

5345 Kietzke Lane, Suite 100 • Reno, Nevada 89511 • Telephone: (775)823-9666 • Fax: (775)823-4699

### D'Andrea Marketplace



Wall Street Properties recently developed and built this 112,334 square foot shopping center located on Visa and Baring in Sparks Nevada. When the center opened on June 15, 2003, it was already 90% leased.

**Retail  
Properties Team**  
775.823.9666 - phone  
775.823.4699 - fax

**Gary Johnson**  
Senior Vice President

**Kelly Bland**  
Vice President

**Mark Keyzers**  
Associate Broker

**Joel Grace**  
Associate Broker

**Brandy Klobuchar**  
Marketing Specialist

**Mike Churchfield**  
Research Director

**COLLIERS  
INTERNATIONAL**

[www.colliersreno.com](http://www.colliersreno.com)

### Overview:

The Reno/Sparks retail market continued its growth at a steady pace in the first half of 2003. Of the 9,117,769 square feet (which excludes Meadowood Mall and Parklane Mall), the Reno/Sparks retail market has 678,411 square feet available for an average line shop vacancy rate of 7.44%. The anchored line-shops vacancy rate is 8.24% compared with unanchored line-shop at 6.72%. This number is anticipated to increase slightly with new pad sites and line shops coming available in the second half of the year. Availability of these retail sites will be short lived due to the influx of retailers to the area. New inline shops without anchor tenants, such as Marina Marketplace, Plumbgate, Campus Commons, and Meadows Marketplace, are being constructed showing that tenants don't need large space users to survive. However general preference is still to be near an anchor tenant.

### Vacancy:

The overall vacancy rate has decreased only .47% from last year. Many national retailers are seeking the Reno market due to a hot housing market and population increase. Among these retailers are P.F. Changs, Baja Fresh, Jamba Juice, Coldstone Creamery, Pick Up Stix, and American Family Insurance. Also, low interest rates are creating opportunities for local retailers to open or expand their businesses. As long as interest rates continue at their all time low, this borrowing is expected to continue.

### Gross and Net absorption:

Gross absorption has increased dramatically to 528,979 square feet mid-year for 2003 as compared to last year's total of 39,240; net absorption so far this year is 280,102 square feet. This is a result of four new shopping centers: D'Andrea Ranch Shopping Center (90% leased), Lemon Valley - Smith's Center, Marina Marketplace, and Plumbgate. Other factors include expansions of Wal-Mart at Firecreek Crossing and Marshall's at Shopper's Square.

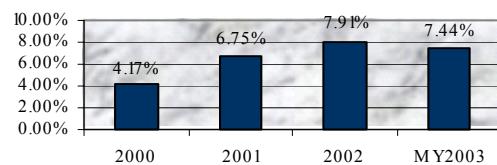
### Lease rates:

Average lease rates, for the first half of 2003, are \$1.41 per square foot for anchored and \$1.30 for unanchored line-shop space. The rates for anchored and unanchored line shops increased by \$0.14 and \$0.12 respectively, mostly due to increased demand for new retail space. Rates for older centers in established core areas have stabilized. The demand for newer shopping centers has spurred renovations of older centers, such as Silver State Plaza, Moana West Annex, and Shopper's Square. These additions and renovations are needed to allow Landlord's to receive competitive rents. Rates should continue to rise due to the increase in costs and limited supply of land.

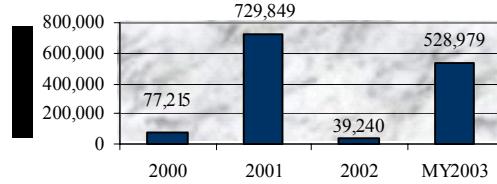
### Notable Activity:

Big K-mart on Kietzke Lane closed in the first half of 2003 leaving 94,500 square feet available. This adds to the already vacant 174,792 square feet of the Target and Mervyn's anchor spaces in the Kietzke area. With the growth moving outward, these infill locations have been slow to re-lease. Vacancy rates have been affected by Warehouse Records and Clohetime, which are going through bankruptcy. These stores range from 7,000 to 10,000 and 3,000 to 6,000 square feet respectively.

