

Retail Market Activity Report

Salt Lake County | Third Quarter 2010

Retail Market Overview - Q3 2010

Total Market Square Feet: 37,054,861

	Current	Change since:	
		Q2 10	Q1 10
Retail Vacancy	9.14%	↓	↓
Average Market Lease Rate	\$17.20	↓	↓

- While we have had very few new entries from the national standpoint, those that already have a presence in the market are continuing their growth while favorable deals still exist. Restaurants both fast food (i.e. Five Guys, In & Out, Jimmy John's) and casual (i.e. Corner Bakery, Olive Garden) have been the most active segment of the market over the last two years of this down turn with several new national entries into the market.
- Landlords and lenders are more cautious of new and/or unproven retailers in the current economic climate. To reduce financial exposure with these tenants, landlords are now more apt to give free rent in lieu of a tenant improvement allowance.
- While overall tenant activity remains relatively stagnant, continued concessions and softening lease rates coupled with very limited new construction appears to have had a positive impact on market vacancy. With still higher than average vacancy rates in 2009, the 2010 trend through the third quarter shows some promise that the market is stabilizing.

Retail Market Overview by Sub-Market

	Market SF	With Malls Vacant SF	Vacancy
Northeast	4,882,927	413,083	8.46%
Central East	5,983,181	546,082	9.13%
Southeast	9,528,489	1,076,989	11.30%
Northwest	876,650	47,640	5.43%
Central West	7,125,551	672,370	9.44%
Southwest	8,658,063	629,239	7.27%
Total	37,054,861	3,385,403	9.14%

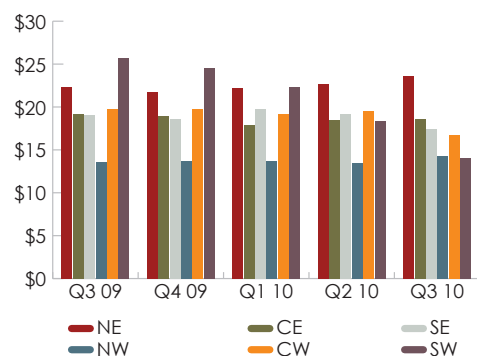
	Market SF	Without Malls Vacant SF	Vacancy
Northeast	4,546,313	236,743	5.21%
Central East	4,991,564	528,668	10.59%
Southeast	8,259,803	1,053,489	12.75%
Northwest	876,650	47,640	5.43%
Central West	6,508,954	615,935	9.46%
Southwest	8,658,063	629,239	7.27%
Total	33,841,347	3,111,714	9.20%

Retail Market Overview by Type

	Market SF	With Malls Vacant SF	Vacancy
Mall	3,213,514	273,689	8.52%
Regional	6,713,041	576,307	8.58%
Community	15,176,402	1,305,212	8.60%
Neighborhood	7,508,007	665,646	8.87%
Strip	4,443,897	564,549	12.70%
Total	37,054,861	3,385,403	9.14%

	Market SF	Without Malls Vacant SF	Vacancy
Mall	-	-	-
Regional	6,713,041	576,307	8.58%
Community	15,176,402	1,305,212	8.60%
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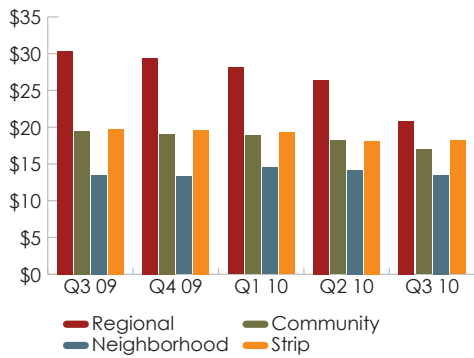
Lease Rates by Sub-Market



Weighted Average Asking Lease Rates by Sub-Market

	Q3 09	Q4 09	Q1 10	Q2 10	Q3 10
Northeast	\$22.37	\$21.69	\$22.24	\$22.62	\$23.57
Central East	\$19.17	\$18.90	\$17.93	\$18.48	\$18.54
Southeast	\$19.09	\$18.58	\$19.74	\$19.13	\$17.42
Northwest	\$13.56	\$13.65	\$13.67	\$13.45	\$14.33
Central West	\$19.80	\$19.81	\$19.18	\$19.50	\$16.77
Southwest	\$25.71	\$24.50	\$22.31	\$18.34	\$14.08
Total	\$20.60	\$20.16	\$19.89	\$19.12	\$17.20

