

RETAIL MARKET REPORT

SECOND QUARTER 2005

Compared to last quarter:

VACANCY



UP

ABSORPTION



UP

LEASE RATES



UP

CONSTRUCTION



UP

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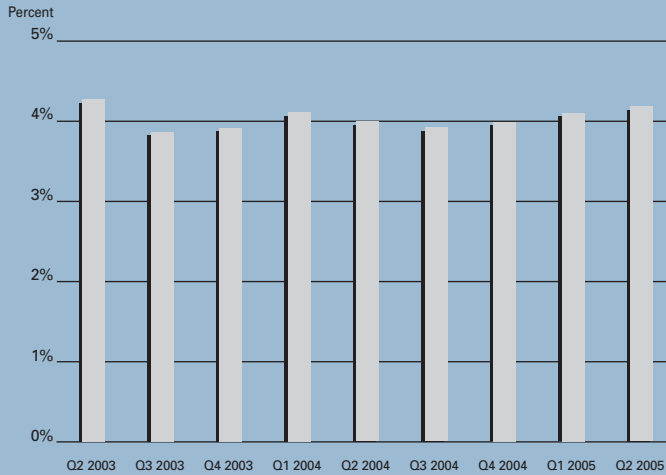
MARKET HIGHLIGHTS

- ◆ Second quarter unemployment for Las Vegas stood at 3.7 percent, down from the 4.3 percent recorded 12 months prior. By comparison, the national unemployment rate was 5.1 percent (seasonally adjusted) at the close of the second quarter.
- ◆ The Las Vegas Valley added an estimated 61,100 new jobs during the past 12 months, representing a 7.6 percent growth rate. Consistent new job growth is anticipated during the upcoming quarter.
- ◆ At the end of the second quarter 2005, the Las Vegas retail market was comprised of 41.5 million square feet of inventory in 264 anchored centers.
- ◆ New additions to the market contributed 359,000 square feet, while demand remained positive with 308,000 square feet absorbed through the end of the quarter.
- ◆ Currently, there are approximately 1.5 million square feet of retail space under construction and 5.5 million square feet planned for future development.
- ◆ There were 1.7 million unoccupied square feet, producing a market-wide vacancy rate of 4.2 percent. Current vacancies represented an increase from the 4.0 percent reported one year ago.
- ◆ Taxable retail sales for the last 12 months in Southern Nevada were in excess of \$31.6 billion, representing an increase of 14.6 percent over the prior year.
- ◆ New home building permits for the last 12 months totaled 32,200, a 21.4 percent decline from the same period of the prior year, yet represented a normalized level of activity.

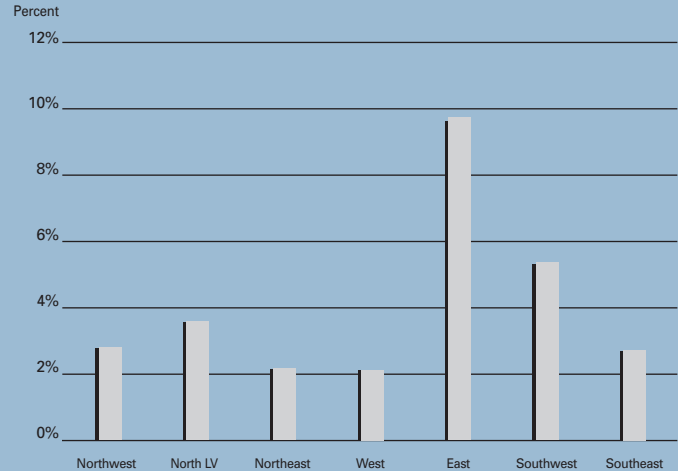
RETAIL MARKET STATISTICS

	2Q 2005	1Q 2005	2Q 2004	% CHANGE VS. 2004
Under Construction	1,457,000	1,167,000	2,871,000	-49.25%
Planned Construction	5,459,000	4,900,000	3,801,000	43.62%
Vacancy	4.2%	4.1%	4.0%	5.00%
Net Absorption	308,000	183,000	220,000	40.00%

