

RETAIL MARKET REPORT

THIRD
QUARTER
2004

Compared to
last quarter:

VACANCY



UP

ABSORPTION



DOWN

LEASE RATES



DOWN

CONSTRUCTION



DOWN

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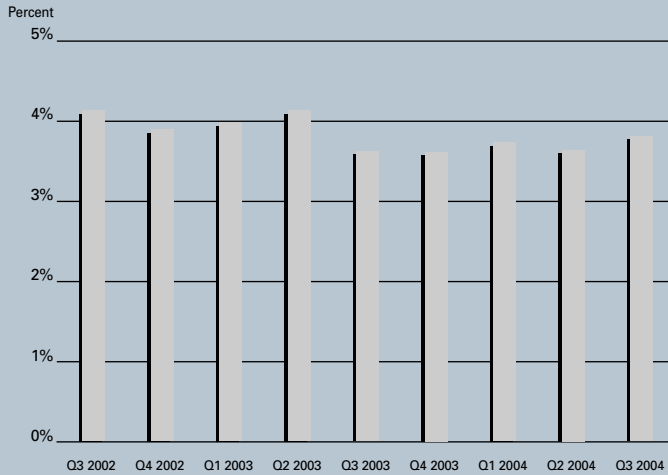
MARKET HIGHLIGHTS

- ◆ Third quarter unemployment for Las Vegas stood at 4.0 percent, down from the 5.5 percent recorded 12 months prior. By comparison, the national unemployment rate was 5.4 percent (seasonally adjusted) at the close of the third quarter.
- ◆ The Las Vegas Valley added an estimated 38,900 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 final quarter of 2004.
- ◆ At the end of the third quarter 2004, the Las Vegas retail market was comprised of 38.8 million square feet of inventory in 248 anchored centers.
- ◆ New additions to the market contributed 140,000 square feet, while demand remained positive with 85,000 square feet absorbed through the end of the quarter.
- ◆ Currently, there are approximately 2.0 million square feet of retail space under construction and 4.7 million square feet planned for future development. There were 1.5 million unoccupied square feet, producing a market-wide vacancy rate of 3.8 percent.
- ◆ Taxable retail sales for the last 12 months in Southern Nevada were \$28.2 billion, up 13.6 percent over the prior year.
- ◆ New home building permits for the last 12 months totaled nearly 40,000, representing a 14.2 percent increase over the same period of the prior year.

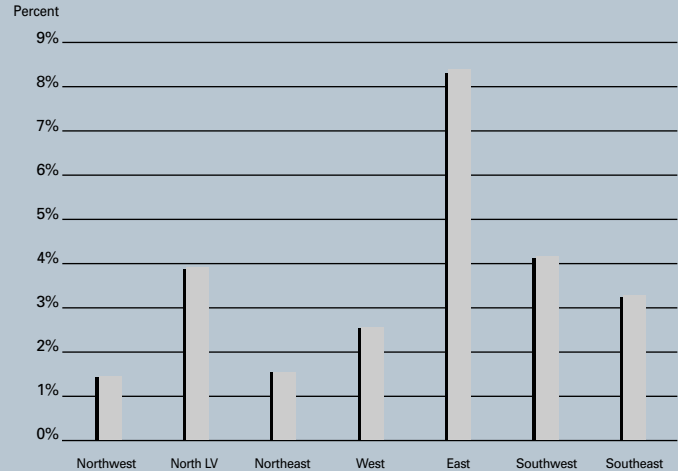
RETAIL MARKET STATISTICS

	3Q2004	2Q2004	3Q2003	% CHANGE VS. 3Q03
Under Construction	1,988,000	2,128,000	3,194,000	-37.76%
Planned Construction	4,743,000	4,355,000	4,086,000	16.08%
Vacancy	3.8%	3.6%	3.6%	5.56%
Net Absorption	85,000	220,000	513,000	-83.43%

