

**Retail Opportunities Study:**  
**University of New Mexico South Campus,**  
**Interstate 25 & Gibson Blvd, Albuquerque, NM**

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Prepared for  
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# EXECUTIVE SUMMARY

## **Findings: Market Support**

This study deals with two development sites, 14 & 45 acres in size, on the city's south side between I-25 & the UNM campus. The sites each have an I-25 interchange. Daily traffic on I-25 totals 111,000, the city's second highest. Strong metro market support will result.

Localized market support will come from the adjoining 44,000 college population: University of New Mexico & nearby community college. The city's largest hospitals also are in this vicinity. Within 5 miles, we find 8 of 10 of the city's largest employment centers.

Also within 5 miles, there is a residential population of 200,000. By itself, this population (considering its demographic profile) will support major retail development. Many examples are provided in this study. Typical tenants: JCPenney, Dick's, Kohl's, Old Navy, etc.

## **Findings: Retail Competition**

East-west I-40 divides the metro area into "haves" and "have nots" with respect to existing retail facilities. The north side has all of the metro's fashion retail: Coronado & Cottonwood Malls & the new ABQ Uptown lifestyle center. The north also has 5.69 million sq. ft. of big-box/value retail. As the north's population is 492,500, this comes to 11.6 sq. ft. of this type of big-box/value retail per resident.

In sharp contrast, the south side, lacking any fashion retail, has just 1.89 million sq. ft. of big-box/value retailing. The south side population totals 360,900. Thus, south side residents have only 5.2 sq. ft. of big-box/value retail per capita -- less than half as much.

But even this understates the disparity. Wal-Mart accounts for ½ of the south side's supply. Another ¼ is far (6 miles) away. The result is that a virtual "retail desert" exists in the UNM vicinity.

## **Conclusions: Development Feasibility**

A key factor in this regard is the arrival of ABQ Uptown. It has had a major area-wide impact, as illustrated by its UNM campus shuttle service. ABQ Uptown brings the metro's fashion retail to 4.0 sq. ft. per capita, high for southwestern metros. This, not the UNM vicinity demographics (roughly the same as ABQ Uptown's), precludes high-fashion retail development at the UNM sites.

Major opportunities for UNM retail development lie in the big-box/value sector. This is because: (1) the existing big-box supply is so low in relation to the south side's strong buying power, (2) plus the location advantages that the UNM sites enjoy, (3) and the recently expressed interest by leading big-box retailers. As a result, all considered, a UNM value retail strategy is economically feasible.

## **Suggestions: Development Priorities**

The first step is anchor store recruitment. In this regard, a window of opportunity is open. Desirable anchors, leading U.S. sporting goods big-box retailers, are seeking locations in Albuquerque. Dicks will open on the West Mesa and needs another location. Cabela's and Bass Pro are both considering single-store market entries. One of these three should be recruited for the UNM development.

In addition, a leading soft goods anchor should be recruited. The first choice is an "off-mall" JCPenney (none in Albuquerque today). Second choice is Kohl's (today with 3 stores but none on south side).

With anchors of this caliber, moderate fashion shops will follow: Buckle, DSW, Levi's, Maurice's, Old Navy, Rue 21, etc. Other desirable follow-on categories include: sit-down restaurant, office supply, convenience grocery, cinema, miscellaneous services, etc.

# **PART 1 - UNM RETAIL SITES & SURROUNDING MARKET SUPPORT**

## **Subject Site Locations**

Exhibit 1.1 shows the subject sites. In the foreground, “Site 1” consists of about 45 acres. It is located in the northeast quadrant of Interstate Highway 25 and Gibson Boulevard. In the background, “Site 2,” 14-acres in size, is located in the northeast quadrant of Interstate 25 and Avenida Cesar Chavez.

This area is dominated by the 600-acre campus of the University of New Mexico. This highly-ranked public institution serves 28,688 students. Additionally, the nearby main campus of Central New Mexico Community College serves 16,000+ students.

The subject sites adjoin the South Campus, where the UNM athletic facilities (plus a pro baseball stadium) are located. Hundreds of thousands of enthusiastic “Lobos” fans are drawn from throughout the state. For example, attendance for both the men’s and women’s hoops games at the UNM Arena, local known as “The Pit,” ranks 13<sup>th</sup> among all universities nationally.

## **Albuquerque Employment Epicenter**

Exhibit 1.4 identifies Albuquerque’s leading employment centers. Within about two miles, we find the two large colleges (UNM & CNMCC) and two major hospitals (UNM & Presbyterian). All rank among the city’s top-10.

A bit further, in and around the CBD, we find other large employment centers. In the opposite direction, in and near the airport, we find Kirtland AFB and Sandia National Labs.

## **Traffic Volumes Generated**

As shown in Exhibit 1.5, traffic volume on I-25 near the subject sites averages 111,598 per day. This is midway between current traffic volumes on I-40 near Coronado/ABQ Uptown (153,386) and on Coors Blvd near Cottonwood Mall (73,920).

## **Trade Areas & Retail Opportunities**

Shopping centers generally serve trade areas that are irregularly shaped. They extend further in some directions than others. However, by standardizing the radius distance, comparisons among trade areas are facilitated. We can then look at specific shopping centers and stores that are being supported by populations with demographic profiles similar to those of the UNM sites. This provides a “first approximation” of what possibly could be achieved at the UNM sites.

Exhibit 1.6 provides current demographic data for the residential populations within indicated radius distances of the subject sites. At a distance of 5 miles, the total population is just over 200,000. The average household income is \$49,061. The 5-mile zone has 7,182 households with incomes of \$100,000+ annually.

Exhibit 1.7 identifies 25 shopping centers with 5-mile population and incomes that, taken together, are most similar. It can be seen that some very large shopping centers are being supported in trade areas that are similar demographically. Tenant rosters include major retailers such as JCPenney, Dick’s, Kohl’s, Target, Wal-Mart, Sports Authority, Ross, Marshall’s, Old Navy, etc.

## **PART 2 - OPPORTUNITIES FOR FASHION-ORIENTED ESTINATION RETAIL?**

### **Definitions**

The terms “destination retail” and “major retail” are often applied interchangeably. Both terms refer to shopping centers and stores that draw customers from relatively large geographic areas. This type of retail achieves the highest sales levels and commands the highest rental rates. Because revenue generation is a key objective, this study focuses exclusively on destination retail uses.

There are two types of destination retail. One is fashion-oriented and consists principally of “regional centers” (too large for the UNM sites) and “lifestyle centers” (they vary in size but physically could be accommodated). The other destination retail is value-oriented and features “big-box” retailers (from 10,000 to 200,000 sq. ft. in size) in so-called “power center” locations.

### **Existing Fashion Retail**

Exhibit 2.1 shows Albuquerque’s fashion retail today. Three shopping centers are clustered on the east side about 5 miles from the UNM sites: ABQ Uptown (a new and surprisingly strong lifestyle center, as profiled in Exhibit 2.2); Coronado Mall (a large and healthy regional center, as profiled in Exhibit 2.3); and Winrock Center, another large region center that is much less healthy.

About 9 miles from the UNM sites, on the West Mesa, there is Cottonwood Mall. It is a regional center, similar to Coronado in size and quality, as profiled in Exhibit 2.4.

### **Drivers of New Development**

Regional centers are products of a retail era when mid-range fashion department stores (Macy’s, Dillard’s, etc.) were of central importance for new development. Today high-fashion department stores (Nordstrom, Bloomingdale’s, etc.) continue to play this role. But they are more selective in market and site selection.

Most of today’s fashion retail development, such as ABQ Uptown, is of the lifestyle variety. Department stores play either minor or no roles in determining where and when lifestyle centers are developed. Rather, the shops have become the catalysts. They do well in both lifestyle centers and regional centers.

### **Prospects for More Fashion Retail**

Is it likely that, following the recent opening of ABQ Uptown, another lifestyle center can be developed in the near-future? Albuquerque currently has 4.0 sq. ft. of combined regional and lifestyle center space (GLA). Among the major metros in the southwest region, as shown in Exhibit 2.5, Albuquerque is at the high end of the spectrum. Consequently, another lifestyle development appears to be unlikely in the near future.

What about individual fashion shops? Among those listed in Exhibit 2.6, Albuquerque has 37. On a ratio basis, this comes to 12 shops per affluent (\$125,000+) households. Compared with the other major metros, this figure is above average, again suggesting little pressure for large-scale additions. Smaller and lower-fashion additions are not precluded, as discussed in Part 5.

## PART 3 - OPPORTUNITIES FOR BIG-BOX/VALUE DESTINATION RETAIL?

### **Big-Box/Value Retail in Albuquerque**

Let's begin with a specific example. Exhibit 3.1 shows Plaza Paseo del Norte, a 35-acre 375,000 sq. ft. power center located on the West Mesa near Cottonwood Mall. The owner is Kimco, one of the largest retail REITs. The big-box anchors are Target (119,000 sq. ft.), Hobby Lobby (31,200 sq. ft.), Ross (28,300 sq. ft.), Movies West (27,900 sq. ft.) and Hancock Fabrics (12,000 sq. ft.).

Big-Box/value is the fastest growing sector of destination retail. In Albuquerque, there is 7.6 million sq. ft. of big-box/value retail, compared with 3.4 million sq. ft. of fashion retail. This ratio (2.25 times) is illustrated by Exhibit 3.2. It shows Cottonwood Mall and a large cluster of big-boxes and power centers in the foreground.

### **Disparity: South vs. North Albuquerque**

Big-box/value retail caters to the entire socio-economic spectrum of the nation's population. For this reason, the geographic distribution of big-box stores in most markets tends to mirror the distribution of the population.

In Albuquerque, however, there is a disparity between the two distributions. This is evident from Exhibit 3.3, a map showing big-boxes south of I-40 (red dots) and north of the freeway (black dots). Exhibit 3.4 provides summary statistics: south of I-40, 1.89 million sq. ft. or 5.2 sq. ft. per capita; north of I-40, 5.69 million sq. ft., or 11.6 sq. ft. per capita.

The UNM sites, located on Albuquerque's south side, can benefit from the apparent pent-up demand for big-box retail.

### **Big-Boxes Not in Albuquerque Yet**

Some of the nation's major big-box chains have not found their way to Albuquerque yet. Exhibit 3.4 shows two of them, Bass Pro and Cabela's. New Mexico is one of few states currently without either one or both of these retailers. They deserve to be considered candidates for the UNM sites.

Another sporting goods retailer, Dick's, has recently announced plans to open its first store in New Mexico. It will be located in one of the power centers near Cottonwood Mall. Unlike Bass Pro or Cabela's, Dick's generally follows up with at least one more store in a market of this size. Dick's also should be considered.

Following are some others candidates and their nearest current locations: Sport Chalet (Phoenix), Gordman's (Colorado Springs), DSW Shoe (El Paso), Academy (El Paso), and Steinmart (El Paso).

### **Big-Boxes Already in Albuquerque**

Now consider the other extreme. The big-box retailer with the most stores in Albuquerque is Wal-Mart. Exhibit 3.6 shows a dozen discount-only or supercenter Wal-Mart stores in the metro market. Two Wal-Mart Neighborhood Food Markets also are in Albuquerque. Five of the Wal-Mart general merchandise stores and one of the food stores are located south of I-40.

In contrast, 25 of Albuquerque's current big-box retailers operate stores only on north side of I-40. They should be considered for the UNM sites. Exhibits 3.7 and 3.8 show shopping center or district co-tenancy/clustering rates for many of these retailers.

## PART 4 - MAJOR U.S. COLLEGES WITH NEARBY DESTINATION RETAIL

### **Destination Retail & College Campuses**

What could they possibly have in common? They would seem to be different entities, with no apparent synergies binding them together. Are they not entirely different kinds of attractions catering to different subsets of the population?

But consider this: Wal-Mart, the nation's largest and most innovative retailer, in January of this year launched a new store concept. It is called "Wal-Mart on Campus." The first store, intended to test the concept, is located on the campus of the University of Arkansas in Fayetteville, 10 miles from Wal-Mart headquarters in Bentonville. Initial reports indicate the test store is exceeding expectations.

On further consideration, the confluence of destination retail and college campuses may not be so far fetched. College students are consumers. Because they are young and self-expressive, most students are fashion-oriented. Because their budgets are tight, most students are classic value shoppers as well.

### **Survey of Major College Campuses**

Because the subject sites adjoin the UNM campus, one of the objectives of this study was to identify large U.S. college campuses that already have major retail facilities nearby. Our survey spanned the nation's 300 largest college campuses based on enrollment. The surveyed campus locations are shown in Exhibit 4.1.

### **Supreme Example: Multiple Shopping Centers**

Let's begin with the supreme example, the single college campus with the most destination retail in its vicinity. This is San Joaquin Delta College in Stockton, CA, with a 20,223 student enrollment.

As shown in Exhibit 4.3, this attractive junior college campus is bounded on three sides by major retail facilities. They include two large regional centers (Weberstown Mall and Sherwood Mall), two good-sized power centers (Robinhood and College Square), plus a lifestyle center (Stonecreek Village) opened in 2008. In total, about 2.6 million sq. ft. of retail GLA are nearby.

