

RETAIL MARKET REPORT

SECOND
QUARTER
2004

Compared to
last quarter:

VACANCY



ABSORPTION



LEASE RATES



CONSTRUCTION



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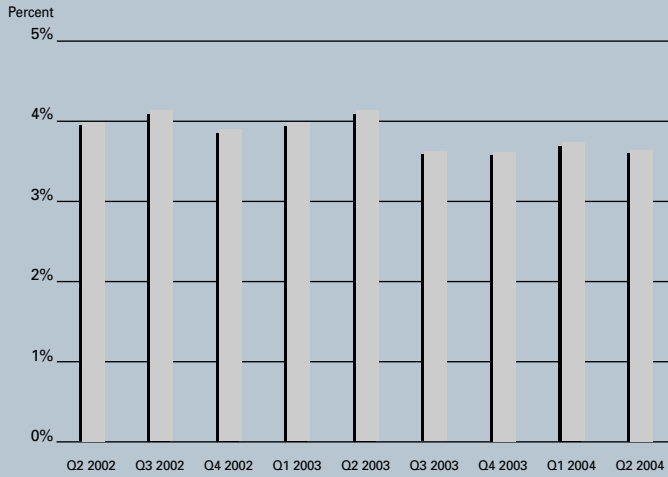
MARKET HIGHLIGHTS

- ◆ Second quarter unemployment for Las Vegas stood at 3.7 percent, down from the 5.0 percent recorded 12 months prior. By comparison, the national unemployment rate was 5.6 percent (seasonally adjusted) at the close of the second quarter.
- ◆ The Las Vegas Valley added an estimated 38,100 new jobs during the past 12 months according to the Nevada Department of Employment, Training and Rehabilitation. Consistent new job growth is anticipated through the second half of 2004.
- ◆ At the end of the second quarter 2004, the Las Vegas retail market was comprised of 38.6 million square feet of inventory in 247 anchored centers.
- ◆ New additions to the market contributed 200,000 square feet, while demand remained positive with 220,000 square feet absorbed through the end of the quarter.
- ◆ Currently, there are approximately 2.1 million square feet of retail space under construction and 4.4 million square feet planned for future development. There were 1.4 million unoccupied square feet, producing a market-wide vacancy rate of 3.6 percent.
- ◆ Taxable retail sales for the last 12 months were \$27.1 billion, up 11.8 percent over the prior year.
- ◆ New home building permits came in at 4,501 during May, the highest total in Clark County history. For the last 12 months, total new home permits reached 32,213, up 38 percent over last year.

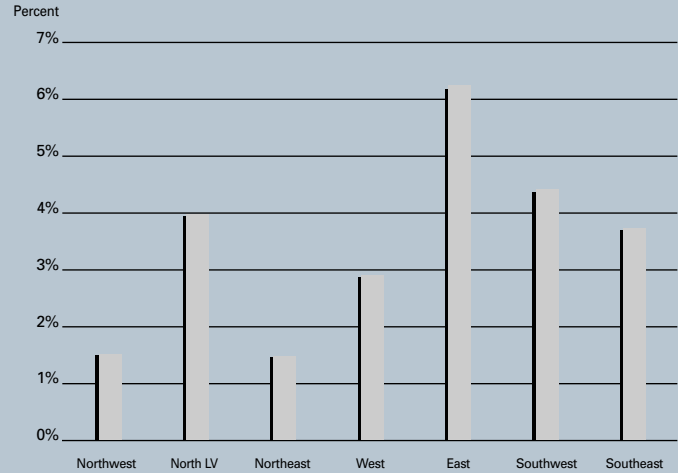
RETAIL MARKET STATISTICS

	2Q2004	1Q2004	2Q2003	% CHANGE VS. 2003
Under Construction	2,128,000	2,326,000	2,466,000	-13.71%
Planned Construction	4,355,000	4,355,000	2,823,000	54.27%
Vacancy	3.6%	3.7%	4.1%	-12.20%
Net Absorption	220,000	588,000	1,190,000	-81.51%

