

NAIOP Annual Mid Year Forecast CBRE Denver Retail Market Outlook 2010

RETAIL



Jon Weisiger
2009 NAIOP Retail Broker of the Year


CBRE
CB RICHARD ELLIS

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AVAILABLE S.F. 6,532,750

DENVER METRO AREA, DTC, DOWNTOWN DENVER

The Recession Generation



Post economic crisis: Landlords adapting to value-conscious consumer

Source: Shopping Centers Today 3/2010

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AVAILABLE SF: 3,759

DENVER METRO AREA, DTC, DOWNTOWN DENVER, WEST WASHINGTON, SOUTH PLATTSBURGH, SHERIDAN

DENVER METRO RETAIL MARKET CONDITIONS | 2nd Quarter 2010

Hot Topics

- Vacancy continued to decrease
- Absorption posted positive for the quarter
- Availability bucked increasing trend, reported flat
- IKEA breaks ground
- Retail sales growth improved
- Wal-Mart Supercenter and 24 Hour Fitness delivered 245k SF
- National unemployment decreases



Denver Retail Quick Stats
 Direct Vacancy 9.3% Overall Lease Rates \$16.28
 Net Absorption 301k Construction 1.1M

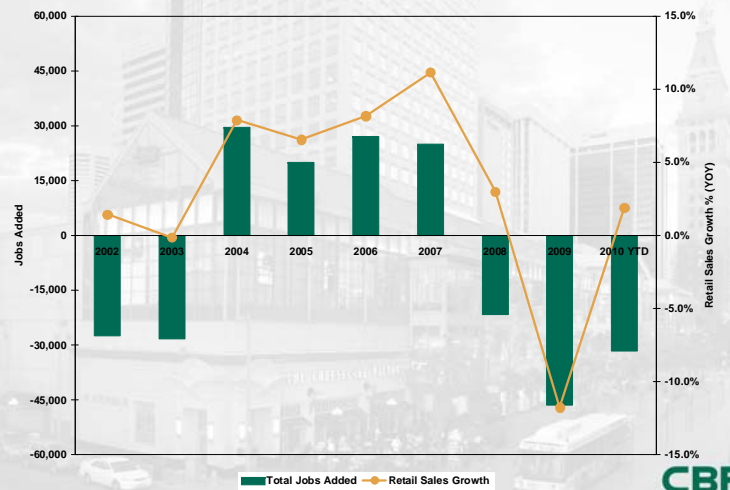


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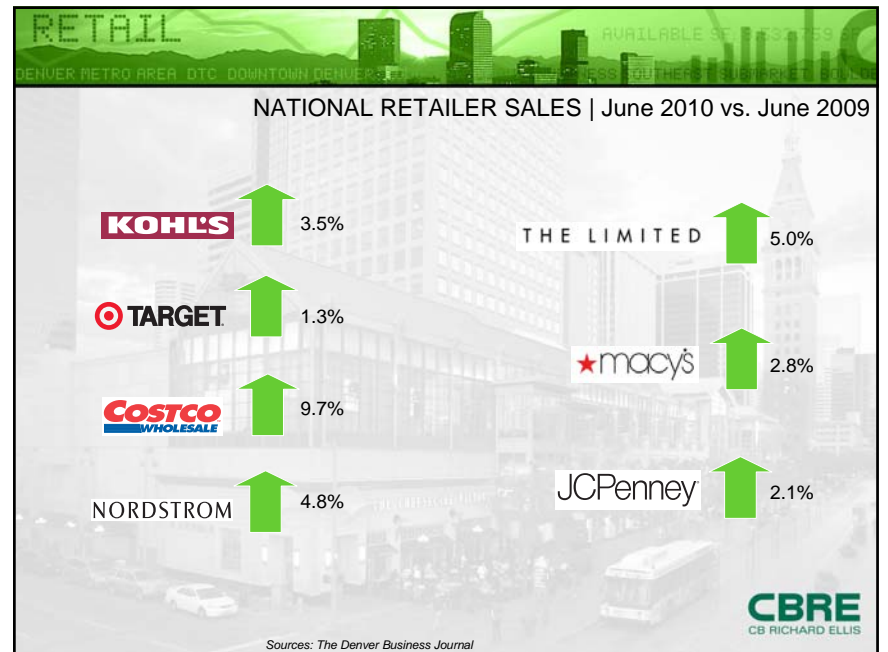
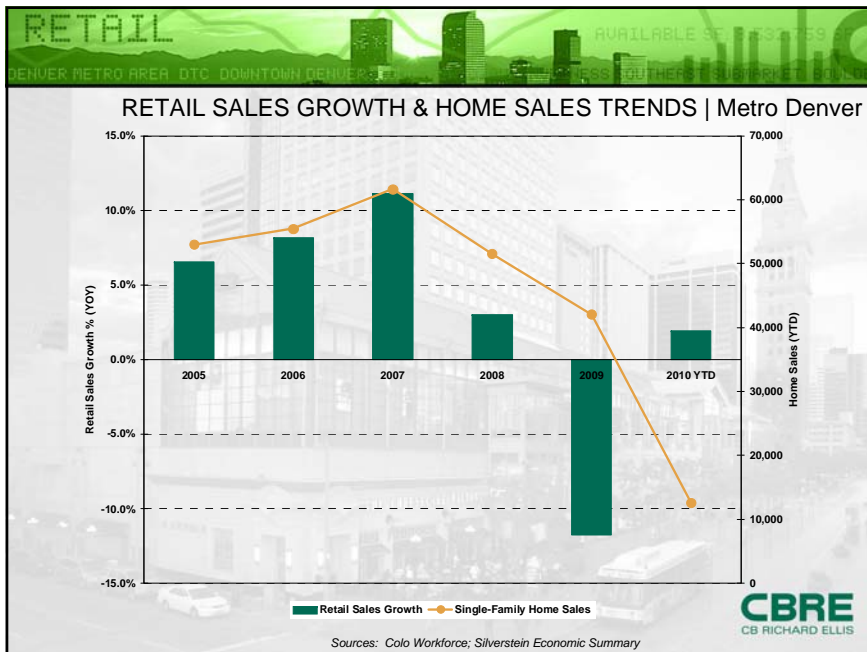
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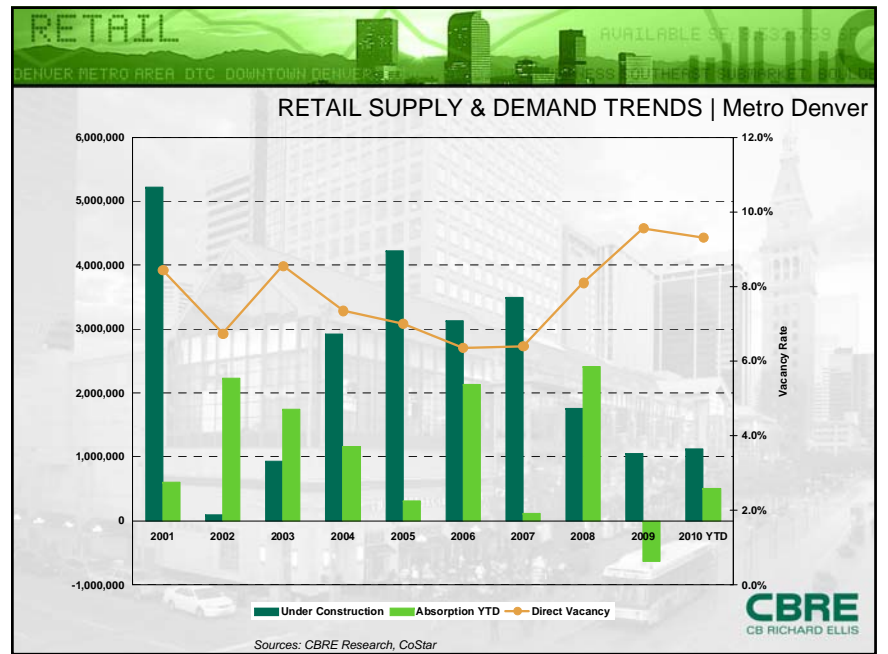
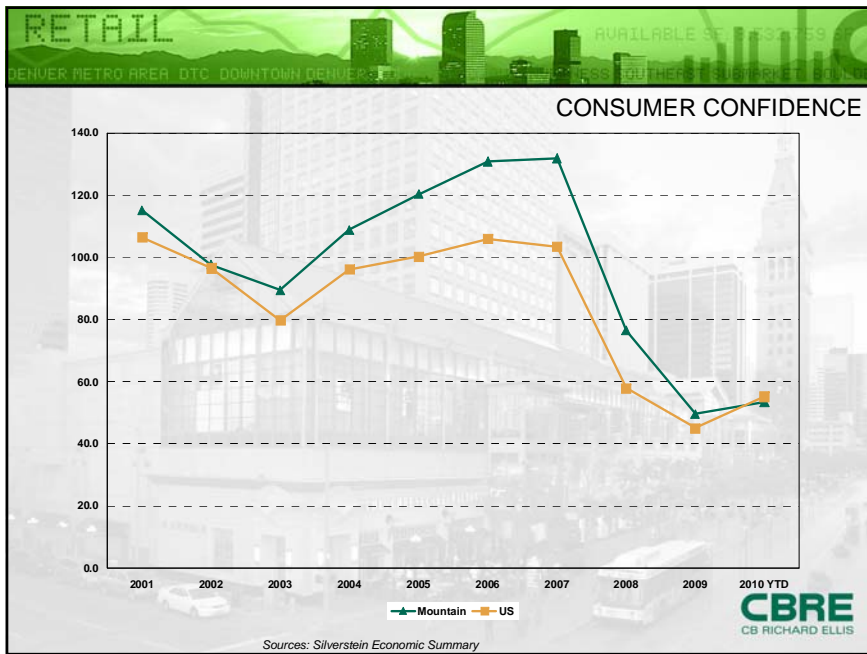
JOB GROWTH vs. RETAIL SALES | Metro Denver