### **Others: Regional, Lifestyle, Power, & Mixed-Use Centers**

Several examples of regional shopping centers near major college campuses were identified. Exhibit 4.4 shows that San Francisco State University, with a student enrollment of 30,469, directly adjoins Stonestown Galleria, a major Bay Area regional center.

Exhibit 4.5 shows the University of Washington. The Seattle campus has 45,943 students. Next to it is University Village, one of the largest and strongest lifestyle centers in the U.S.

Exhibit 4.6 shows Ohio State University, enrollment 55,014, in Columbus. Lennox Town Center, a power center, is nearby.

Exhibit 4.7 shows the Philadelphia campus of the University of Pennsylvania and Sansom Common, a small mixed-use center.

## **PART 5 - UNM SOUTH CAMPUS RETAIL OPTIMIZATION STRATEGY**

### **Plans & “Realities”**

Plans are absolutely necessary. Before any significant course of action is embarked upon, whether in the public or private sector, it is vital that plans be prepared and subjected to review by appropriate parties. That’s the only way that criticisms can be flushed out, necessary corrections can be made and consensus for the endeavor can be secured.

In the field of retail development, the realities of the marketplace always come into play as well. Some things, although planned, may not be economically feasible. For example, some might like to see a high-end lifestyle center (like ABQ Uptown) developed on the subject 45-acre site. One of the objectives of this study is to bring out the reasons why this course of action is unrealistic.

### **Plans & “Priorities”**

Let’s say a particular course of action is identified. All the appropriate parties “buy on” to it. The first implementation step may be to secure the participation of retailer ABC. That’s because it is anticipated that several other key retailers will then be motivated to join the development.

Then reality sets in: it turns out that ABC is not available, for one reason or another. This sort of thing happens again and again. Then the developer does not “scrap the plan.” Rather the developer “shifts priorities,” moves to retailer DEF, which in turn leads to participation by another set of key retailers.

### **Suggested Priority: Recruit Major Sporting Goods Retailer**

Timing is critically important. Right now, the nation’s three major sporting goods big-box retailers are all looking at Albuquerque. One of them, Dick’s, has secured a location on the West Mesa. There’s no doubt that Dick’s will follow up with at least one more store in this market. Either of the subject sites would be ideal, both for Dick’s and for the UNM shopping center development. Our suggested priority #1: pursue this course of action.

Then, depending on what happens, pursue priority #2: Cabela’s or Bass Pro. As sporting goods retailers, they are even stronger than Dick’s. They would pull shoppers from throughout the state. The only difference is that Dick’s probably needs to move faster.

### **Suggested Priority: Recruit Major Soft Goods Retailer**

Since the early part of the previous decade, the JCPenney Co. has been pursuing a dual market strategy: first, maintain a strong presence in the major malls of this country and, second, secure “off-mall” locations in the top lifestyle or power centers, those located an adequate distance from the mall stores. The off-mall stores range from 85,000 to 105,000 sq. ft. in size. So far, several hundred have opened across the country but not in Albuquerque. Our suggested priority #1: a JCP off-mall store for the UNM site.

Our suggested priority #2: seek participation by Kohl’s (3 stores in the market but none south). Then, backstop that with the following suggestions: TJ Maxx, Marshall’s, Ross, and Steinmart.

