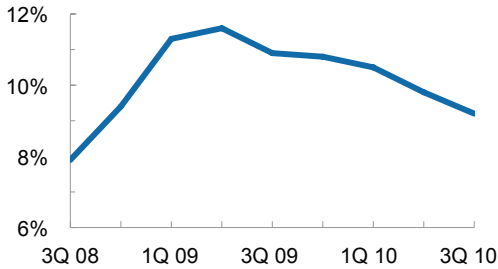


Vacancy Rate



Building Momentum

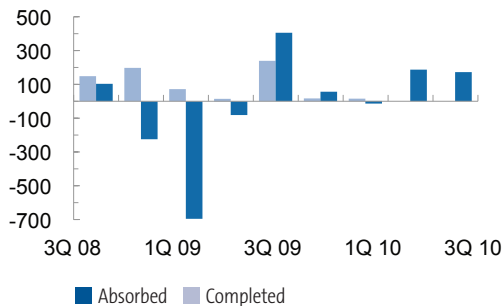
The retail market kept moving forward and again posted positive results. The biggest move - occurred in Uptown. Kohl's Department store moved into 110,000 square feet of space formerly occupied by Mervyns in Coronado Center. This move accounted for almost two-thirds of overall space absorbed. The good news is that another 62,000 square feet of additional space was absorbed across a wide variety of other retail product types. The supply of large spaces over 30,000 square feet is becoming much harder to find.

Compared to office and industrial properties, retail properties are still experiencing very strong activity. This activity is occurring in both national and local tenants. Demand for newer and well located established centers has been increasing since the beginning of the year. Older unanchored strip centers are still feeling pressure as tenants look to improve their locations to newer centers.

Overall asking rates are still trending downward although the decline for newer centers appears to have bottomed out. Tenants are still seeking rate concessions to get deals done and landlords are using free rent to help offset tenant improvement costs. Landlords of older centers are feeling the most pressure to lower rates.

Completions vs. Absorption

(in Thousands of SF)

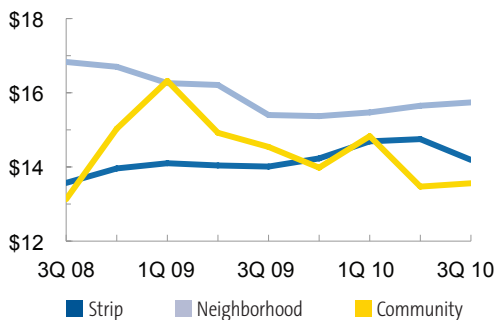


FORECAST

- Large spaces becoming harder to find.
- Landlord concessions grow for older spaces.
- Asking rates begin to stabilize.

Asking Rental Rates

(\$/SF/Yr. Triple Net)



KEY TRANSACTIONS

Lessee/Buyer	Lessor/Seller	Property	Size (SF)/Price
Family Dollar*	Fair Plaza, Inc.	Fair Plaza Shopping Center	9,031
Affordable Solar*	Private Investor	4840 Pan American Frwy	7,980
Family Dollar*	Geltmore, Inc.	West Bluff Shopping Center	7,992
La Bella Salon	Hunt-Uptown, LLC	ABQ Uptown	11,540

■ Leasing ■ Sales (R) = Renewal (S) = Sublease * Indicates Transaction Represented by Grubb & Ellis

Retail Trends Report—Third Quarter 2010

Albuquerque, NM



By Submarket	Total SF	Vacant SF	Vacancy %	NET ABSORPTION		Under Construction SF	ASKING RENT	
				Current	Year To Date		Neighborhood	Power
Cottonwood	4,070,851	366,715	9.0%	(16,131)	7,048	-	17.36	20.00
Downtown	552,038	125,414	22.7%	2,709	19,406	-	-	-
Far Northeast Heights	3,887,636	290,784	7.5%	20,940	34,077	-	19.68	-
North I-25	3,200,883	223,692	7.0%	16,296	56,808	-	12.30	-
North Valley	968,540	48,750	5.0%	2,520	10,938	-	13.02	-
Northeast Heights	4,257,339	593,671	13.9%	(11,387)	100,785	-	15.39	-
Rio Rancho	1,790,271	126,071	7.0%	16,767	(30,259)	-	14.97	-
South Valley	1,017,346	102,287	10.1%	(88)	(620)	-	9.89	-
Southeast Heights	2,757,869	184,704	6.7%	(4,262)	(21,726)	-	12.04	-
University	1,018,295	74,999	7.4%	2,131	6,861	-	-	-
Uptown	1,952,699	229,784	11.8%	129,441	137,518	-	15.00	-
West Mesa	2,087,767	173,765	8.3%	13,531	40,635	-	18.90	18.50
Totals	27,561,534	2,540,636	9.2%	172,467	361,471	-	15.74	19.26

By Property Type	Total SF	Vacant SF	Vacancy %	Current	Year To Date	Under Construction SF	ASKING RENT	
							Neighborhood	Power
Community	2,148,992	167,241	7.8%	2,958	42,405	-	13.56	-
Free-standing	7,819,812	353,416	4.5%	28,050	149,269	-	12.93	-
Neighborhood	7,063,622	1,000,702	14.2%	23,711	29,693	-	15.74	-
Power	1,299,062	23,823	1.8%	(6,292)	(6,292)	-	19.26	-
Showroom	2,006,156	114,651	5.7%	-	30,738	-	15.78	-
Specialty/Theme	171,000	-	-	-	10,016	-	-	-
Strip	4,558,112	478,779	10.5%	(4,163)	(20,048)	-	14.19	-
Super-regional	2,190,336	274,152	12.5%	118,275	114,033	-	37.38	-
Urban Retail	304,442	127,872	42.0%	9,928	11,657	-	15.77	-
Totals	27,561,534	2,540,636	9.2%	172,467	361,471	-	17.29	-

RETAIL TERMS AND DEFINITIONS

Total SF: Retail inventory includes all multi-tenant and single tenant buildings at least 10,000 square feet. Shopping malls are not included in calculations.

Retail Building Classifications: Super Regional Centers are properties with greater than two million square feet of space, drawing from a trade area encompassing multiple smaller submarkets. Sub Regional centers include centers of 500,000 square feet or greater that service one main submarket exclusively. Single Tenant retail includes power center tenants in free-standing centers as well as stand-alone retailers. Large Strip Centers are car oriented strip retail centers of 150,000 square feet or greater. Small Strip Centers are centers of 50,000 to 150,000 square feet, and include

many local and grocery anchored centers.

Vacancy and Availability: The vacancy rate is the amount of physically vacant space divided by the inventory and includes direct and sublease vacant. The availability rate is the amount of space available for lease divided by the inventory.

Net Absorption: The net change in physically occupied space over a period of time.

Asking Rent: The dollar amount asked by landlords for available space expressed in dollars per square foot per year in most parts of the country and dollars per square foot per month in areas of California

and selected other markets. Retail rents are reported on a triple net basis where all costs including, but not limited to, real estate taxes, insurance and common area maintenance are borne by the tenant on a pro rata basis.

** Grubb & Ellis statistics are audited annually and may result in revisions to previously reported quarterly and final year-end figures.*

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