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RETAIL MARKET UPDATE

METRO ATLANTA SHOPPING CENTER SALES

MID-YEAR 2010

As we examine the retail shopping center sale transactions that have occurred in metro Atlanta through mid-year 2010, it is necessary to look through two windows to gain an accurate understanding of the market.

The reason we are going to examine the market under two scenarios, is that on March 4, 2010, Inland Real Estate Acquisitions, Inc. purchased from TIAA-CREF/Developers Diversified Realty joint venture a portfolio of 16 centers located throughout the Southeast totaling 3,557,846 square feet. Of these transactions, 5 centers were located in metro Atlanta. These 5 centers totaled 1,620,903 square feet with a total sale price of \$169,422,080 or an average of \$104.53 per square foot.

The above-referenced is not typical of the retail transactions that have taken place otherwise through mid-year 2010. There have been 19 other multi-tenant sales with a total dollar volume of \$46,968,398 and an average sale price of \$64.26 per square feet. The average transaction size was \$2,472,021. Almost all of these transactions were REO/bank-driven and traded at prices significantly lower than when last sold.

As a point of reference, midway through 2009, the metro Atlanta market recorded 11 multi-tenant sales. The total sales volume was \$81,341,448 with an average price per square foot of \$115.88 and an average transaction size of \$7,394,677.

What will happen in the 2nd half of 2010?

Again, we have to look at two scenarios. With regard to the unanchored centers, all indicators point to many more of them being taken back by lenders. At this time, a search of metro Atlanta reveals 573 of these properties on the market, and most of them are not priced to actually gain the attention of purchasers. Our experience continues to show us that if a center is properly priced, it will sell. There are many investors sitting on the sidelines waiting for opportunities.

With regard to grocery-anchored centers, the market tells us that there is a lot of money chasing good deals and there are few quality grocery-anchored centers available. It is reported that \$3.85 billion was raised just last month by funds looking to buy core assets. We believe these investors will stretch their definition of "core" and reach out for more product. It is safe to say that the market will continue to see cap rate compression of this product type.

MARKET INDICATORS *

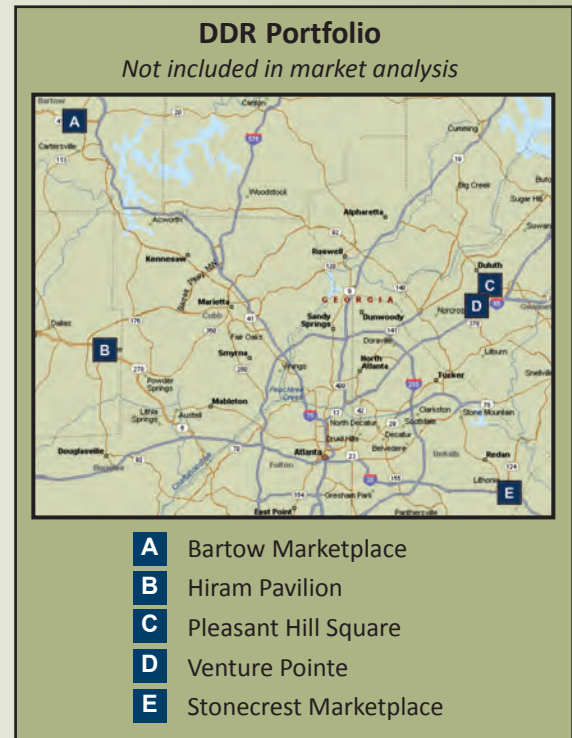
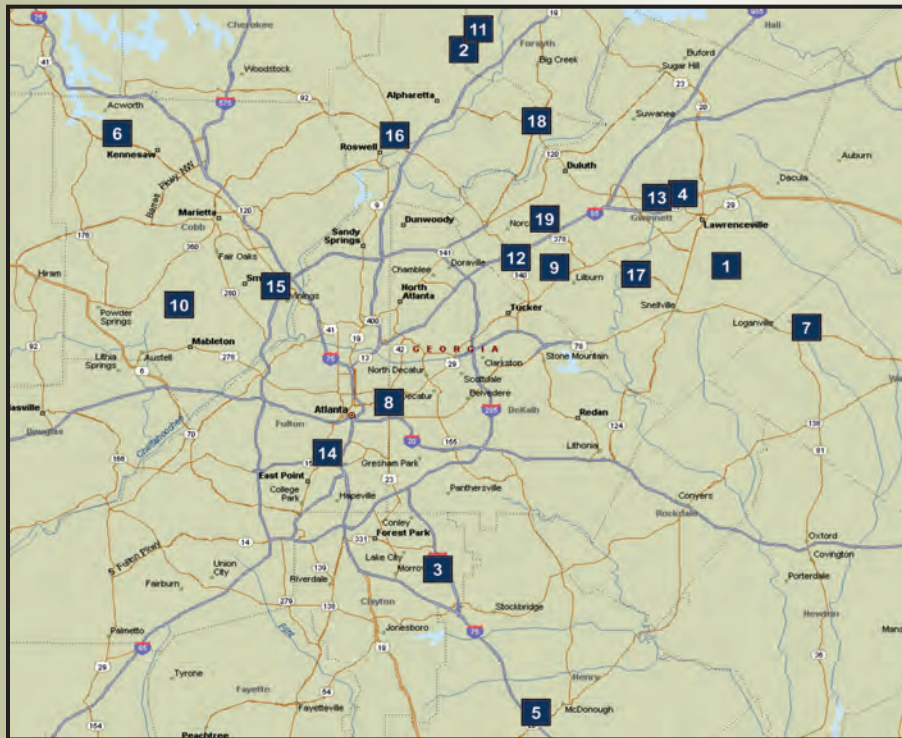
| | | |
|---------------------------------------|---|-------|
| TOTAL CENTERS SOLD 19 | ↓ | 29.6% |
| TOTAL \$ VOLUME \$ 46,968,398 | ↓ | 65.0% |
| TOTAL SQUARE FEET 730,902 | ↓ | 63.1% |
| AVG. PRICE PER SF \$ 64.26/SF | ↓ | 5.3% |
| AVG. TRANSACTION SIZE \$ 2,472,021 | ↓ | 50.6% |