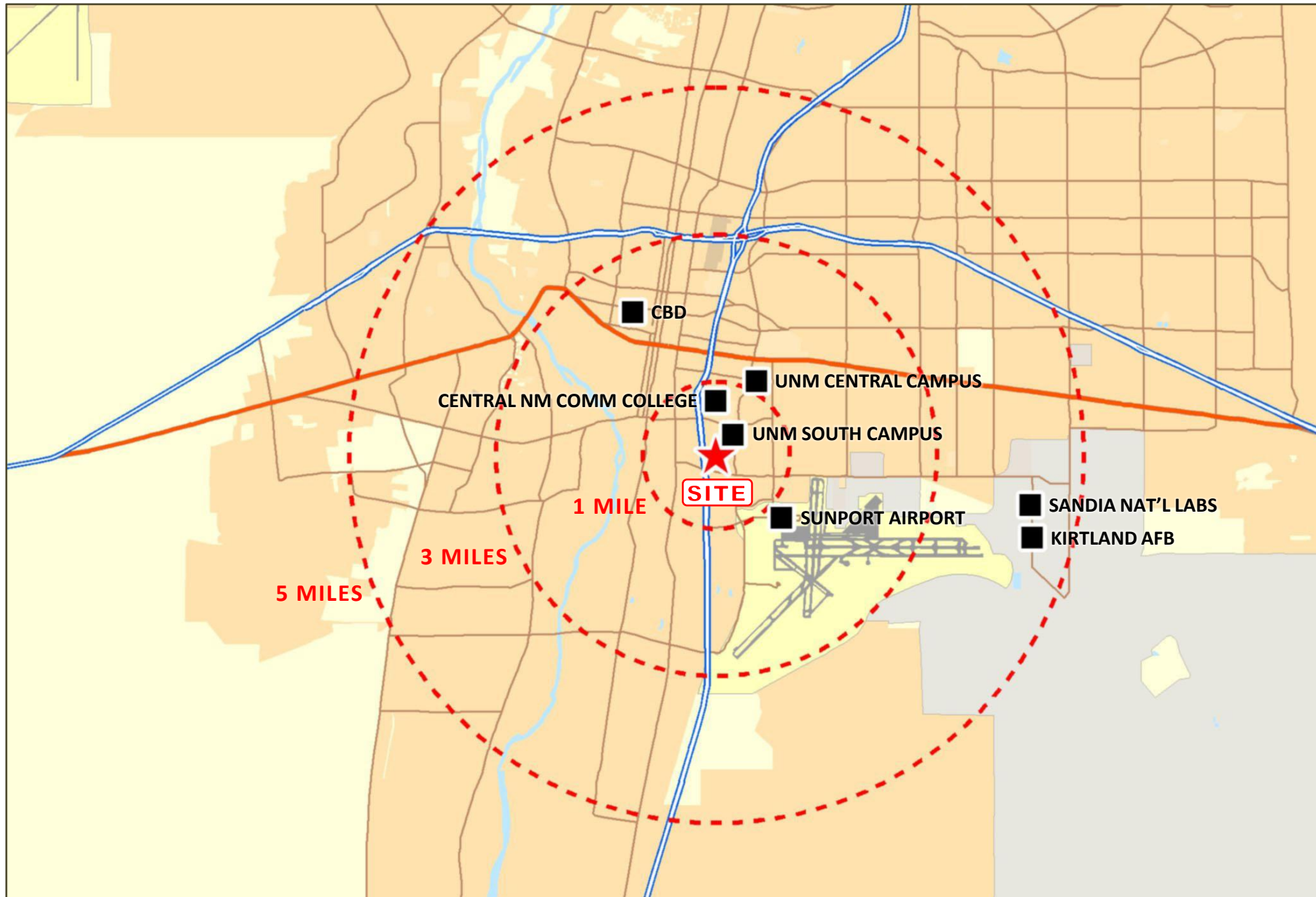


## EXHIBIT 1.1 UNM RETAIL DEVELOPMENT SITES & NEARBY LAND USES



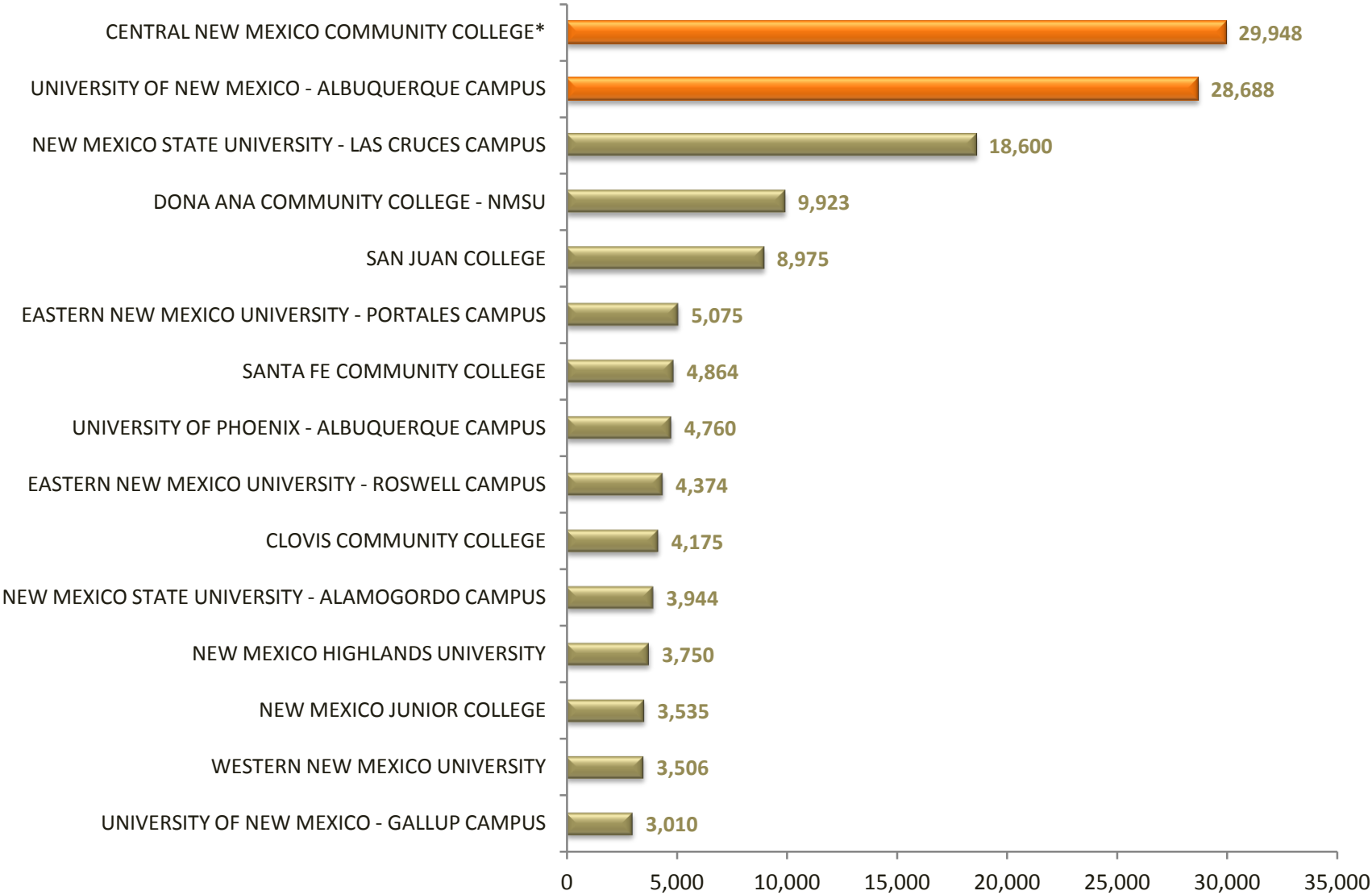


## EXHIBIT 1.2 - TOP EDUCATION, TRANSPORTATION & EMPLOYMENT CENTERS



**EXHIBIT 1.3 - WITHIN 1 MILE: 2 OF NEW MEXICO’S LARGEST STUDENT POPULATIONS**

**STUDENT ENROLLMENT**



\* Includes all Albuquerque metro campuses. CNM Main Campus: 16,000+

Source: National Center for Educational Statistics - NCES.ED.GOV

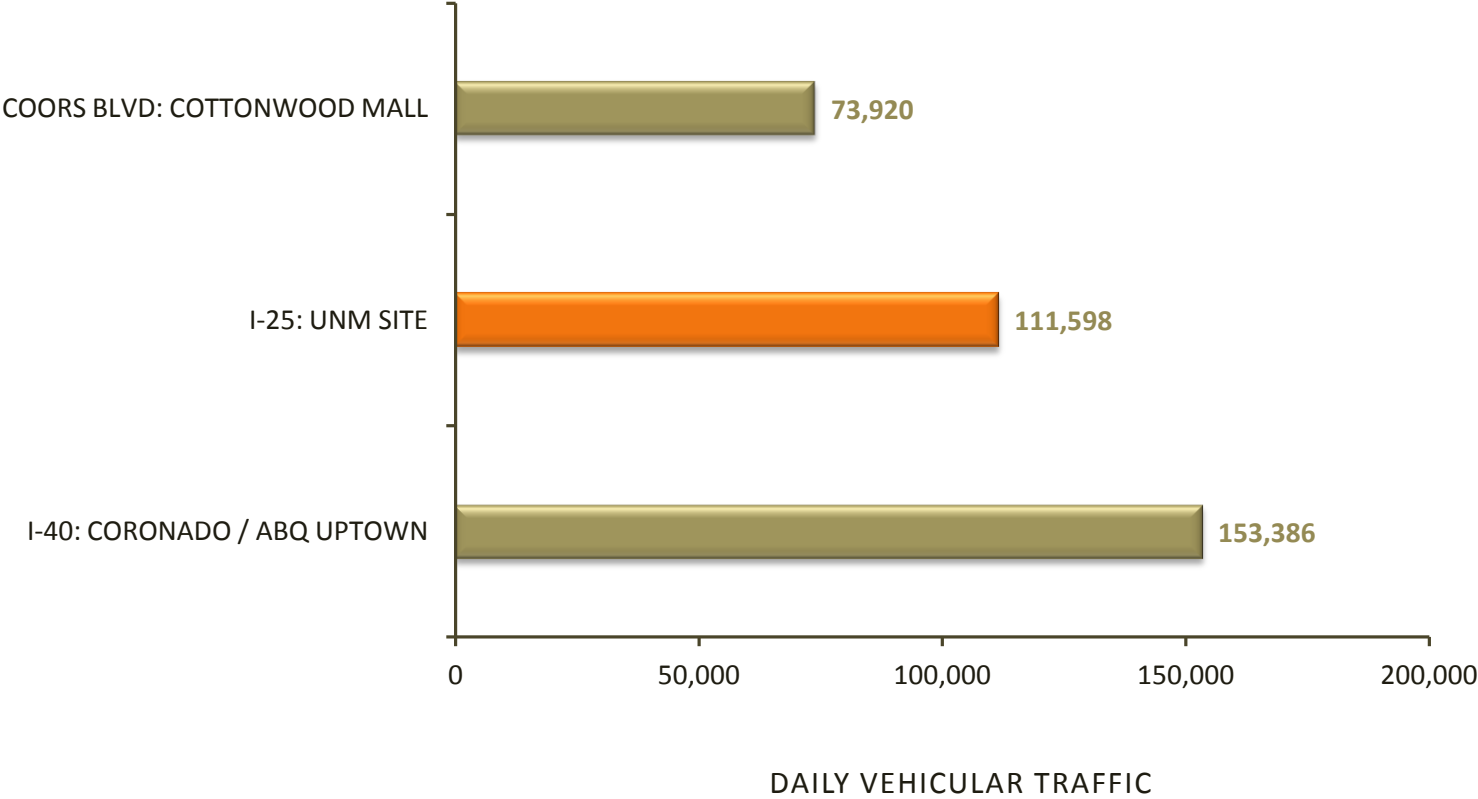
## EXHIBIT 1.4 - FIVE MILES: EIGHT OF THE METRO'S TOP-TEN EMPLOYMENT CENTERS

Organization	Employees	Description
1. Kirtland Air Force Base (Civilian)*	16,200	Air Force Materiel Command
2. University of New Mexico	15,890	Educational Institution
3. Albuquerque Public Schools	14,000	Public School District
4. Sandia National Labs	7,940	National Security Science & Technology
5. Presbyterian	7,369	Hospital/Medical Services
6. UNM Hospital	5,950	Hospital/Medical Services
7. City of Albuquerque	5,940	Government
8. State of New Mexico	5,910	Government
9. Lovelace	3,700	Hospital/Medical Services
10. Intel Corporation	3,300	Semiconductor Manufacturer

\*Kirtland's employment number includes civilian federal employees and contractors employed on and off base, including Sandia National Labs. Sandia National Labs employment is also shown separately.

Source: Albuquerque Economic Development (AED), Inc.

EXHIBIT 1.5 - DIRECTLY ADJOINING SITE: HIGH VEHICULAR TRAFFIC ON I-25



## EXHIBIT 1.6 - SURROUNDING RESIDENTIAL DEMOGRAPHICS: 1, 3, & 5 MILES

<b>Demographic</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
<b>Population*</b>	8,815	72,976	200,039
<b>Households</b>	2,962	30,844	81,228
<b>Average Household Income</b>	\$37,300	\$49,728	\$49,061
<b>Households, \$100K+ Income</b>	159	2,968	7,182
<b>Per Capita Income</b>	\$12,826	\$23,126	\$21,362

\*Population figures do not include student populations at the University of New Mexico (28,688) and Central New Mexico Community College (29,948)

Source: Scan/US 2010 Demographics

# EXHIBIT 1.7 - 25 RETAIL ANALOGS: SIMILAR 5-MILE POPULATIONS & INCOMES

CENTER NAME	MAJOR TENANTS	INLINE TENANTS
<b>ALPINE SUMMIT</b> - Grand Rapids, MI	MARSHALLS, PARTY CITY, PETCO, ULTA	DRESSBARN
<b>BAYOU WALK</b> - Shreveport, LA	BARNES & NOBLE, KROGER, OFFICEMAX, OLD NAVY, PARTY CITY, PETCO	CATHERINES
<b>BROOKS CORNER</b> - San Antonio, TX	HOME DEPOT, KIRKLAND'S, PETCO, ROSS DRESS FOR LESS, TARGET	CATHERINES, GAMESTOP, MERLE NORMAN, PAYLESS SHOESOURCE, RAINBOW
<b>CENTURY SQUARE</b> - West Mifflin, PA	CARMIKE CINEMA, DOLLAR TREE, DUNHAM'S SPORTS, OFFICE DEPOT, PETSMART, SHOP N SAVE	GNC
<b>CHICOPEE MARKETPLACE</b> - Chicopee, MA	HOME DEPOT, MARSHALLS, STAPLES, WAL-MART	FASHION BUG, GAMESTOP, OLYMPIA SPORTS, PAYLESS SHOES
<b>CLEARWATER MALL</b> - Clearwater, FL	COSTCO, GOLFSMITH, HH GREGG, LOWE'S, MICHAELS, PETSMART, PIER 1, ROSS DRESS FOR LESS, TARGET	CATHERINES, DAVID'S BRIDAL, DRESSBARN, EASY SPIRIT, FAMOUS FOOTWEAR, GAMESTOP, JARED JEWELERS, MEN'S WEARHOUSE, NINE WEST
<b>FAIRMOUNT FAIR</b> - Syracuse, NY	BED BATH & BEYOND, DICK'S SPORTING GOODS, HOMEGOODS, MARSHALLS, MICHAELS, PETSMART, TARGET, ULTA	GAMESTOP
<b>GLENSFORD COMMONS</b> - Fayetteville, NC	BARNES & NOBLE, KIRKLAND'S, OLD NAVY	
<b>GREEN ORCHARD</b> - Walker, MI	BURLINGTON COAT FACTORY, HOBBY LOBBY, KOHL'S, LOEK'S THEATRE, OFFICEMAX	SHOE CARNIVAL
<b>GREEN RIDGE SQUARE</b> - Grand Rapids, MI	BEST BUY, BED BATH & BEYOND, OFFICE DEPOT, T.J.MAXX, TARGET, TOYS R US	BATH AND BODY WORKS, DEB, FASHION BUG, GAMESTOP, GNC, JUSTICE, LANE BRYANT, RUE21
<b>JANTZEN BEACH SUPERCENTER</b> - Portland, OR	BABIES R US, BARNES & NOBLE, BEST BUY, BURLINGTON COAT FACTORY, HOME DEPOT, MICHAELS, OFFICE DEPOT, OLD NAVY, PETCO, PIER 1, ROSS DRESS FOR LESS, SPORTS AUTHORITY, STAPLES, TARGET, TOYS R US	CASUAL MALE XL, CATHERINES, GNC, MASTERCUTS, PAYLESS SHOESOURCE, RITZ CAMERA