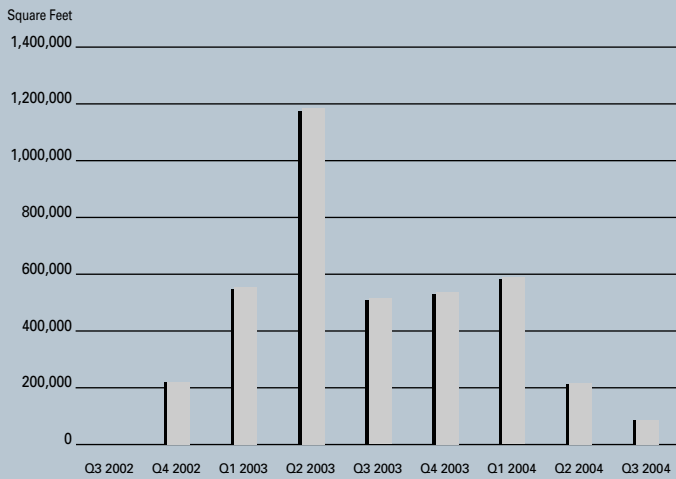
HISTORICAL VACANCY RATE



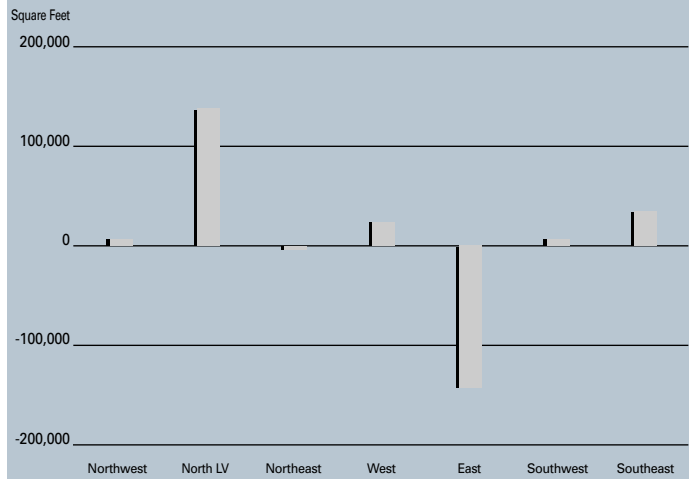
VACANCY RATE BY SUBMARKET



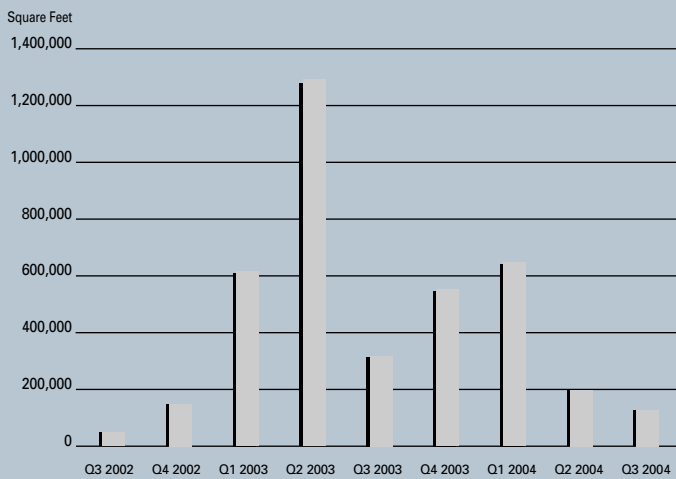
HISTORICAL NET ABSORPTION



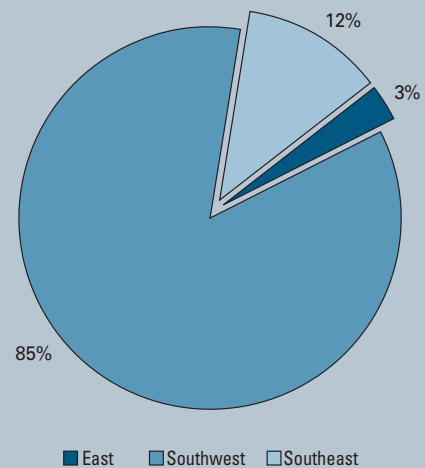
NET ABSORPTION BY SUBMARKET



HISTORICAL NEW CONSTRUCTION



CONSTRUCTION ACTIVITY BY SUBMARKET

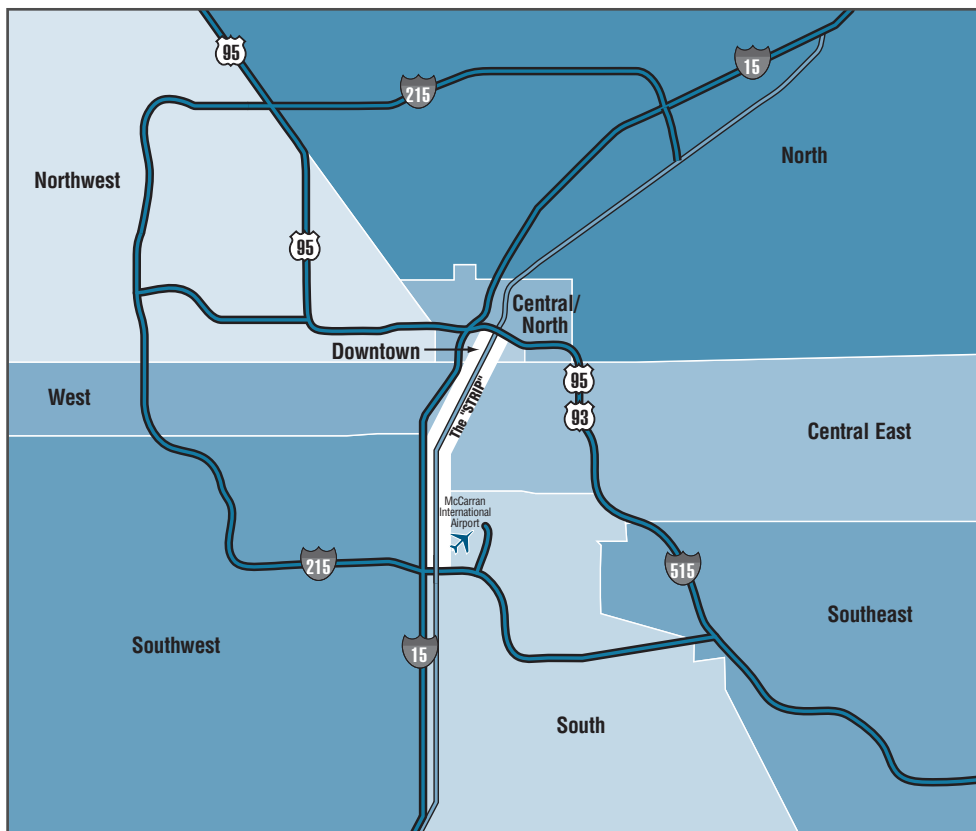


LAS VEGAS MARKET

	INVENTORY				VACANCY		ABSORPTION	
	Number Of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate 3Q2004	Net Absorption 3Q2004	New Inventory 3Q2004
Northwest								
Power Centers	4	1,939,622	0	315,400	4,000	0.2%	2,000	0
Community Centers	5	810,957	0	350,000	32,686	4.0%	0	0
Neighborhood Centers	15	1,862,022	0	60,000	25,870	1.4%	5,393	0
Northwest Total	24	4,612,601	0	725,400	62,556	1.4%	7,393	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	12,584	1.0%	(3,250)	0
Neighborhood Centers	20	1,997,318	0	315,782	121,954	6.1%	141,275	140,000
North Las Vegas Total	27	3,680,275	0	315,782	144,538	3.9%	138,025	140,000
Northeast								
Power Centers	2	676,000	0	0	13,500	2.0%	0	0
Community Centers	8	1,243,683	0	0	23,318	1.9%	(4,880)	0
Neighborhood Centers	14	1,074,876	0	0	8,700	0.8%	0	0
Central East Total	24	2,994,559	0	0	45,518	1.5%	(4,880)	0
West								
Power Centers	5	1,670,890	0	450,000	41,398	2.5%	4,200	0
Community Centers	17	3,057,761	0	0	87,116	2.8%	20,290	0