* As compared with Year End 2009 Indicators



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RETAIL SHOPPING CENTER SALES



| | Center Name | Address | Square Feet | Sale Date | Sale Price | Price per SF | Anchor |
|---------------|-------------------------------|--------------------------|----------------|-----------|----------------------|--------------|--------------|
| 1 | Olde Town Grayson | 1962 Grayson Hwy | 13,896 | 02/01/10 | \$ 2,935,000 | \$ 211.21 | None |
| 2 | The Village at Crooked Creek | 6300 Hwy 9 | 15,700 | 02/12/10 | \$ 950,000 | \$ 60.51 | None |
| 3 | Hale Haven Shopping Center | 6337 Hwy 42 | 57,391 | 04/06/10 | \$ 2,500,000 | \$ 43.56 | None |
| 4 | Cross Creek Village - Phase I | 900 Duluth Hwy | 16,750 | 04/14/10 | \$ 3,079,398 | \$ 183.84 | None |
| 5 | McDonough Marketplace | 117 Willow Ln | 53,297 | 04/20/10 | \$ 5,650,000 | \$ 106.01 | Office Depot |
| 6 | Acworth Retail Centre | 3150 Acworth Forest Dr | 14,600 | 04/23/10 | \$ 1,097,000 | \$ 75.14 | None |
| 7 | Logan Village | 4270 Atlanta Hwy | 6,450 | 04/23/10 | \$ 700,000 | \$ 108.53 | None |
| 8 | No Name | 1181-1195 SE Wylie St | 9,659 | 05/05/10 | \$ 825,000 | \$ 85.41 | None |
| 9 | Indian Trail Retail Centre | 660 Indian Trail Rd | 15,000 | 05/13/10 | \$ 915,000 | \$ 61.00 | None |
| 10 | Mayberry Square | 3961 Floyd Rd | 9,000 | 05/14/10 | \$ 2,385,000 | \$ 265.00 | None |
| 11 | Gateway Plaza | 5905-5955 Atlanta Hwy | 19,250 | 05/24/10 | \$ 2,120,000 | \$ 110.13 | None |
| 12 | Plaza Azteca | 6100 Live Oak Pkwy | 79,320 | 05/27/10 | \$ 3,200,000 | \$ 40.34 | None |
| 13 | Riverside Plaza | 1002 Duluth Hwy | 5,800 | 05/28/10 | \$ 575,000 | \$ 99.14 | None |
| 14 | No Name | 1990 Perkerson Rd, SW | 31,964 | 05/28/10 | \$ 2,927,000 | \$ 91.57 | None |
| 15 | Shops at Cumberland Place | 2997-2999 Cumberland Cir | 33,500 | 06/15/10 | \$ 2,100,000 | \$ 62.69 | None |
| 16 | The Crossings at Roswell | 690 Holcomb Bridge Rd | 35,145 | 06/15/10 | \$ 2,160,000 | \$ 61.46 | None |
| 17 | Five Forks Village | 840-850 Dogwood Rd | 96,068 | 06/17/10 | \$ 2,800,000 | \$ 29.15 | None |
| 18 | Walk at Johns Creek | 11030 Bell Rd | 43,112 | 06/28/10 | \$ 3,550,000 | \$ 82.34 | None |
| 19 | The Paragon at Satellite | 4500 Satellite Blvd | 175,000 | 06/30/10 | \$ 6,500,000 | \$ 37.14 | None |
| TOTALS | | | 730,902 | | \$ 46,968,398 | | |