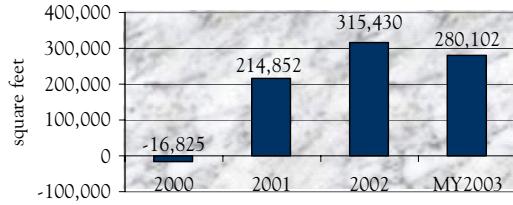
Vacancy Rate



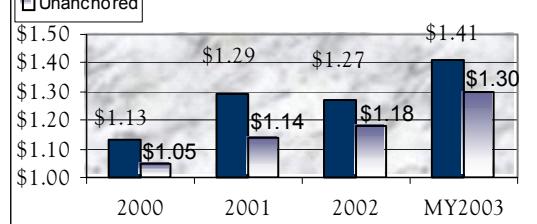
Gross Absorption



Net Absorption



Lease Rates





**Gary Johnson**  
Senior Vice President  
Direct Tel: 775-823-4661  
E-Mail: [gjohnson@colliersreno.com](mailto:gjohnson@colliersreno.com)

Gary Johnson has been a broker in the Reno market since 1986 specializing in retail properties. After 14 years with CB Richard Ellis, Gary joined Colliers International in March of 2000. His primary focus has been site selection for large big-box users along with the development process for new shopping centers. Some of the tenants Gary represented during his career with CB included; Home Depot, Target, Raley's, Safeway, ShopKo, Circuit City, Borders Books, Cost Plus, Bed Bath & Beyond, Longs Drug, Walgreens, Albertson's, Staples, K-Mart, McDonalds, and Major Video. He also works on the sale of larger retail investment properties and has been directly involved in selling six shopping centers in the Reno market. He has been the top producer in the Reno market numerous times and was the #1 CB retail broker for the entire company in 1994. Gary has a Bachelor of Science degree from Montana State University in Industrial Management Engineering.

**Kelly Bland**  
Vice President Retail Properties  
Direct Tel: 775-823-4662  
E-Mail: [kbland@colliersreno.com](mailto:kbland@colliersreno.com)

Kelly Bland joined Colliers International in 1999. Mr. Bland has been employed in the commercial real estate industry since 1990 starting his career with CB Richard Ellis as a Market Research Analyst. Mr. Bland, as a real estate licensee in both Nevada and California, is now a retail specialist focusing on landlord representation and site selection for retail tenants. Mr. Bland is a graduate of the University of Nevada, Reno, where he served as Executive Vice President of the student government and obtained a degree in finance. He is currently a member of the Chamber of Commerce Business Council, Reno/Sparks Metro Business Activity Report Committee, local board of ICSC, and President of the Board of Directors of the Friends of the Library-UNR.

### Mark B. Keyzers

Associate  
Direct Tel: 775-823-9666  
E-Mail: [mkeyzers@colliersreno.com](mailto:mkeyzers@colliersreno.com)

Mark Keyzers joined our office as Associate of Retail Properties. Previously, he served as Retail Specialist at Grubb & Ellis. Prior to Grubb & Ellis, Mark was General Manager and Specialty Leasing Manager of the Park Lane Mall for the Macerich Company for 6 years. While at Macerich, he was responsible for the management, leasing, marketing, and construction project management for shopping center properties totaling over 1.7 million square feet. A partial list of businesses he has been involved with include Federated Department Stores, Sears, JC Penney, Broadway Stores, Gottschalk's Department Stores, Woolworth, Edison Brothers Stores, Helzberg Diamonds. Mark graduated from New Mexico State University with degrees in Finance and Real Estate and a minor in Business Law.

### Joel Grace

Associate  
Direct Tel: 775-823-6628 Mobile Tel: 775-527-0907  
E-Mail: [jgrace@colliersreno.com](mailto:jgrace@colliersreno.com)

Joel joined Colliers International as an associate in the Retail Division after moving to Reno from Boston, MA. He worked in Professional Baseball for two years, as the Head of Club House Operations for the Nashua Pride located in Nashua, NH, which is affiliated with the Independent Northern Atlantic League. While with the team, he was responsible for day to day operations in player dealings. While in graduate school, he worked for Merchant's Automotive Group as a Manager Trainee and eventually moved onto branch development. He attended New Hampshire College where he received a B.S. in Sport Management with a minor in Marketing. He also holds an M.B.A. from the University of Southern New Hampshire with a correlate in Finance.

### Brandy Klobuchar

Marketing Specialist  
Direct Tel: 775-823-4668  
E-Mail: [blklobuchar@colliersreno.com](mailto:blklobuchar@colliersreno.com)

Brandy K Klobuchar joined the Colliers International Reno office in June 2000 as the Retail Property Team's Marketing Specialist. Her specialty is in the Desktop Publishing/Marketing field. Some of her duties include working with team brokers, maintaining retail data for the Reno/Sparks area, processing Letters of Intent, new deals, and lease renewals, and creating marketing materials including: brochures, property packages, area maps, and aerial mapping. Brandy graduated from the University of Nevada, Reno in 1997 with a Bachelor's degree in Advertising and Speech Communications. Since then, she has taken additional Desktop Publishing, Web Page Design, and Real Estate Continuing Education Classes. She earned her Nevada Real Estate License in May 2001.