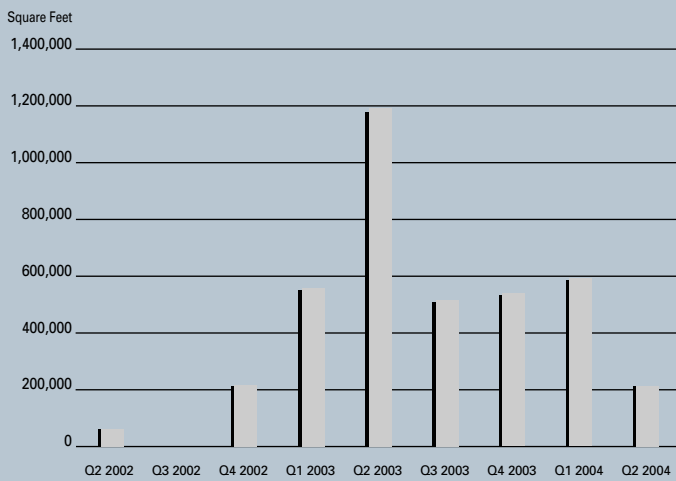
HISTORICAL VACANCY RATE



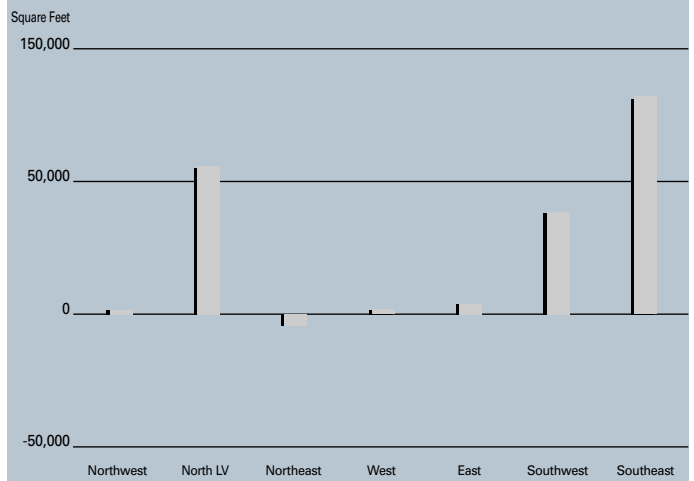
VACANCY RATE BY SUBMARKET



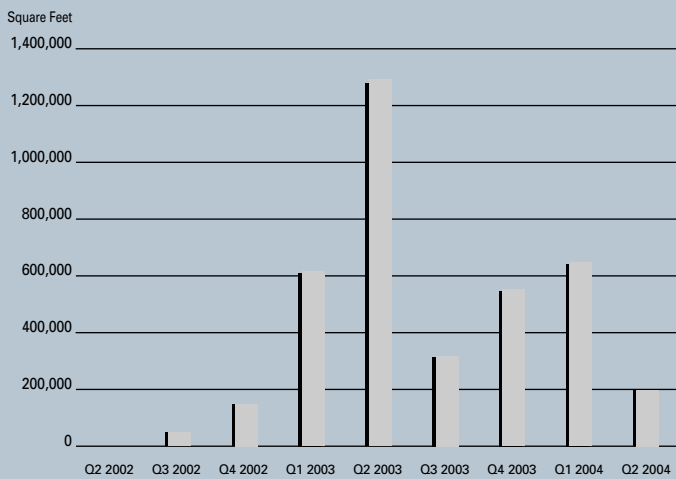
HISTORICAL NET ABSORPTION



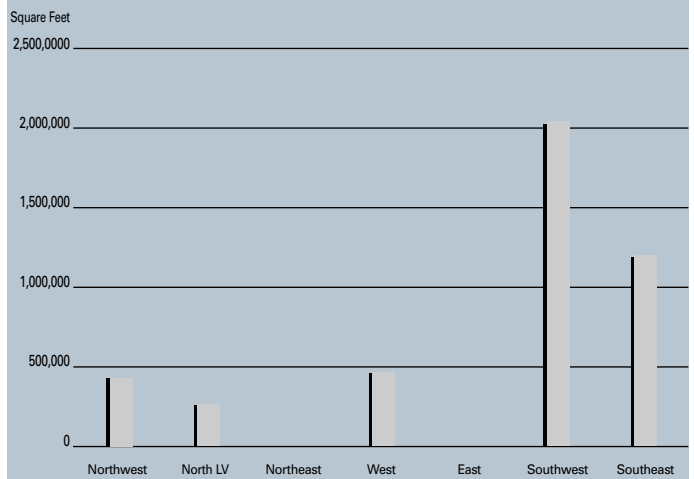
NET ABSORPTION BY SUBMARKET



HISTORICAL NEW CONSTRUCTION



PLANNED CONSTRUCTION BY SUBMARKET

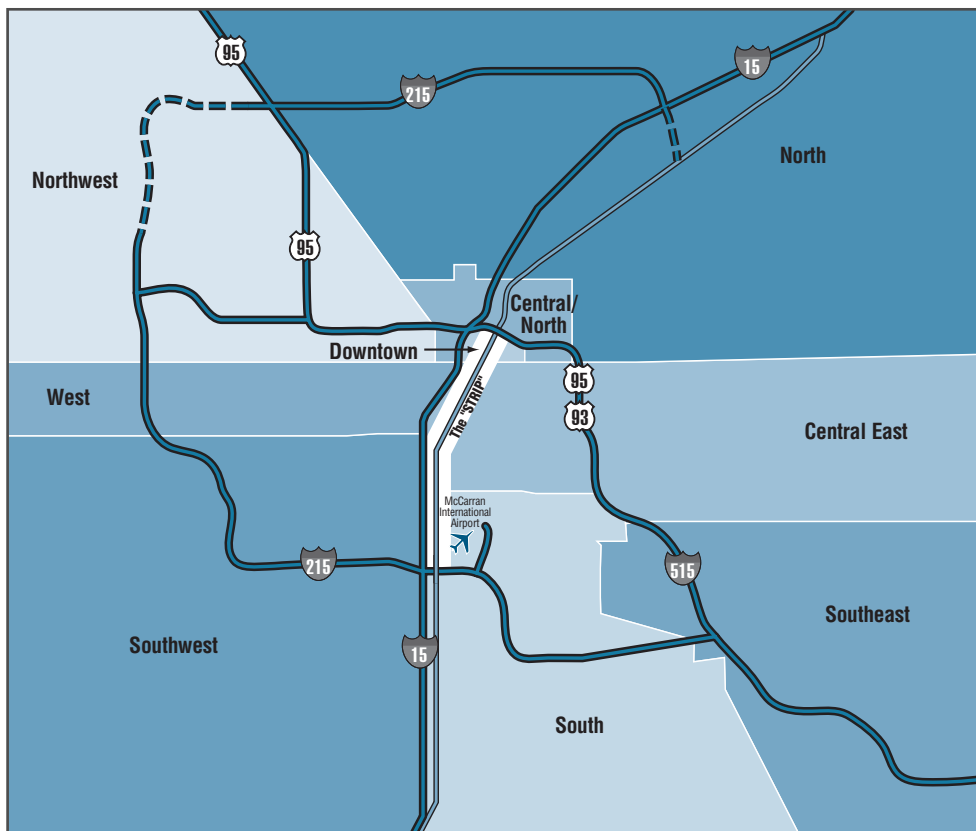


L A S V E G A S M A R K E T

	INVENTORY				VACANCY		ABSORPTION	
	Number Of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate 2Q2004	Net Absorption 2Q2004	New Inventory 2Q2004
Northwest								
Power Centers	4	1,939,622	0	0	6,000	0.3%	0	0
Community Centers	5	810,957	0	350,000	32,686	4.0%	0	0
Neighborhood Centers	15	1,866,022	0	60,000	31,263	1.7%	4,100	0
Northwest Total	24	4,612,601	0	410,000	69,949	1.5%	4,100	0
North Las Vegas								
Power Centers	2	404,900	0	0	10,000	2.5%	0	0
Community Centers	5	1,278,057	0	0	9,334	0.7%	1,200	0
Neighborhood Centers	19	1,866,732	140,000	242,907	123,229	6.6%	60,772	78,247
North Las Vegas Total	26	3,549,689	140,000	242,907	142,563	4.0%	61,972	78,247
Northeast								
Power Centers	2	676,000	0	0	13,500	2.0%	0	0
Community Centers	8	1,243,683	0	0	18,438	1.5%	(7,000)	0
Neighborhood Centers	14	1,074,876	0	0	8,700	0.8%	0	0
Central East Total	24	2,994,559	0	0	40,638	1.4%	(7,000)	0
West								
Power Centers	5	1,670,890	0	450,000	45,598	2.7%	(2,100)	0
Community Centers	17	3,057,761	0	0	107,406	3.5%	3,100	0
Neighborhood Centers	21	2,315,118	0	0	52,738	2.3%	3,077	0
West Total	43	7,043,769	0	450,000	205,742	2.9%	4,077	0
East								
Power Centers	3	992,839	0	0	140,894	14.2%	9,000	0