Neighborhood Centers	21	2,315,118	0	0	47,956	2.1%	4,782	0
West Total	43	7,043,769	0	450,000	176,470	2.5%	29,272	0
East								
Power Centers	3	992,839	0	0	140,894	14.2%	0	0
Community Centers	10	1,602,530	0	0	212,111	13.2%	(110,927)	0
Neighborhood Centers	31	3,571,329	55,000	0	165,886	4.6%	(18,712)	0
East Total	44	6,166,698	55,000	0	518,891	8.4%	(129,639)	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	7,497	1.4%	9,628	0
Neighborhood Centers	23	2,544,680	90,000	582,000	169,580	6.7%	(1,788)	0
Southwest Total	30	4,248,387	1,686,205	2,059,000	177,077	4.2%	7,840	0
Southeast								
Power Centers	6	2,611,481	0	300,000	70,812	2.7%	(1,600)	0
Community Centers	18	3,720,250	246,412	596,000	148,649	4.0%	11,203	0
Neighborhood Centers	32	3,677,748	0	297,000	114,624	3.1%	27,676	0
Southeast Total	56	10,009,479	246,412	1,193,000	334,085	3.3%	37,279	0
Las Vegas Total								
Power Centers	25	9,462,732	1,346,205	2,212,400	280,604	3.0%	4,600	0
Community Centers	67	12,249,945	496,412	1,276,000	523,961	4.3%	(77,936)	0
Neighborhood Centers	156	17,043,091	145,000	1,254,782	654,570	3.8%	158,626	140,000
Total	248	38,755,768	1,987,617	4,743,182	1,459,135	3.8%	85,290	140,000

RETAIL MARKET REPORT

THIRD 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.

To view available properties,
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For Further Information:

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