<b>MARKETPLACE, THE</b> - Council Bluffs, IA	JCPENNEY, PETCO, SHOPKO	DEB, SHOE CARNIVAL
<b>MIDTOWN PLAZA</b> - Montgomery, AL	OFFICE DEPOT, ROSS DRESS FOR LESS, WAL-MART	FOOT LOCKER, GAMESTOP, PAYLESS SHOESOURCE, SHOE CARNIVAL
<b>MOBILE FESTIVAL CENTRE</b> - Mobile, AL	ACADEMY, BED BATH & BEYOND, GUITAR CENTER, MARSHALLS, MICHAELS, OFFICEMAX, ROSS DRESS FOR LESS	DRESSBARN, GAMESTOP, NINE WEST
<b>POWER PLANT OF HAMPTON ROADS</b> - Hampton, VA	BASS PRO SHOPS, BJ'S WHOLESALE CLUB, LOWE'S	
<b>RIDGEMONT PLAZA</b> - Greece, NY	BEST BUY, KMART	GAMESTOP
<b>RIVER FALLS</b> - Clarksville, IN	BASS PRO, DICK'S SPORTING GOODS, TOYS R US, GREAT ESCAPE THEATRES	
<b>RIVERDALE SHOPS</b> - West Springfield, MA	KOHL'S	DAVID'S BRIDAL, DRESSBARN, FASHION BUG, GAMESTOP, GNC, JUSTICE, LIFE UNIFORM
<b>SHOPPES AT RIO GRANDE VALLEY</b> - Edinburg, TX	ACADEMY, BURLINGTON COAT FACTORY, JCPENNEY, ROSS DRESS FOR LESS, T.J.MAXX	CHILDREN'S PLACE, LANE BRYANT
<b>SOUTHLAKE PAVILION</b> - Morrow, GA	BABIES R US, BARNES & NOBLE, BEST BUY, HH GREGG, HOME DEPOT, PARTY CITY, PETSMART, ROSS DRESS FOR LESS, TARGET	DAVID'S BRIDAL, GAMESTOP, MEN'S WEARHOUSE, PAYLESS SHOESOURCE, GAMESTOP, PEARLE VISION
<b>SOUTHLAND FOUR SEASONS</b> - Pittsburgh, PA	JO-ANN, OFFICEMAX	
<b>SUNRISE COMMONS</b> - Brownsville, TX	KMART, MARSHALLS, OLD NAVY, PARTY CITY, ROSS DRESS FOR LESS, STAPLES	ICING BY CLAIRE'S, LANE BRYANT, RUE21, SHOE CARNIVAL
<b>TRENTON CROSSING</b> - McAllen, TX	BEALLS, BEST BUY, HOBBY LOBBY, KOHL'S, MARSHALLS, OFFICEMAX, OLD NAVY, PETSMART, ROSS DRESS FOR LESS, TARGET	CLAIRES, DRESSBARN, FOOT LOCKER, GAMESTOP, GNC, PAYLESS SHOESOURCE, RACK ROOM SHOES, RUE21, SHOE CARNIVAL
<b>TUCSON SPECTRUM</b> - Tucson, AZ	BED BATH & BEYOND, BEST BUY, HARKINS THEATRES, JCPENNEY, KIRKLAND'S, MARSHALLS, MICHAELS, OFFICEMAX, PARTY CITY, PETSMART, ROSS DRESS FOR LESS, SPORTS AUTHORITY	BATH AND BODY WORKS, FASHION BUG, LANE BRYANT,
<b>VILLAGE EAST SHOPPING CENTER</b> - Salem, OR	BORDERS, ROSS DRESS FOR LESS	CATHERINES

## EXHIBIT 2.1 - MAJOR FASHION CENTERS IN ALBUQUERQUE TODAY





## EXHIBIT 2.2 - ABQ UPTOWN: A NEW & SUCCESSFUL LIFESTYLE CENTER



TYPE: **LIFESTYLE** OWNER: **SIMON** GLA: **220,000** LEVELS: **1** #STORES: **50** YEAR OPEN: **2006** YEAR ACQUIRED: **2011**

### SELECT TENANTS:

**INLINE:** ANN TAYLOR LOFT, ANN TAYLOR, ANTHROPOLOGIE, APPLE, BCBGMAXAZRIA, BEBE, BORDERS, BRAVO! CUCINA ITALIANA, CHICO'S, COLDWATER CREEK, CALIFORNIA PIZZA KITCHEN, EDDIE BAUER, FRANCESCA'S COLLECTIONS, GYMBOREE, JARED JEWELERS, J. JILL, JOS. A. BANK, L'OCCITANE EN PROVENCE, LUCKY BRAND JEANS, MAC COSMETICS, POTTERY BARN, SELECT COMFORT, SOMA INTIMATES, TALBOTS, TRADER JOE'S, WHITE HOUSE BLACK MARKET, WILLIAMS-SONOMA



## EXHIBIT 2.3 - CORONADO: THE EAST SIDE'S REGIONAL SHOPPING CENTER



TYPE: **REGIONAL** OWNER: **GGP** GLA: **1,151,734** LEVELS: **2** #STORES: **150** YEAR OPEN: **1964** LAST RENO: **1995**

### SELECT TENANTS:

**ANCHOR:** ANCHOR VACANCY, BARNES & NOBLE, JCPENNEY, KOHL'S, MACY'S, SEARS

**INLINE:** 5-7-9, AEROPOSTALE, ALDO, AMERICAN EAGLE OUTFITTERS, BAKERS, BANANA REPUBLIC, BATH AND BODY WORKS, BODY SHOP, THE, BROOKSTONE, BUCKLE, CHAMPS SPORTS, CHARLOTTE RUSSE, CHILDREN'S PLACE, CLAIRE'S, COACH, CRABTREE & EVELYN, EXPRESS, FINISH LINE, FOOT LOCKER, FOREVER 21, FREDERICK'S OF HOLLYWOOD, GAMESTOP, GAMESTOP, GAP, GAP, GNC, GODIVA CHOCOLATIER, GORDON'S JEWELERS, HELZBERG DIAMONDS, HOLLISTER, HOT TOPIC, ICING BY CLAIRE'S, JOURNEY KIDS, JOURNEYS, JUSTICE, KAY JEWELERS, KIDS FOOT LOCKER, LADY FOOT LOCKER, LANE BRYANT, LENS CRAFTERS, LIDS, LIDS, MASTERCUTS, MEN'S WEARHOUSE, MOTHERHOOD MATERNITY, NEW YORK & COMPANY, PACSUN, PAYLESS SHOESOURCE, PUREBEAUTY, SAM GOODY, SEPHORA, SPENCER'S, TORRID, UNDERGROUND STATION, VICTORIA'S SECRET, ZALES, ZUMIEZ