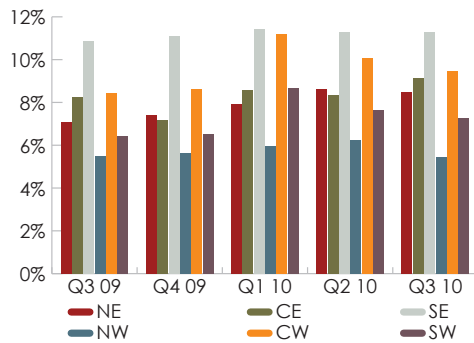
Lease Rates by Type



Weighted Average Asking Lease Rates by Type

	Q3 09	Q4 09	Q1 10	Q2 10	Q3 10
Regional	\$30.40	\$29.41	\$28.15	\$26.39	\$20.84
Community	\$19.49	\$19.07	\$18.87	\$18.17	\$16.95
Neighborhood	\$13.54	\$13.32	\$14.50	\$14.20	\$13.49
Strip	\$19.76	\$19.63	\$19.28	\$18.13	\$18.21
Total	\$20.60	\$20.16	\$19.89	\$19.12	\$17.20

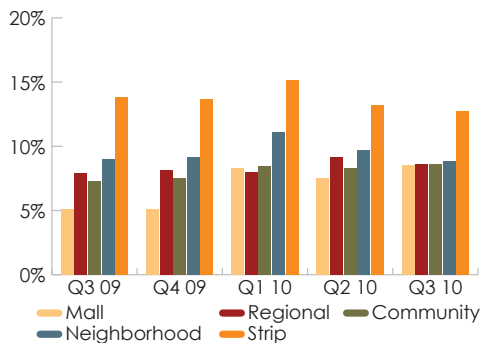
Vacancy by Sub-Market



Vacancy by Sub-Market

	Q3 09	Q4 09	Q1 10	Q2 10	Q3 10
Northeast	7.09%	7.39%	7.92%	8.60%	8.46%
Central East	8.24%	7.18%	8.56%	8.36%	9.13%
Southeast	10.86%	11.08%	11.43%	11.28%	11.30%
Northwest	5.50%	5.65%	5.95%	6.23%	5.43%
Central West	8.45%	8.60%	11.17%	10.06%	9.44%
Southwest	6.43%	6.53%	8.69%	7.63%	7.27%
Total	8.32%	8.29%	9.69%	9.25%	9.14%

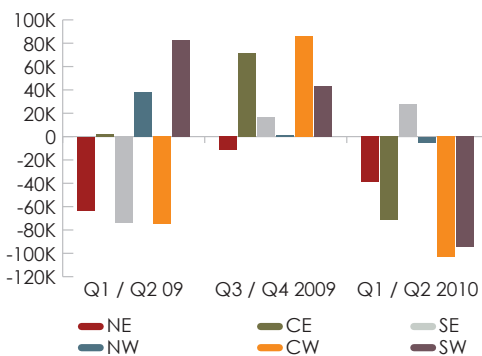
Vacancy by Type



Vacancy by Type

	Q3 09	Q4 09	Q1 10	Q2 10	Q3 10
Mall	5.08%	5.08%	8.31%	7.54%	8.52%
Regional	7.87%	8.12%	8.01%	9.17%	8.58%
Community	7.26%	7.55%	8.45%	8.27%	8.60%
Neighborhood	8.98%	9.18%	11.06%	9.66%	8.87%
Strip	13.81%	13.64%	15.12%	13.22%	12.70%
Total	8.32%	8.29%	9.69%	9.25%	9.14%

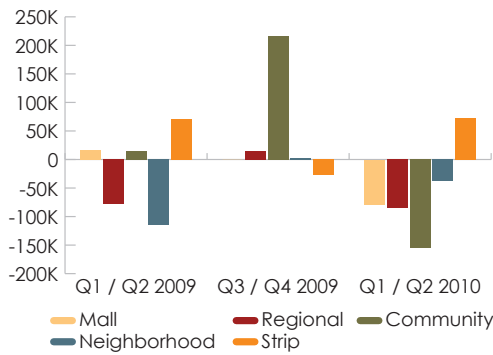
Absorption by Sub-Market



Absorption by Sub-Market (Square Feet)

	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 (Square Feet)

	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 (Square Feet)

	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 (Square Feet)

	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

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

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