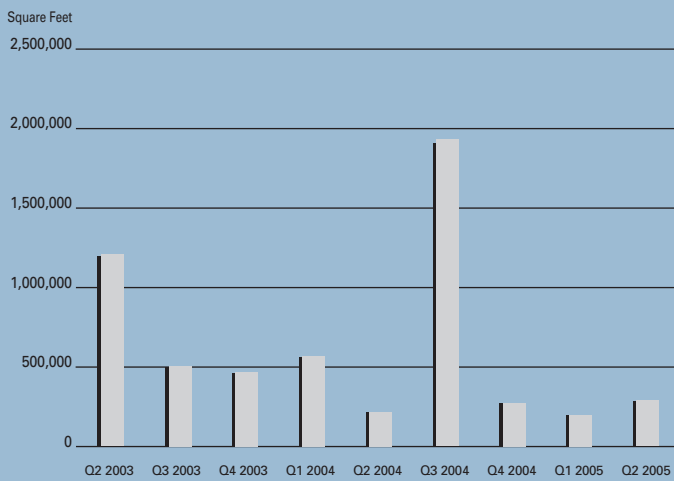
HISTORICAL VACANCY RATE



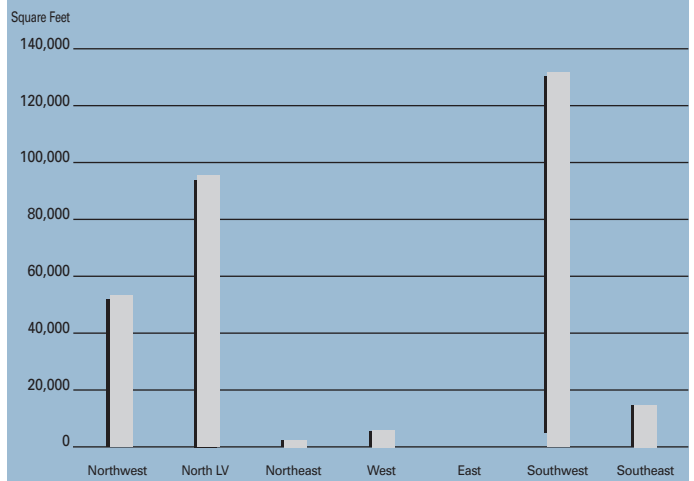
VACANCY RATE BY SUBMARKET



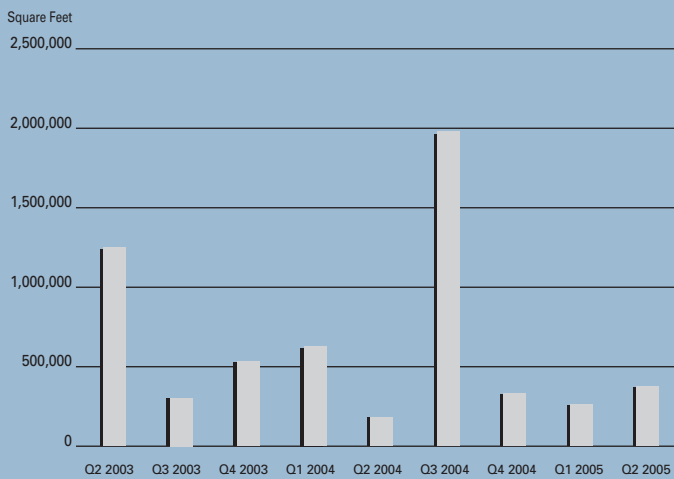
HISTORICAL NET ABSORPTION



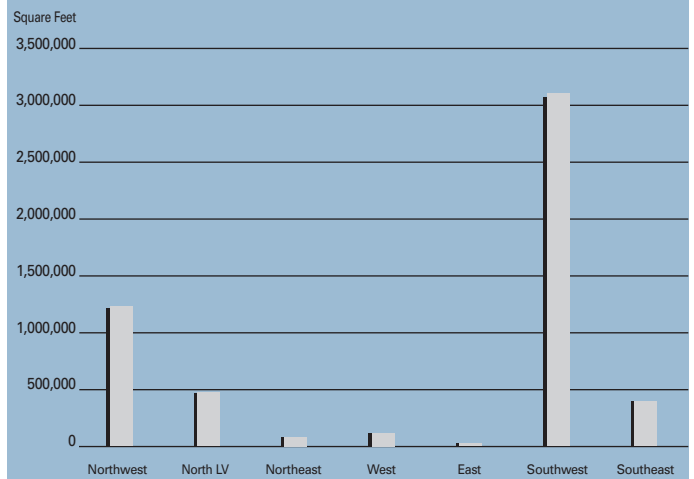
NET ABSORPTION BY SUBMARKET



HISTORICAL NEW CONSTRUCTION

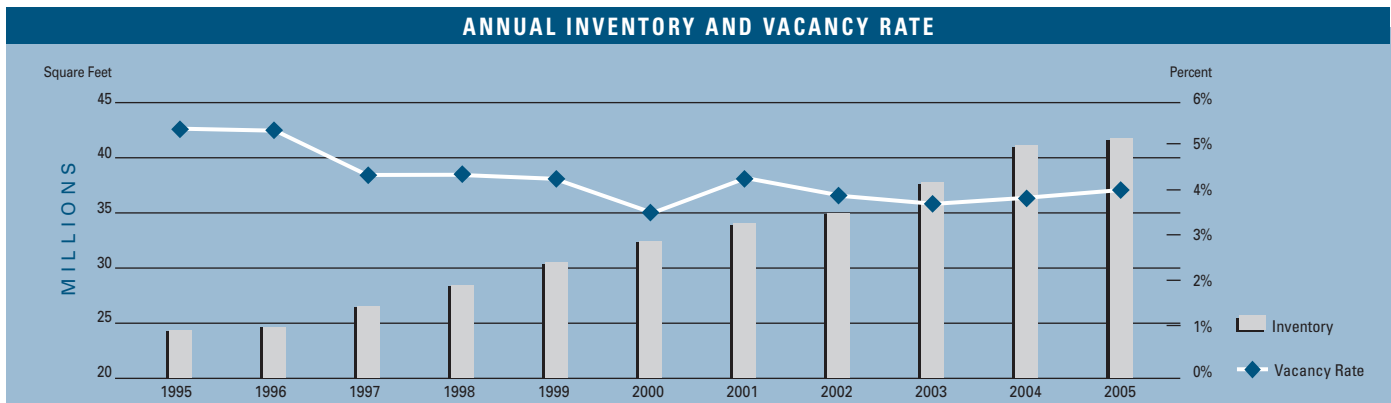


PLANNED CONSTRUCTION BY SUBMARKET



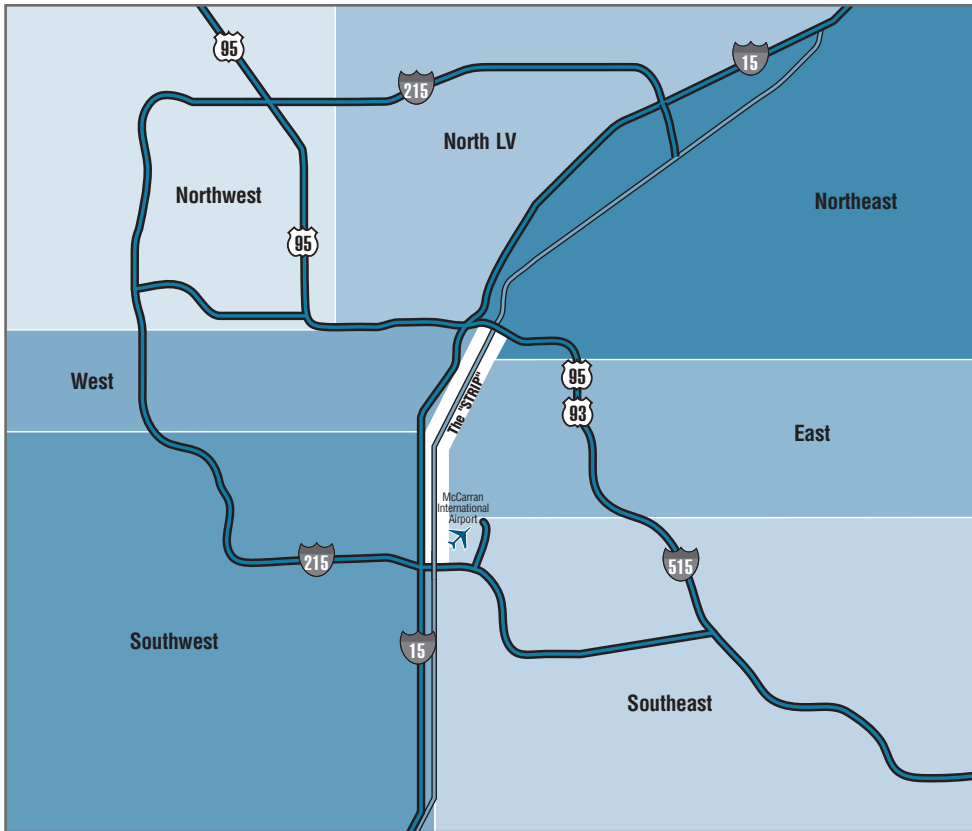
LAS VEGAS MARKET

	INVENTORY				VACANCY		ABSORPTION	
	Number Of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate 2Q2005	Net Absorption 2Q2005	New Inventory 2Q2005
Northwest								
Power Centers	4	1,939,622	0	315,400	4,000	0.2%	0	0
Community Centers	5	810,957	100,000	300,000	74,858	9.2%	0	0
Neighborhood Centers	15	1,843,697	75,000	599,500	54,103	2.9%	54,000	60,000
Northwest Total	24	4,594,276	175,000	1,214,900	132,961	2.9%	54,000	60,000
North Las Vegas								
Power Centers	2	404,900	0	154,000	6,000	1.5%	0	0
Community Centers	5	1,278,057	0	0	18,764	1.5%	0	0