## EXHIBIT 2.4 - COTTONWOOD: THE WEST SIDE'S REGIONAL SHOPPING CENTER



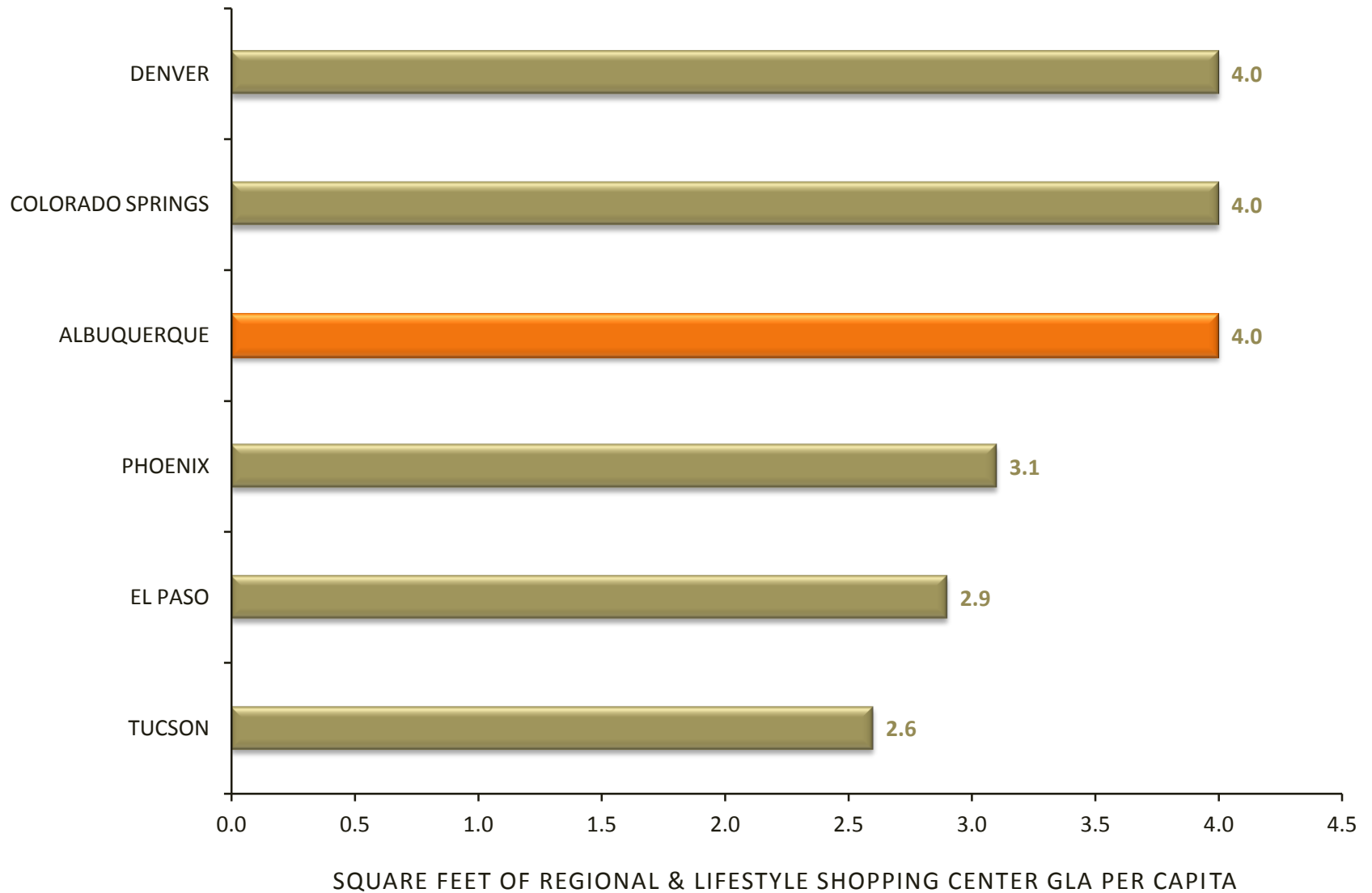
TYPE: **REGIONAL** OWNER: **SIMON** GLA: **1,040,700** LEVELS: **2** #STORES: **130** YEAR OPEN: **1994**

### SELECT TENANTS:

**ANCHOR:** ANCHOR VACANCY, DILLARD'S, JCPENNEY, MACY'S, OLD NAVY, SEARS, UNITED ARTISTS THEATERS

**INLINE:** 5-7-9, AEROPOSTALE, ALDO, AMERICAN EAGLE OUTFITTERS, BATH AND BODY WORKS, BCBGMAXAZRIA, BEN BRIDGE JEWELER, BODY SHOP, THE, BUCKLE, BUILD-A-BEAR, C.J. BANKS, CACHE, CHAMPS SPORTS, CHILDREN'S PLACE, THE, CHRISTOPHER & BANKS, CLAIRE'S, CLAIRE'S, DISNEY STORE, THE, EDDIE BAUER, EXPRESS, F.Y.E, FAMOUS FOOTWEAR, FINISH LINE, FOOT LOCKER, FOREVER 21, GAMESTOP, GAP, GNC, GORDON'S JEWELERS, HOLLISTER, HOT TOPIC, ICING BY CLAIRE'S, J.B. ROBINSON JEWELERS, JOURNEY KIDS, JOURNEYS, KAY JEWELERS, KIDS FOOT LOCKER, LADY FOOT LOCKER, LANE BRYANT, LENS-CRAFTERS, LIMITED, THE, MASTERCUTS, MOTHERHOOD MATERNITY, PACSUN, PAYLESS SHOESOURCE, REGIS SALONS, REGIS SALONS- SENSATIONS, SELECT COMFORT, SHI BY JOURNEYS, SPENCER'S, THINGS REMEMBERED, TRADE SECRET, ULTA, UNDERGROUND STATION, VICTORIA'S SECRET, VITAMIN WORLD, WET SEAL, YANKEE CANDLE, ZALES, ZUMIEZ

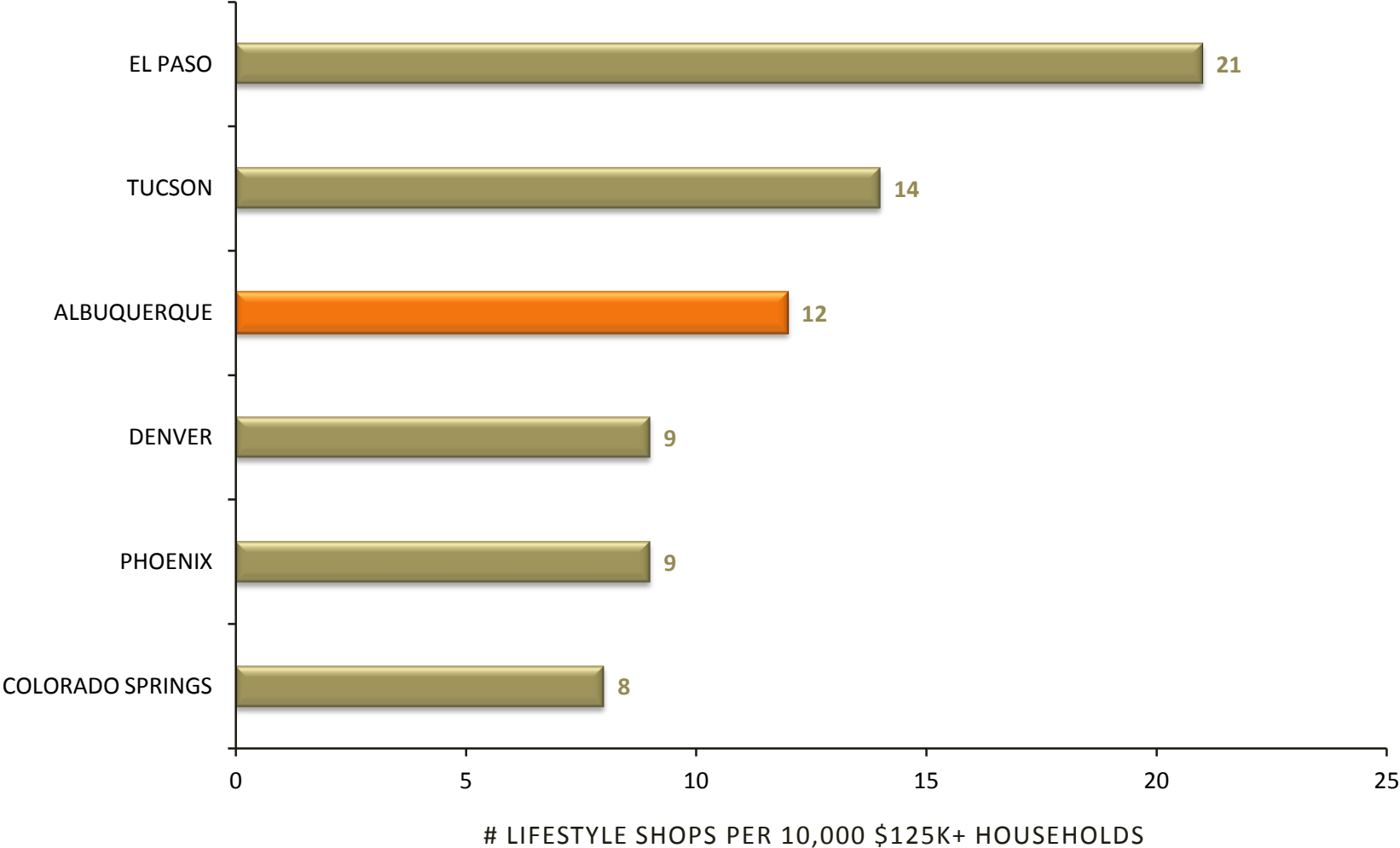
## EXHIBIT 2.5 - CAN ALBUQUERQUE SUPPORT ADDITIONAL FASHION RETAIL?



## EXHIBIT 2.6 - CAN ALBUQUERQUE SUPPORT SELECTED LIFESTYLE SHOPS?

LIFESTYLE STORE NAME	ALBUQUERQUE	COLORADO SPRINGS	DENVER	EL PASO	PHOENIX	TUCSON
ABERCROMBIE KIDS	0	0	1	1	1	1
ABERCROMBIE & FITCH	0	0	3	1	3	1
AMERICAN EAGLE OUTFITTERS	2	2	6	2	10	2
ANN TAYLOR LOFT	2	1	6	0	7	2
ANN TAYLOR	1	1	2	0	5	1
ANTHROPOLOGIE	1	0	2	0	3	1
APPLE	1	1	4	0	5	1
BROOKS BROTHERS	0	0	2	0	1	2
BEBE	1	0	2	1	5	1
BANANA REPUBLIC	1	1	7	1	5	2
CHICO'S	2	1	7	2	9	2
COACH	1	0	3	1	6	2
COLDWATER CREEK	1	1	5	1	7	2
CRATE & BARREL	0	0	3	0	2	1
EDDIE BAUER	2	1	7	0	3	2
EXPRESS	2	2	7	4	6	2
GAP	3	1	10	3	6	2
GUESS	0	0	4	1	4	2
GYMBOREE	1	2	6	2	7	2
HOLLISTER	2	1	4	2	7	2
J.CREW	0	0	3	0	3	1
J. JILL	1	1	4	0	4	2
JOHNSTON & MURPHY	0	0	3	0	2	0
JOS. A. BANK	1	1	7	1	4	1
LUCKY BRAND JEANS	1	0	3	0	3	1
POTTERY BARN	1	1	3	0	3	1
RESTORATION HARDWARE	0	0	3	0	1	0
SEPHORA	1	0	3	0	4	1
TALBOTS	1	1	7	1	6	2
URBAN OUTFITTERS	1	0	2	0	3	1
VICTORIA'S SECRET	2	3	12	3	13	3
WHITE HOUSE BLACK MARKET	2	1	5	0	6	2
WILLIAMS-SONOMA	1	1	4	0	3	1
ZUMIEZ	2	1	6	2	7	2
<b>TOTAL LIFESTYLE STORE COUNT:</b>	<b>37</b>	<b>25</b>	<b>156</b>	<b>29</b>	<b>164</b>	<b>51</b>

EXHIBIT 2.6 - CAN ALBUQUERQUE SUPPORT SELECTED LIFESTYLE SHOPS, CONTINUED



	ALBUQUERQUE	COLORADO SPRINGS	DENVER	EL PASO	PHOENIX	TUCSON
TOTAL LIFESTYLE STORE COUNT	37	25	156	29	164	51
CBSA \$125K+ HOUSEHOLDS	30,895	29,438	164,859	13,689	191,654	35,709