Community Centers	10	1,602,530	0	0	101,184	6.3%	(4,994)	0
Neighborhood Centers	31	3,558,329	55,000	0	147,174	4.1%	3,865	0
East Total	44	6,153,698	55,000	0	389,252	6.3%	7,871	0
Southwest								
Power Centers	3	1,167,000	1,346,205	1,147,000	0	0.0%	0	0
Community Centers	4	536,707	250,000	330,000	17,125	3.2%	0	0
Neighborhood Centers	23	2,608,680	90,000	582,000	167,792	6.4%	35,338	0
Southwest Total	30	4,312,387	1,686,205	2,059,000	184,917	4.3%	35,338	0
Southeast								
Power Centers	6	2,611,481	0	300,000	69,212	2.7%	(2,760)	0
Community Centers	18	3,720,250	246,412	596,000	159,852	4.3%	(3,656)	0
Neighborhood Centers	32	3,677,748	0	297,000	142,300	3.9%	120,000	120,000
Southeast Total	56	10,009,479	246,412	1,193,000	371,364	3.7%	113,584	120,000
Las Vegas Total								
Power Centers	25	9,462,732	1,346,205	1,897,000	285,204	3.0%	4,140	0
Community Centers	67	12,249,945	496,412	1,276,000	446,025	3.6%	(11,350)	0
Neighborhood Centers	155	16,963,505	285,000	1,181,907	673,196	4.0%	227,152	198,247
Total	247	38,676,182	2,127,617	4,354,907	1,404,425	3.6%	219,942	198,247

RETAIL MARKET
REPORT

SECOND QUARTER 2004



PRODUCT TYPE

POWER CENTERS

Power Centers have multiple big box tenants and typically less shop space tenants, size starts at 200,000 SF and up.

COMMUNITY CENTERS

Community Centers are multiple anchored with shop space tenants, the size starts at 100,000 SF and up.

NEIGHBORHOOD CENTERS

Neighborhood Centers are supermarket anchored with shop space tenants, the size starts at 30,000 SF and up.

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For Further Information:

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