Sold by Phil Ryan at Lavista Associates, Inc.

RETAIL SHOPPING CENTERS: SOLD BY PHIL RYAN AT LAVISTA ASSOCIATES, INC.



Cross Creek Village - Phase I

Class: A
 Size: 16,680+/- SF
 Occupancy: 77.73%
 Year Built: 2007

Sale Price: \$3,250,000

Contract Date: October 13, 2009
 Closing Date: April 16, 2010
 Buyer: KTC Properties, LLC
 Seller: Federal Trust Bank



Acworth Retail Centre

Class: B
 Size: 14,600 +/- SF
 Occupancy: 59.93%
 Year Built: 2006

Sale Price: \$1,097,000

Contract Date: March 18, 2010
 Closing Date: April 25, 2010
 Buyer: Acworth Village, LLC
 Seller: State Bank & Trust



Logan Village

Class: B
 Size: 6,450 +/- SF
 Occupancy: 63.02%
 Year Built: 2007

Sale Price: \$700,000

Contract Date: March 30, 2010
 Closing Date: April 23, 2010
 Buyer: Logan Village, LLC
 Seller: SunTrust Bank



Indian Trail Retail Centre

Class: B
 Size: 15,000 +/- SF
 Occupancy: 53.33%
 Year Built: 2006

Sale Price: \$915,000

Contract Date: March 26, 2010
 Closing Date: May 11, 2011
 Buyer: 660 Indian Trail, LLC
 Seller: State Bank & Trust



Riverside Plaza

Class: A
 Size: 5,800+/- SF
 Occupancy: 74.19%
 Year Built: 2007

Sale Price: \$575,000

Contract Date: March 24, 2010
 Closing Date: June 2, 2010
 Buyer: 1002 Duluth Hwy, LLC
 Seller: Riverside M Plaza*
 Riverside F Plaza

** Short Sale for CW Capital*

RETAIL SHOPPING CENTER SALES

REO SERVICES

In 2007, Lavista Associates, Inc. recognized the need to provide REO services to the commercial lending and conduit community in preparation for distressed properties becoming REO assets. Our dedicated team is fully prepared to market for sale and manage these commercial assets on behalf of our clients. We have the experience and expertise to analyze and address any property deficiencies and promote their potential to the investment or user marketplace.

SERVICES OVERVIEW

We provide a full range of real estate services to each of our specialty areas:



Various properties require a set of specific skills and reports we provide:



Suburban Metro Atlanta Retail

This market update consists of sales information for multi-tenant retail shopping centers containing a minimum of 5,000 square feet that have sold and been reported through June 30, 2010.

Sources include: CoStar Realty Information, Databank Atlanta & Lavista Associates, Inc.

No warranty or representation, expressed or implied, is made as to the accuracy of information contained herein. In consideration of the within information, all parties agree to rely solely on their right, and assume the duty to independently obtain and analyze all information.

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