## EXHIBIT 3.1 - PLAZA AT PASEO DEL NORTE: A 35-ACRE POWER CENTER EXAMPLE



### Plaza Paseo Del Norte

Coors Blvd. & Irving Blvd., Albuquerque, NM



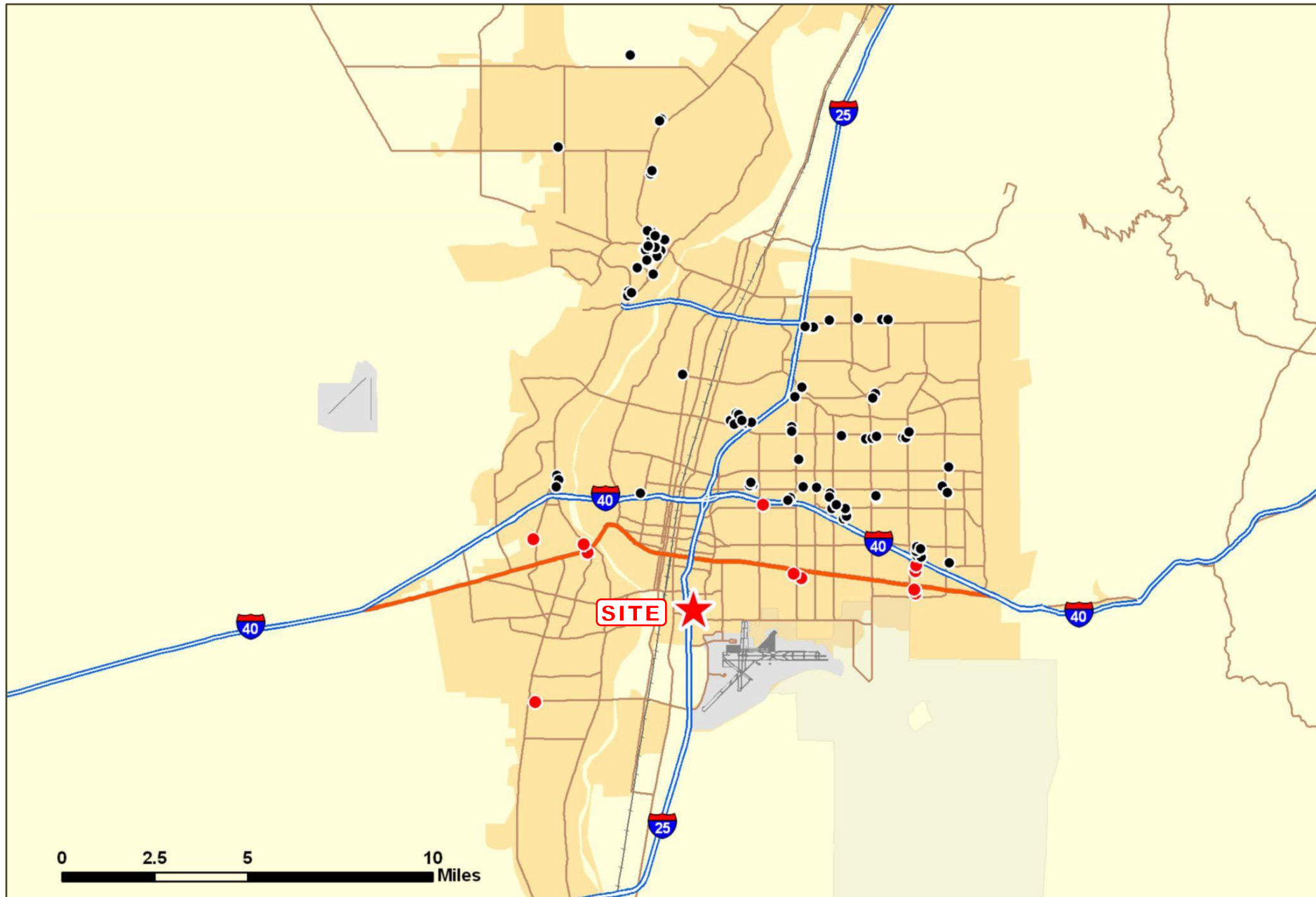


EXHIBIT 3.2 - COTTONWOOD POWER SHOPPING DISTRICT, ALBUQUERQUE'S LARGEST





**EXHIBIT 3.3 - BIG-BOX/VALUE RETAIL LOCATIONS, NORTH (BLACK) VS. SOUTH (RED) OF I-40**



## EXHIBIT 3.4 - BIG-BOX/VALUE RETAIL STORES, NORTH VS. SOUTH OF I-40

NORTH OF I-40	
RETAILER (COUNT)	RETAILER (COUNT)
BABIES R US (1)	OLD NAVY (2)
BARNES & NOBLE (2)	PARTY CITY (2)
BED BATH & BEYOND (3)	PETCO (3)
BEST BUY (2)	PETSMART (3)
BIG LOTS (4)	PIER 1 (3)
BURLINGTON COAT (2)	REI (1)
WORLD MARKET (2)	ROSS DRESS FOR LESS (3)
COSTCO (2)	SAM'S CLUB (2)
HOBBY LOBBY (3)	SPORTS AUTHORITY (2)
HOME DEPOT (4)	SPORTSMAN'S WHSE. (1)
JO-ANN (3)	STAPLES (4)
KMART (2)	T.J.MAXX (1)
KOHL'S (3)	TARGET (5)
LOWE'S (5)	TOYS R US (2)
MARSHALLS (2)	TRADER JOE'S (2)
MICHAELS (2)	ULTA (1)
OFFICE DEPOT (3)	WAL-MART (7)
OFFICEMAX (4)	
TOTAL BIG-BOX GLA: 5.69 MILLION SQ. FT.	
TOTAL POPULATION: 492,500 PERSONS	
SQUARE FEET PER CAPITA: 11.6 SQ. FT. PER PERSON	

SOUTH OF I-40	
RETAILER (COUNT)	
BIG LOTS (2)	
COSTCO (1)	
HOME DEPOT (2)	
KMART (2)	
LOWE'S (1)	
OFFICE DEPOT (1)	
PETSMART (1)	
ROSS DRESS (1)	
SAM'S CLUB (1)	
STAPLES (1)	
WAL-MART (5)	
TOTAL BIG-BOX GLA: 1.89 MILLION SQ. FT.	
TOTAL POPULATION: 360,900 PERSONS	
SQUARE FEET PER CAPITA: 5.2 SQ. FT. PER PERSON	

## EXHIBIT 3.5 - OPPORTUNITIES: STATE LACKS CABELA'S AND BASS PRO

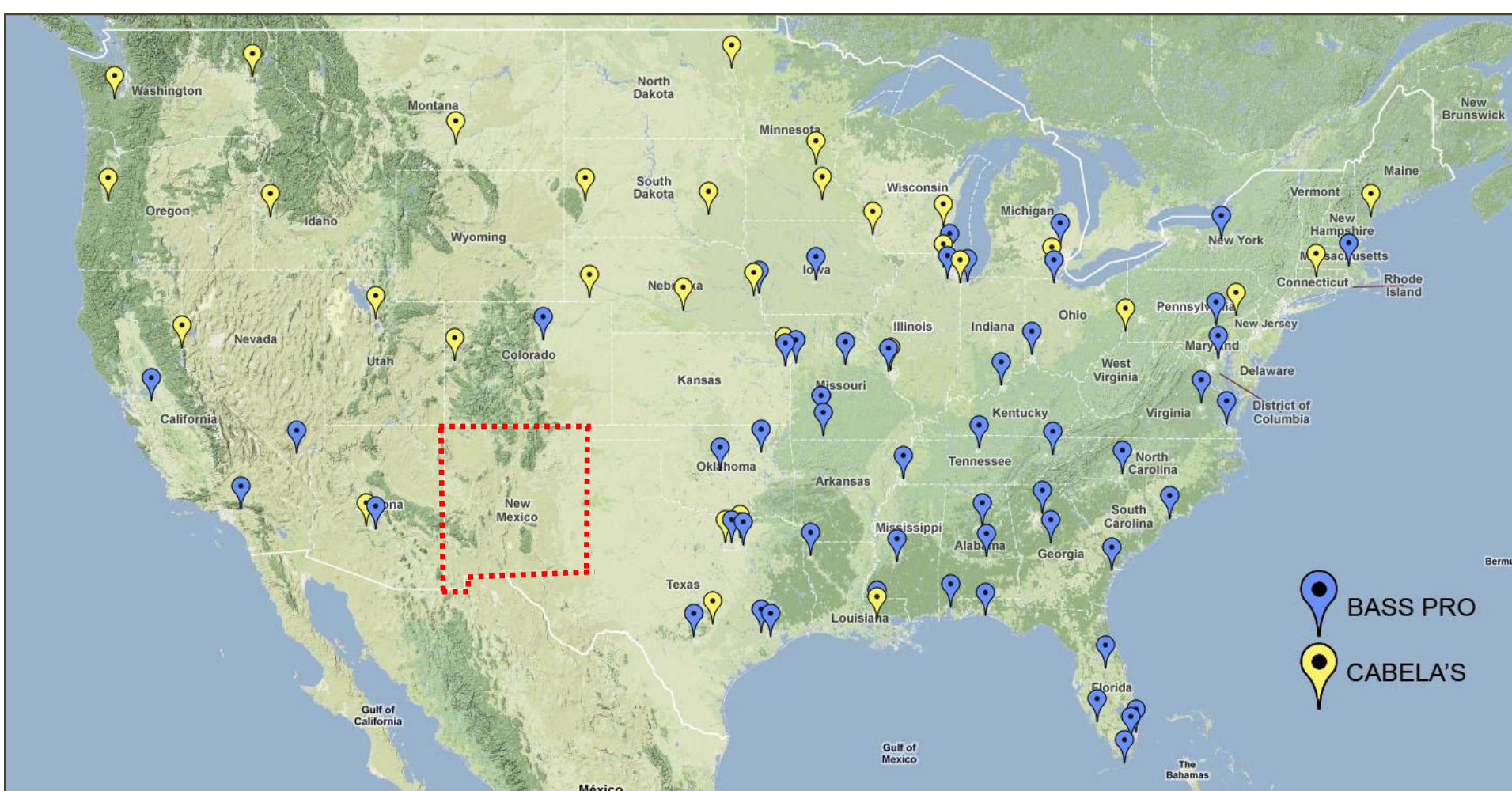
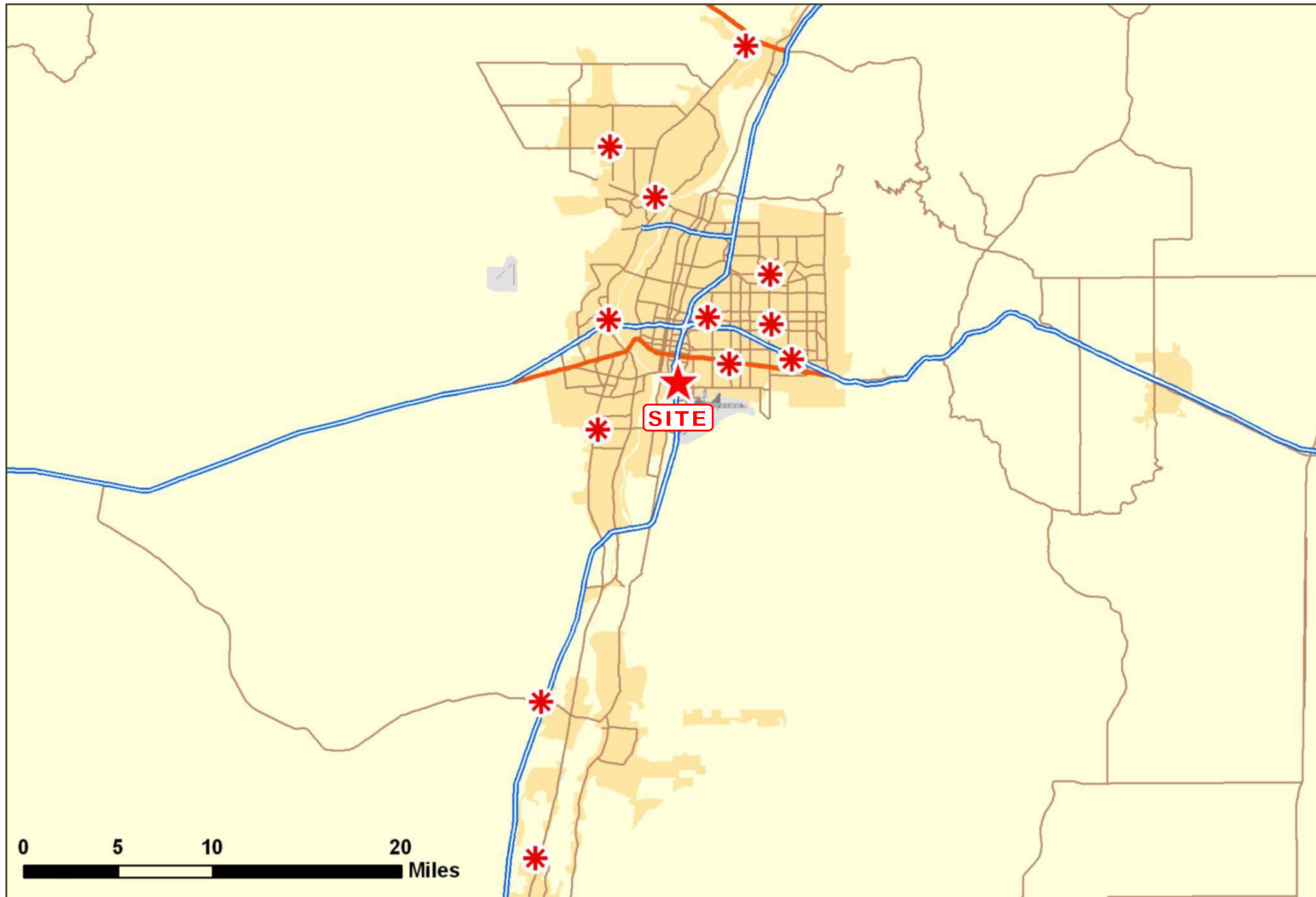
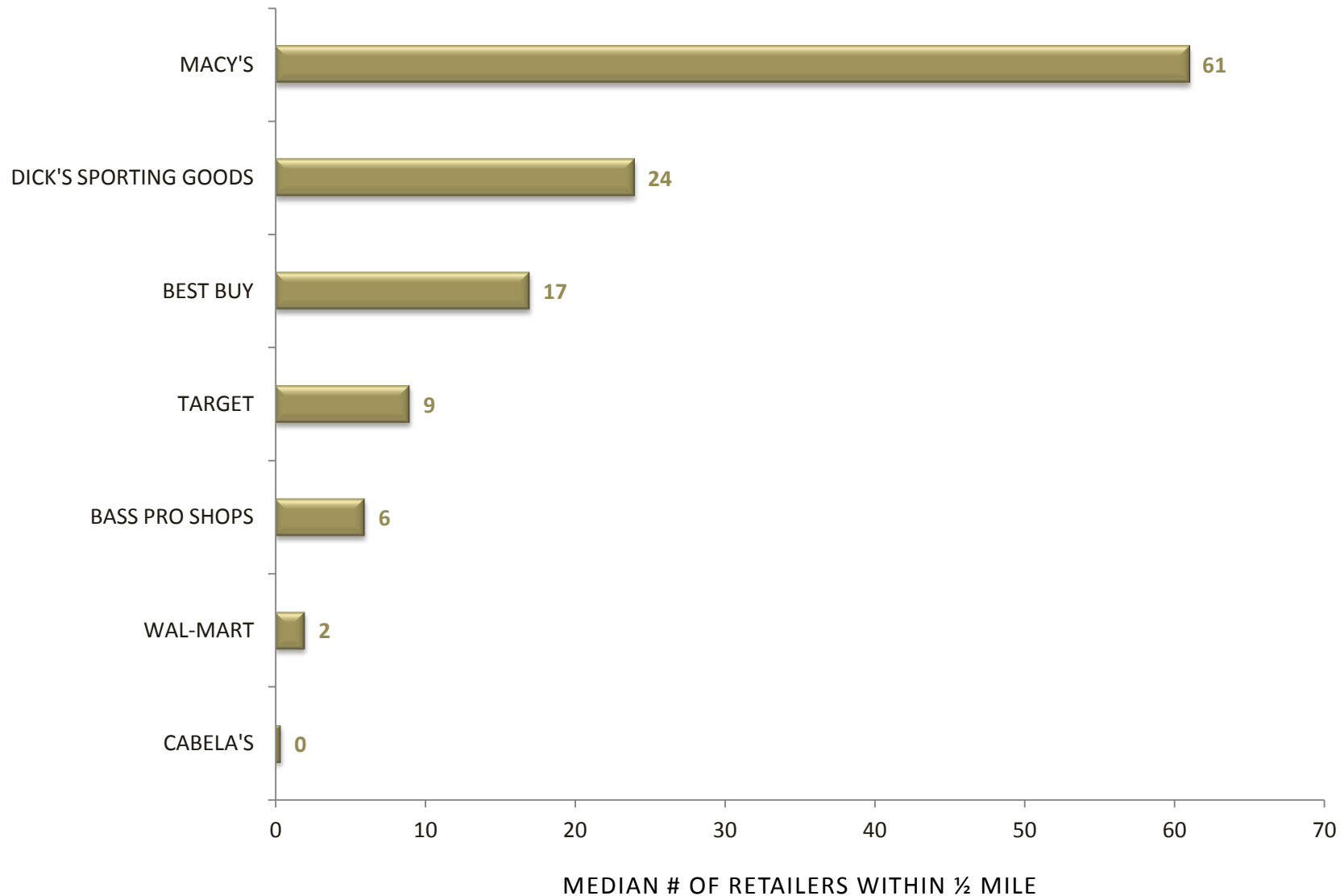


