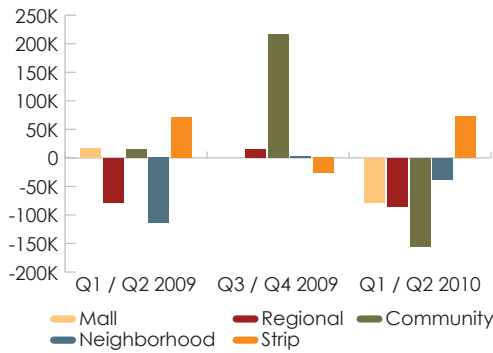
Absorption by Sub-Market



Absorption by Sub-Market

	Q1 / Q2 2009	Q3 / Q4 2009	Q1 / Q2 2010
Northeast	-63,258	-11,656	-38,820
Central East	1,783	71,582	-71,759
Southeast	-74,135	17,103	28,154
Northwest	38,203	1,353	-5,072
Central West	-75,040	86,092	-103,266
Southwest	82,894	42,858	-94,820
Total	-89,553	207,332	-285,583

Absorption by Type



Absorption by Type

	Q1 / Q2 2009	Q3 / Q4 2009	Q1 / Q2 2010
Mall	16,772	-	-78,854
Regional	-78,311	14,243	-84,780
Community	14,830	217,190	-155,491
Neighborhood	-114,225	2,472	-38,502
Strip	71,381	-26,573	72,044
Total	-89,553	207,332	-285,583

New Construction by Sub-Market

	Q1 / Q2 2009	Q3 / Q4 2009	Q1 / Q2 2010
Northeast	-	-	20,516
Central East	-	-	-
Southeast	-	-	53,700
Northwest	-	-	-
Central West	-	105,150	-
Southwest	53,000	94,500	-
Total	53,000	199,650	74,216

New Construction by Type

	Q1 / Q2 2009	Q3 / Q4 2009	Q1 / Q2 2010
Regional	53,000	-	-
Community	-	189,000	53,700
Neighborhood	-	-	-
Strip	-	10,650	20,516
Total	53,000	199,650	74,216

Notable Second Quarter Transactions

Property	Location	Size
Midvale Plaza	7200 South State Street (SWC)	25,000 SF
3485 South Main Street	3485 South Main Street	12,500 SF
The Pony Express	12896 South Pony Express Road	8,300 SF
Riverton Depot	13400 Bangerter Highway (NEC)	8,000 SF
Sandy Village	9400 South 700 East (SEC)	6,287 SF

Notes:

Disclaimer: The enclosed information, while not guaranteed, has been secured from sources we believe to be reliable.

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