Neighborhood Centers	23	2,184,780	386,300	348,937	115,133	5.3%	95,242	107,642
North Las Vegas Total	30	3,867,737	386,300	502,937	139,897	3.6%	95,242	107,642
Northeast								
Power Centers	2	676,000	0	0	13,500	2.0%	0	0
Community Centers	8	1,243,683	0	0	16,143	1.3%	4,200	0
Neighborhood Centers	14	1,074,876	56,500	80,000	40,543	3.8%	0	0
Northeast Total	24	2,994,559	56,500	80,000	70,186	2.3%	4,200	0
West								
Power Centers	6	1,790,890	0	0	32,794	1.8%	1,120	0
Community Centers	18	3,068,981	0	0	81,499	2.7%	10,220	11,220
Neighborhood Centers	21	2,315,118	0	102,600	48,297	2.1%	(4,272)	0
West Total	45	7,174,989	0	102,600	162,590	2.3%	7,068	11,220
East								
Power Centers	3	992,839	0	0	100,874	10.2%	0	0
Community Centers	10	1,602,530	0	0	254,571	15.9%	0	0
Neighborhood Centers	32	3,626,329	0	0	256,637	7.1%	0	0
East Total	45	6,221,698	0	0	612,082	9.8%	0	0
Southwest								
Power Centers	6	2,589,365	0	2,407,447	3,500	0.1%	22,660	26,160
Community Centers	4	536,707	250,000	330,000	77,757	14.5%	4,305	0
Neighborhood Centers	26	2,873,247	188,229	412,000	239,145	8.3%	105,400	115,000
Southwest Total	36	5,999,319	438,229	3,149,447	320,402	5.3%	132,365	141,160
Southeast								
Power Centers	6	2,611,481	0	300,000	68,152	2.6%	0	0
Community Centers	18	3,720,250	196,000	0	143,773	3.9%	(21,617)	0
Neighborhood Centers	36	4,273,373	204,858	109,000	98,543	2.3%	36,617	39,000
Southeast Total	60	10,605,104	400,858	409,000	310,468	2.9%	15,000	39,000
Las Vegas Total								
Power Centers	29	11,005,097	0	3,176,847	228,820	2.1%	23,780	26,160
Community Centers	68	12,261,165	546,000	630,000	667,365	5.4%	(2,892)	11,220
Neighborhood Centers	167	18,191,420	910,887	1,652,037	852,401	4.7%	286,987	321,642
Total	264	41,457,682	1,456,887	5,458,884	1,748,586	4.2%	307,875	359,022



RETAIL MARKET
REPORT

SECOND QUARTER 2005



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.

To view available properties,
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For Further Information:

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