EXHIBIT 3.6 - ALBUQUERQUE'S DOZEN WAL-MART STORES TODAY

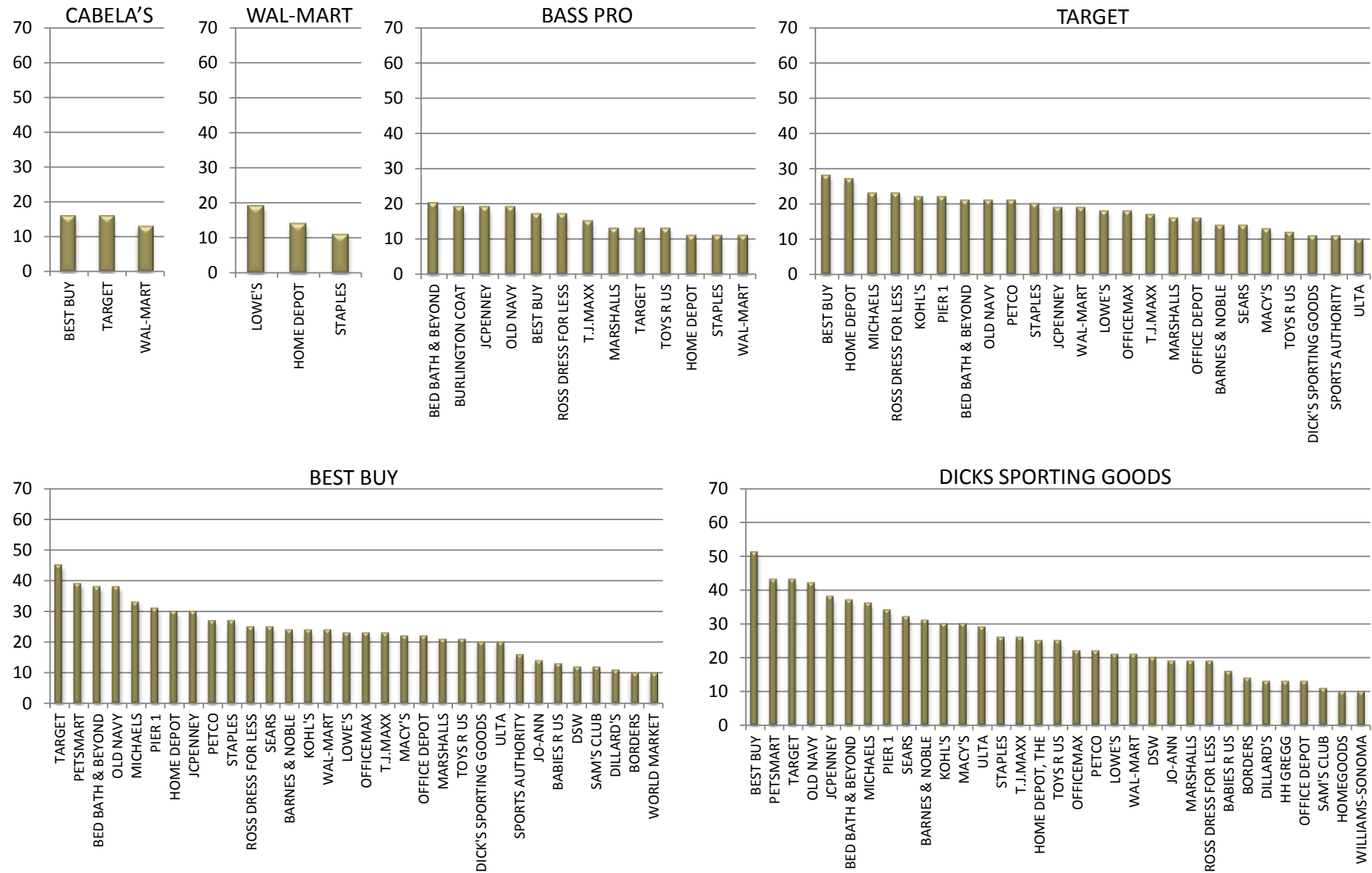


## EXHIBIT 3.7 - RETAIL CLUSTERING IN THE U.S.: SELECTED ANCHOR STORES



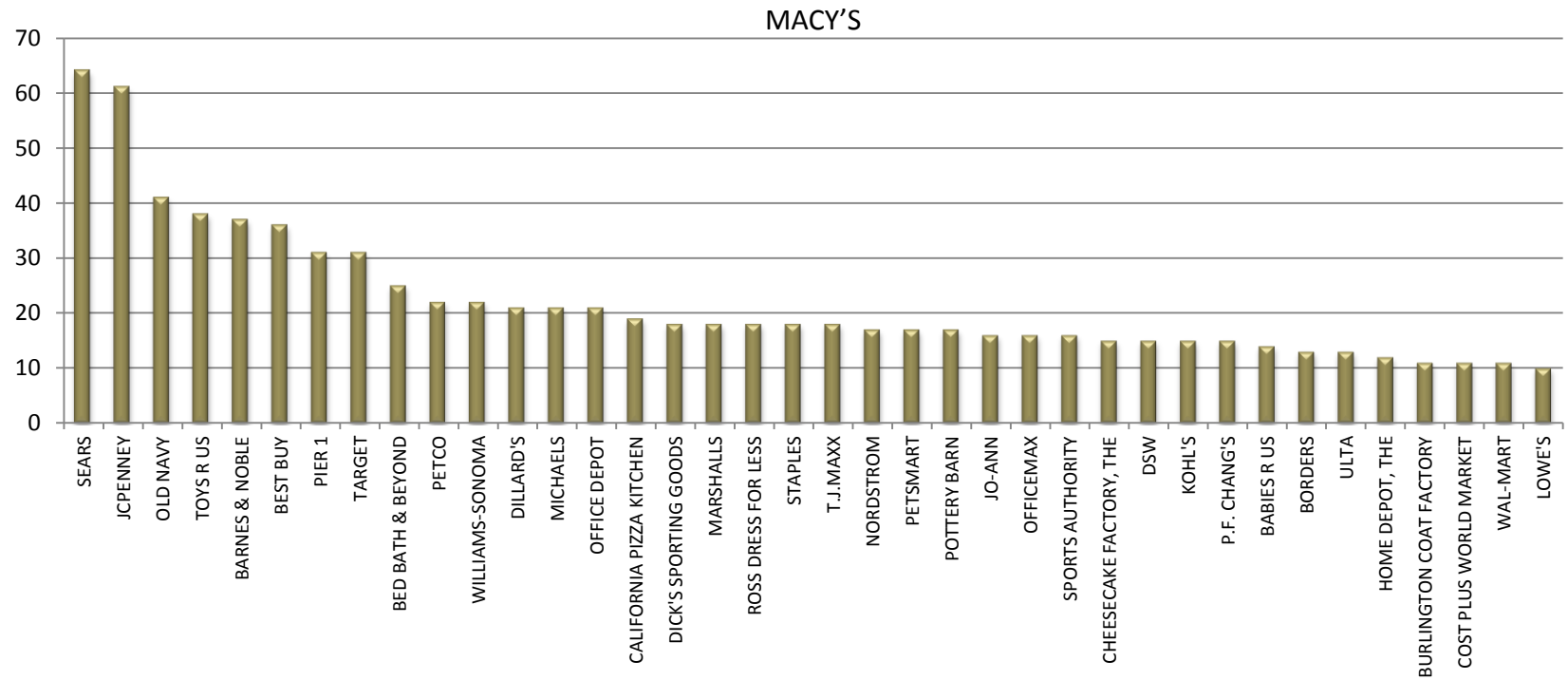


## EXHIBIT 3.8 - RETAIL CLUSTERING: NEARBY ANCHORS WITHIN ½ MILE



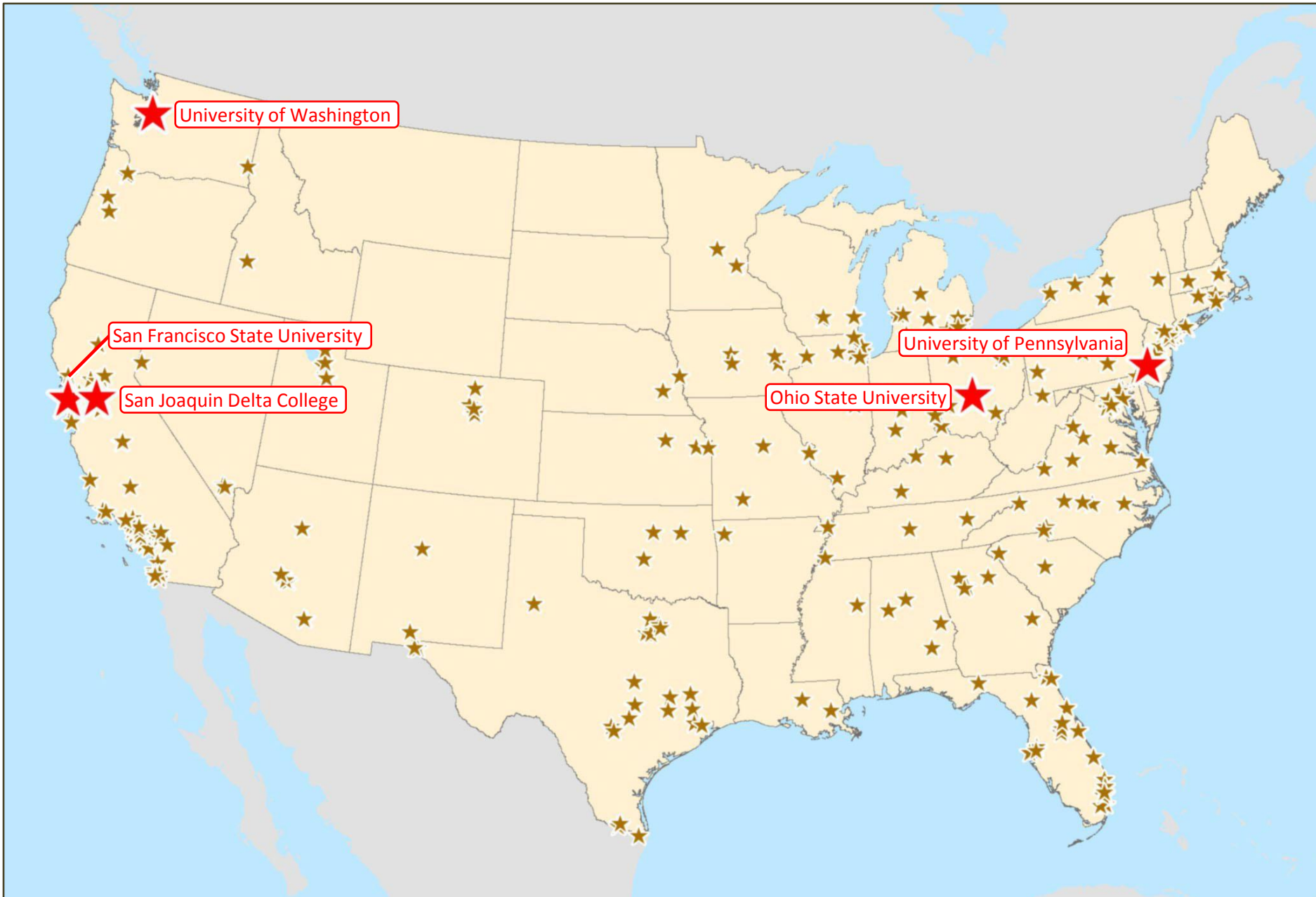
NOTE: ONLY DISPLAYING NEARBY ANCHOR WHEN PRESENT IN MORE THAN 10% OF STORES IN GIVEN CHAIN

## EXHIBIT 3.8 - RETAIL CLUSTERING: NEARBY ANCHORS WITHIN ½ MILE, CONTINUED



NOTE: ONLY DISPLAYING NEARBY ANCHOR WHEN PRESENT IN MORE THAN 10% OF STORES IN GIVEN CHAIN

## EXHIBIT 4.1 - MAJOR U.S. COLLEGE CAMPUS VICINITIES SURVEYED



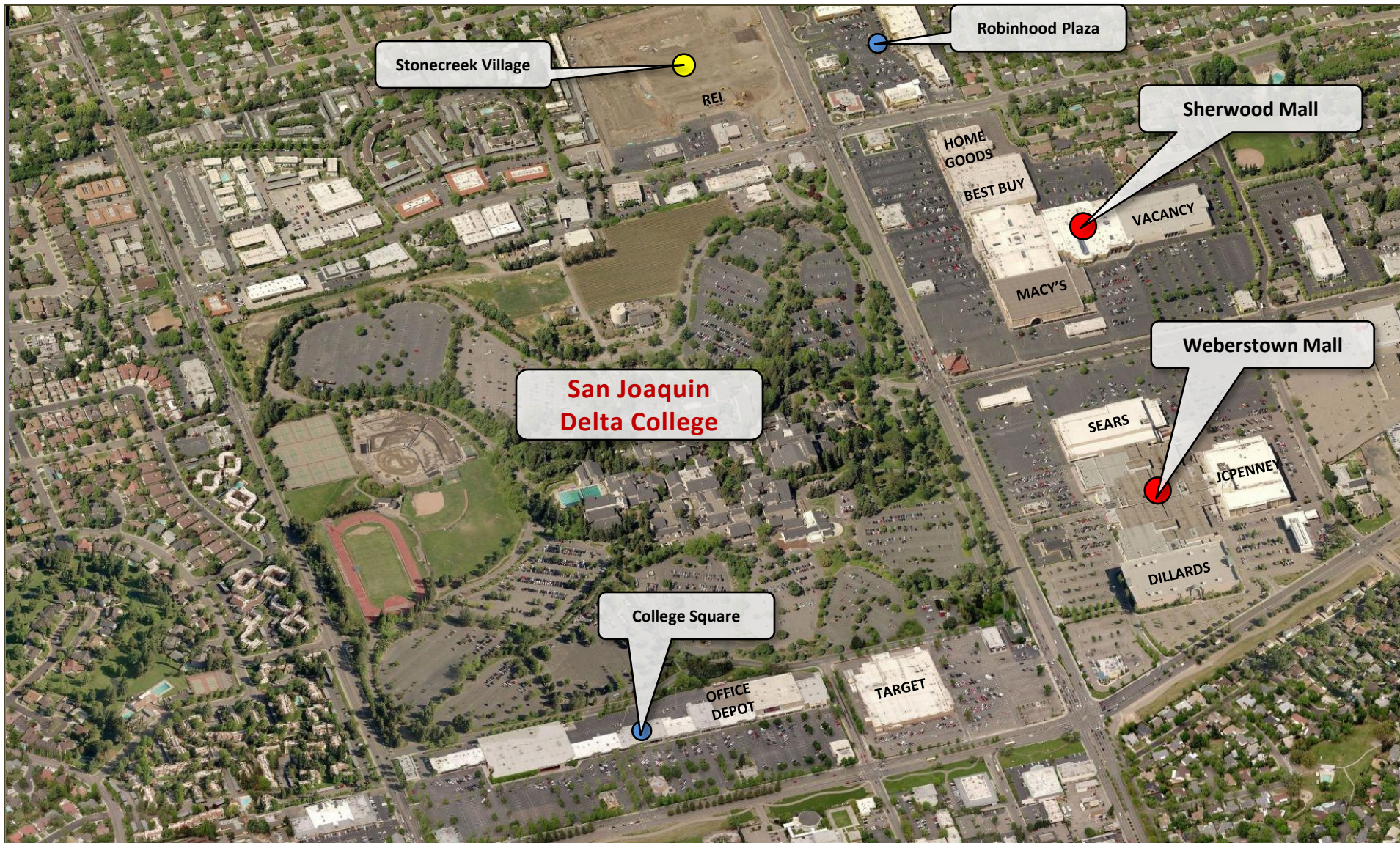


## EXHIBIT 4.2 - EXAMPLES: SHOPPING CENTERS LOCATED NEAR COLLEGE CAMPUSES

COLLEGE CAMPUS	CITY, STATE	CENTER NAME	CENTER TYPE	DISTANCE TO CENTER
<b>San Joaquin Delta College,</b> 20,223 Student Enrollment	Stockton, CA	Sherwood Mall, Weberstown Mall, Stonecreek Village, College Square, Robinhood Plaza	Multiple (Regional, Lifestyle, & Power Center)	.40 mi
<b>San Francisco State University,</b> 30,469 Student Enrollment	San Francisco, CA	Stonestown Galleria	Regional Center	.30 mi
<b>University of Washington,</b> 45,943 Student Enrollment	Seattle, WA	University Village	Lifestyle Center	.65 mi
<b>Ohio State University,</b> 55,014 Student Enrollment	Columbus, OH	Lennox Town Center	Power Center	.40 mi
<b>University of Pennsylvania,</b> 24,599 Student Enrollment	Philadelphia, PA	Sansom Common	Mixed-Use Center	.20 mi



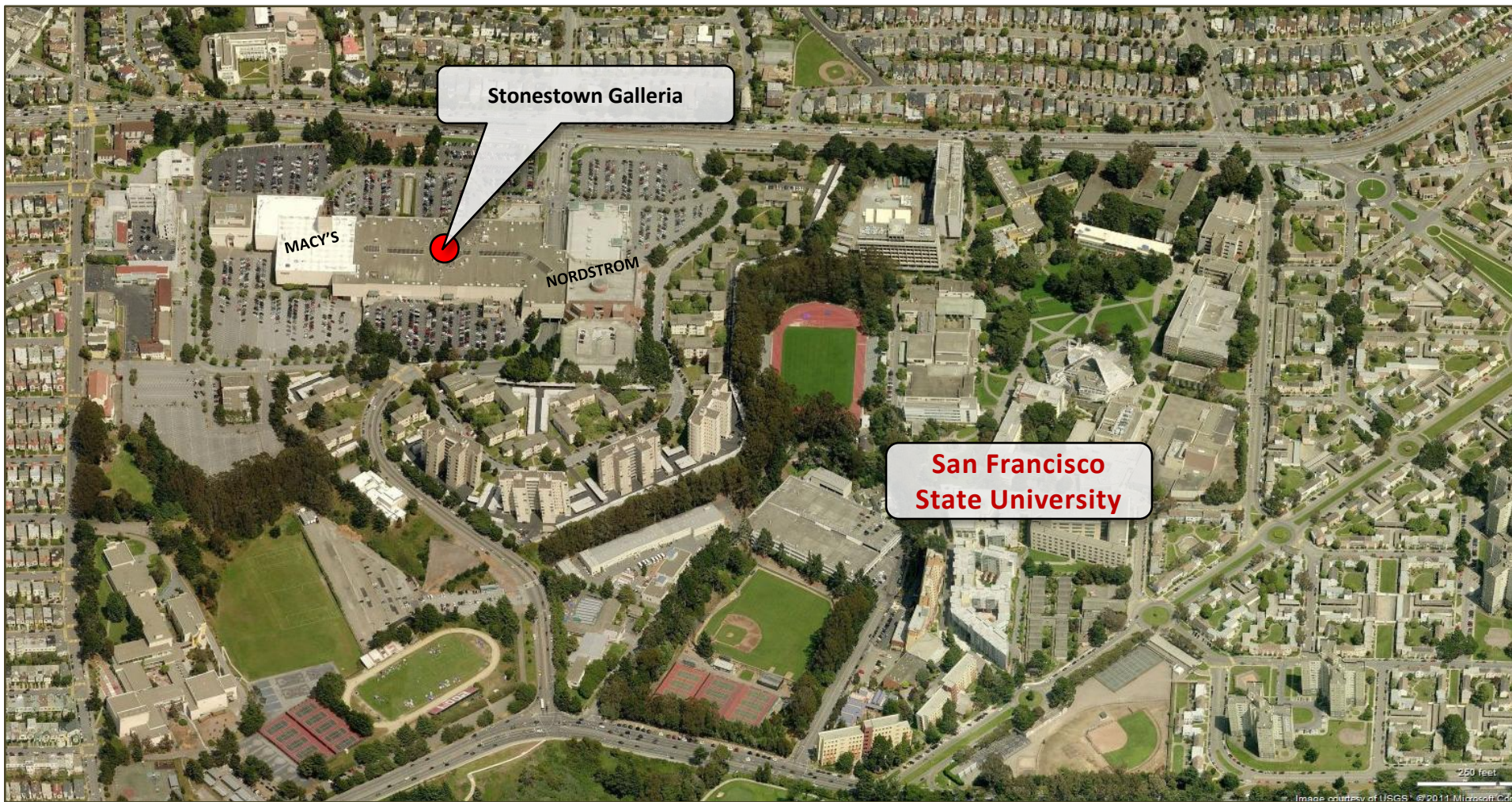
## EXHIBIT 4.3 - MULTI-CENTER EXAMPLE: SAN JOAQUIN DELTA COLLEGE