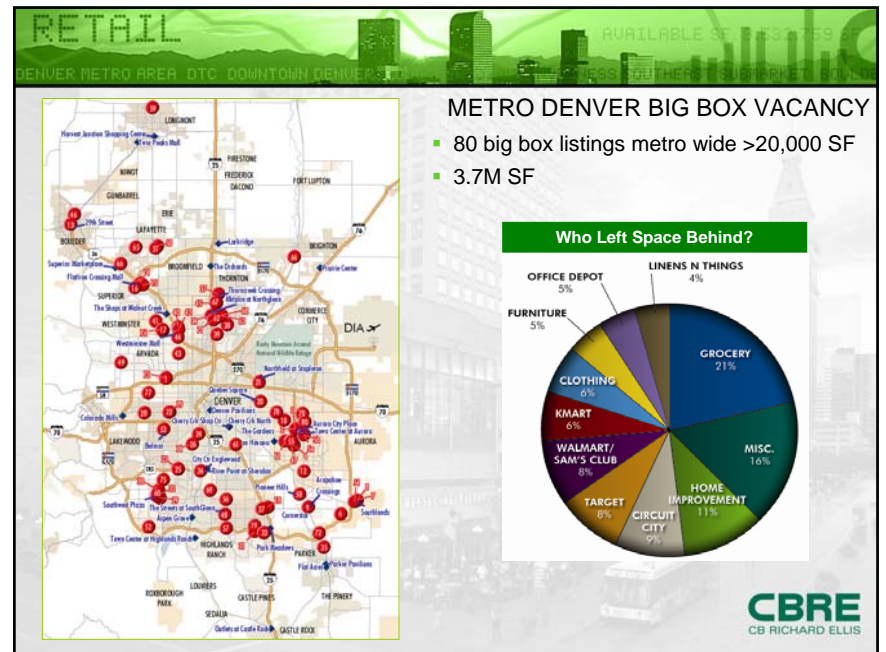
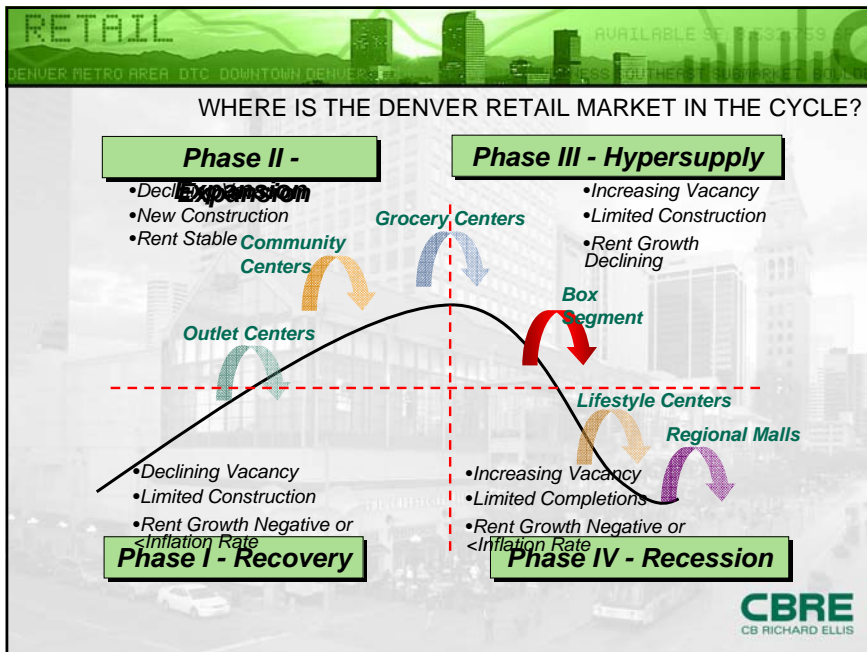


Sources: BLS; Colo Workforce









WHAT'S HOT & WHAT'S NOT

Consolidations & Closings

- Blockbuster
- Bookstores
- Chain Casual Dining
- Upscale Apparel
- Office Supply Stores
- Sporting Goods Retailers

Dominating the Market

SUPER TARGET

WALMART

COSTCO WHOLESALE

SAM'S CLUB

KOHL'S

Tenants Absorbing The Space

THE MORPHING RETAIL FORMATS

Furniture Under Construction



New Technology Store



New Format Grocery



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RETAIL TRENDS | Market Outlook

Trends

- Urban (infill mixed-use projects)
- Continued growth of “necessity goods” and “value” retailers
- Luxury retailers will continue to struggle
- Innovation and creative concepts
- Expansion of grocery and specialty grocery
- Increased absorption of vacant boxes
- Smaller retail boxes
- Store-within-a-store concepts



Mind Reading



Where real estate, retail and development meet

Source: Retail Traffic May/June 2010