- Regional Center
- Lifestyle Center
- Power Center



## EXHIBIT 4.4 - REGIONAL CENTER EXAMPLE: SAN FRANCISCO STATE UNIVERSITY



TYPE: **REGIONAL**

OWNER: **GGP**

GLA: **851,815**

LEVELS: **2**

#STORES: **130**

YEAR OPEN: **1952**

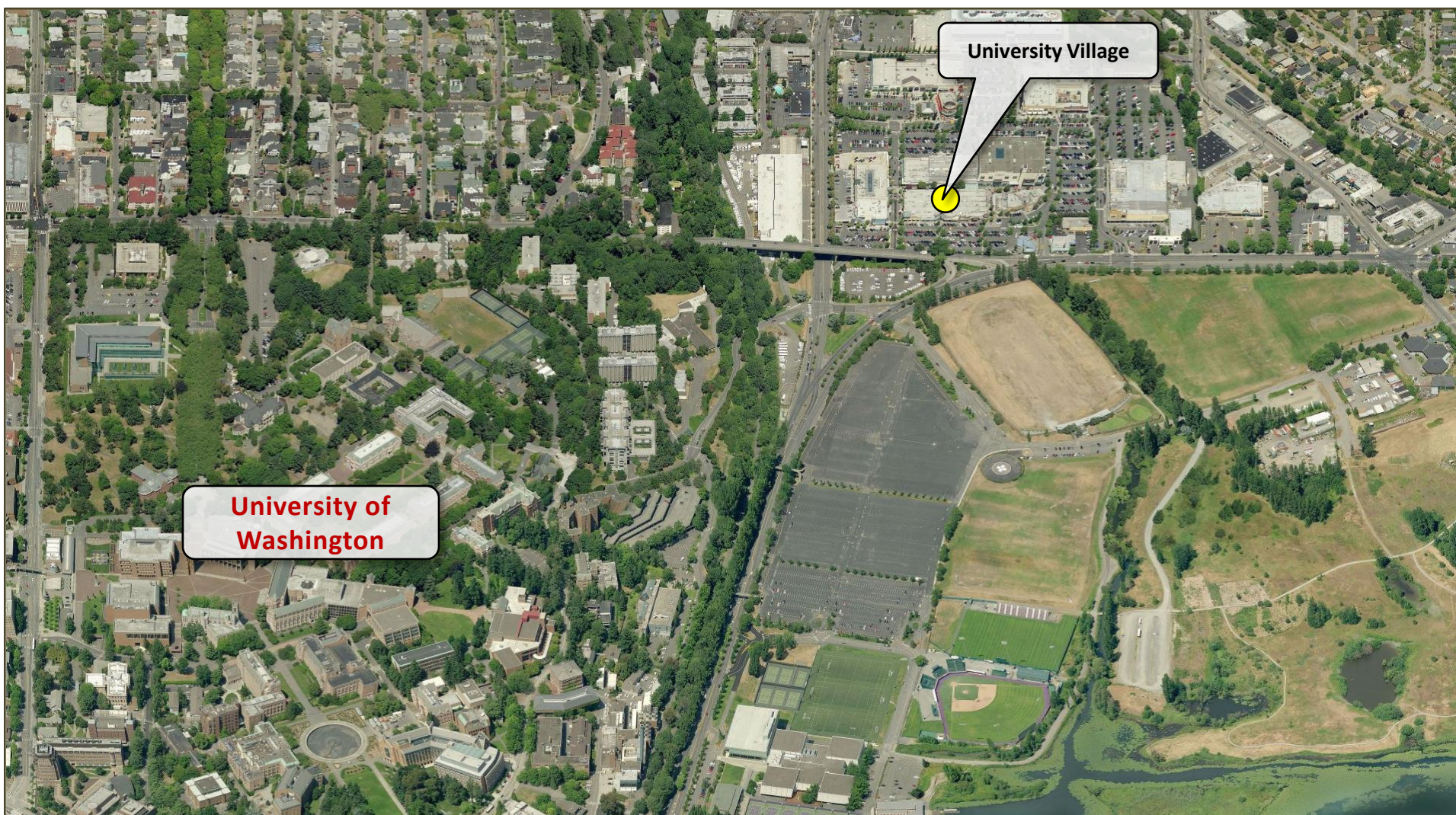
### SELECT TENANTS:

**ANCHOR:** BORDER'S, MACY'S, NORDSTROM, TRADER JOES

**INLINE:** ALDO, AMERICAN EAGLE OUTFITTERS, ANN TAYLOR LOFT, APPLE, BANANA REPUBLIC, BARE ESSENTUALS, BATH AND BODY WORKS, BEN BRIDGE JEWELER, BODY SHOP, THE, BROOKSTONE, CHAMPS SPORTS, CHICO'S, CHILDREN'S PLACE, THE, CLAIRE'S, COACH, EDDIE BAUER, EXPRESS, FOOT LOCKER, FOREVER 21, FRANCESCA'S COLLECTIONS, GAMESTOP, GAP, GNC, GODIVA CHOCOLATIER, GUESS, GYMBOREE, H & M, HOT TOPIC, J. JILL, J.CREW, LENS CRAFTERS, L'OCCITANE EN PROVENCE, LUCKY BRAND JEANS, METROPARK, NINE WEST, ORIGINS, PAPYRUS, PUMPKIN PATCH, PUREBEAUTY, REGIS SALONS, SEPHORA, STERLING WORKS-CALIFORNIA, SWAROVSKI CRYSTAL, TALBOTS, TORRID, VICTORIA'S SECRET, WET SEAL, WHITE HOUSE BLACK MARKET, WILLIAMS-SONOMA



## EXHIBIT 4.5 - LIFESTYLE CENTER EXAMPLE: UNIVERSITY OF WASHINGTON



TYPE: **LIFESTYLE**

OWNER: **UVM**

GLA: **400,000**

LEVELS: **1**

#STORES: **80**

YEAR OPEN: **1956**

### SELECT TENANTS:

**INLINE:** ANTHROPOLOGIE, APPLE, BANANA REPUBLIC, BARNES & NOBLE, BEN BRIDGE JEWELER, BRIGHTON COLLECTIBLES, BRYN WALKER, CHICO'S, COLE HAAN, CRATE & BARREL, CREWCUTS, EDDIE BAUER, EILEEN FISHER, FRANS CHOCOLATES, GAP, GNC, H & M, HANNA ANDERSSON, J.CREW, JUICY COUTURE, KIEHL'S, LAND OF NOD, L'OCCITANE EN PROVENCE, LUCKY BRAND JEANS, LUCY, LULULEMON, MAC COSMETICS, MADEWELL, NORTH FACE, THE, PAPYRUS, PASTA & CO., POTTERY BARN, POTTERY BARN KIDS, RESTORATION HARDWARE, SEPHORA, SONY STYLE, TIFFANY & CO., TOMMY BAHAMA, VICTORIA'S SECRET, WILLIAMS-SONOMA, YVES DELORME



## EXHIBIT 4.6 - POWER CENTER EXAMPLE: OHIO STATE UNIVERSITY



TYPE: **POWER**

OWNER: **DDR/CASTO**

GLA: **352,913**

LEVELS: **1**

#STORES: **15**

YEAR OPEN: **1997**

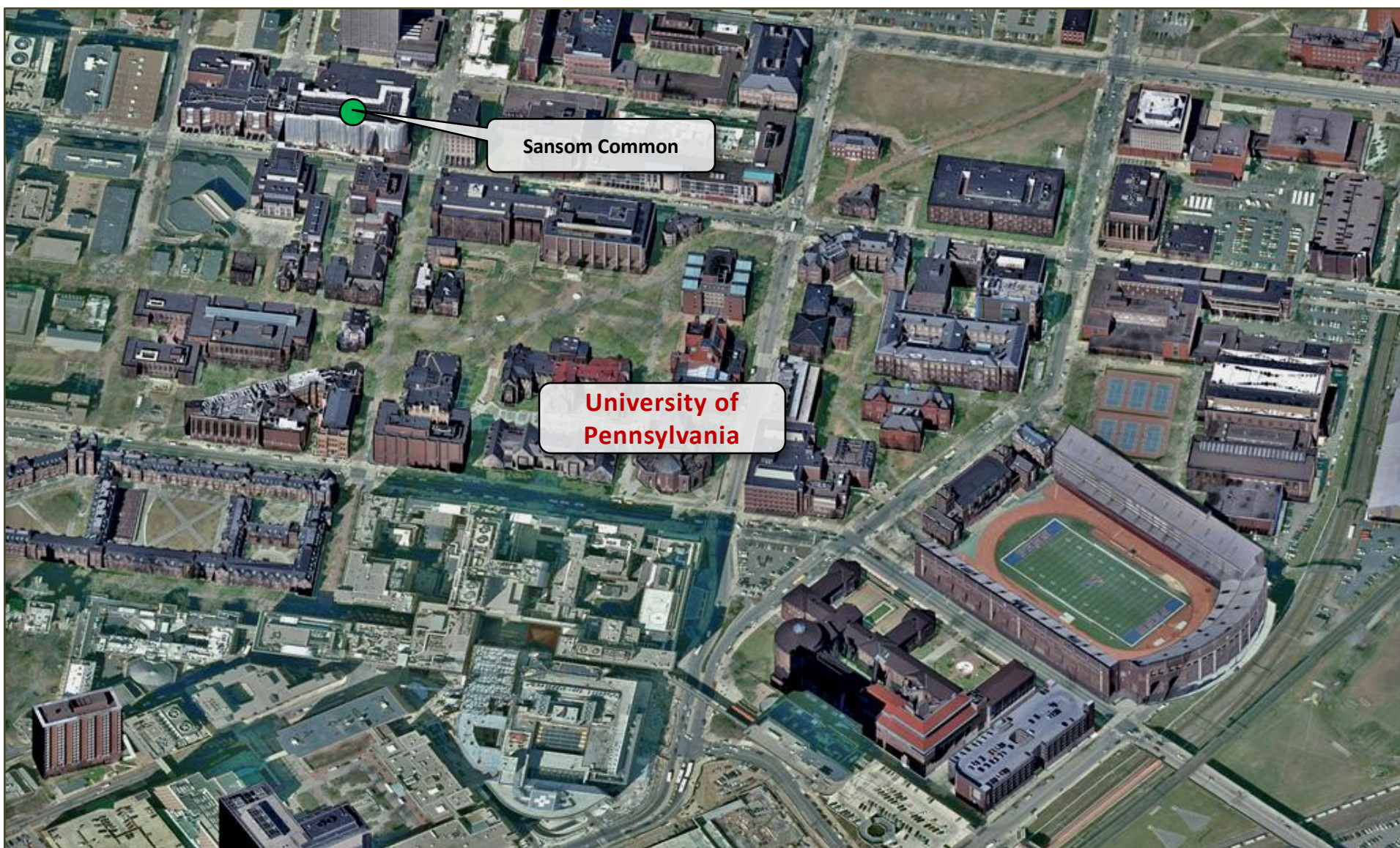
### SELECT TENANTS:

**ANCHOR:** AMC IMAX THEATRES, BARNES & NOBLE, COST PLUS WORLD MARKET, OLD NAVY, PETCO, STAPLES, TARGET

**INLINE:** BATH & BODY WORKS, FAMOUS FOOTWEAR, MEN'S WEARHOUSE



## EXHIBIT 4.7 - MIXED-USE CENTER EXAMPLE: UNIVERSITY OF PENNSYLVANIA



TYPE: **MIXED-USE**

OWNER: **U OF PENN**

GLA: **150,000**

YEAR OPEN: **1998**

### SELECT TENANTS:

**ANCHOR:** INN AT PENN, PENN BOOKSTORE

**INLINE:** AMERICAN APPAREL, COSI, DOUGLAS COSMETICS, URBAN OUTFITTERS



# EXHIBIT 5.1 - DEVELOPMENT PLAN SKETCH: UNM SOUTH CAMPUS SITE 1



Site Data - SP-01	
Anchor	133,000 sf
Jr. Anchor	30,000 sf
Fitness	45,000 sf
Retail	162,500 sf
Office	15,000 sf
<b>Total Development</b>	<b>375,500 sf</b>
<b>Parking Required</b>	
Retail @ 4/1000 sf	1262 spaces
Fitness @ 5/1000 sf	225 spaces
Office @ 3.3/1000 sf	50 spaces
<b>Total Required</b>	<b>1537 spaces</b>
<b>Parking Provided</b>	
Surface	1668 spaces
Garage	70 spaces
<b>Total Provided</b>	<b>1738 spaces</b>
JULY 2011 OVERALL RATIO	

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# EXHIBIT 5.2 - DEVELOPMENT PLAN SKETCH: UNM SOUTH CAMPUS SITE 2



## SITE DATA - SP-01

RETAIL	97,000 SF
PARKING PROVIDED	689 SPACES
PARKING RATIO PROVIDED	7 SPACES/1000 SF

BASEHART SE

SCIENCE AND TECHNOLOGY  
PARK AT UNIVERSITY  
OF NEW MEXICO

GODDARD STREET SE

LANGHAM SE

AVENIDA CESAR CHAVEZ SE

PAN AMERICAN FREEWAY

25



CONCEPTUAL SITE PLAN

UNIVERSITY OF NEW MEXICO MIXED-USE DEVELOPMENT  
Albuquerque, New Mexico

CONCEPT DESIGN



SP-01

09.07.2011  
ka # 11060-02

FORESTCITY DEVELOPMENT Lobo Development

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