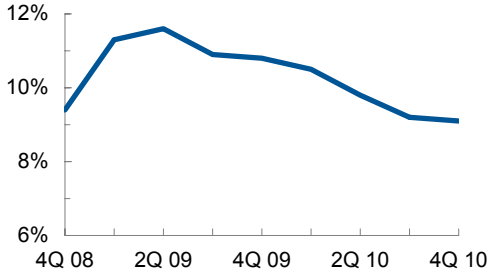
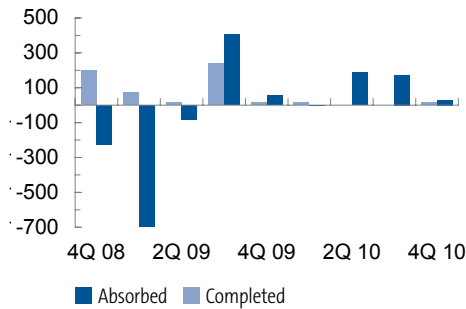


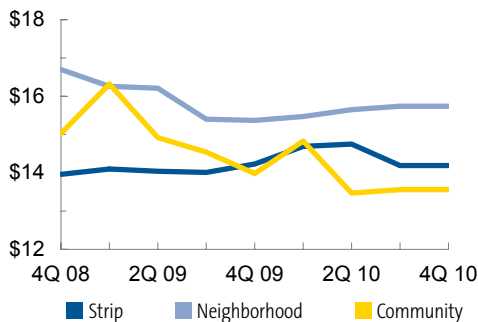
Vacancy Rate



Completions vs. Absorption (in Thousands of SF)



Asking Rental Rates (\$/SF/Yr. Triple Net)



Bottom Found

What a difference a year can make. 2010 ended the year on a very positive note. Overall net absorption totaled almost 400,000 square feet of space. The biggest driving factor was large retailers taking advantage of prime spaces vacated during 2009. Established shop space tenants either upgraded existing locations or expanded into new centers at attractive rates. Landlords were also much more open to making deals with less desirable tenants such as fitness centers, and churches.

Older unanchored centers are still experiencing challenges. Lease up times greater than six months are becoming the norm. Demand has fallen as a result of tenants finding better values in centers with established anchors or ones that were recently completed. Tenants appear to be finding better values in centers with higher rents, strong anchors and more foot traffic up to a certain point. They are seeking value but not at exorbitant rates.

Another positive sign is that the amount of available space has remained less than the vacant space on the market for the entire year. When this occurs it usually indicates deals have been made and tenants are in the process of building out their spaces in order to take occupancy. In order to help fund tenant improvements, many landlords are using free rent or rent abatement to assist the tenants.

FORECAST

- Activity ebbs for the next two quarters.
- New construction becomes active in Rio Rancho.
- Renovations to older centers increase.

KEY TRANSACTIONS

Lessee/Buyer	Lessor/Seller	Property	Size (SF)/Price
Shamrock Foods*	South Renaissance Center, LLC*	1221 Renaissance Blvd NE	24,197
Affordable Solar*	Private Investor	4840 Pan American Frwy	12,500
Matts, LLC*	Que Pasa Properties, Inc.*	8060 Academy Blvd NE	6,084

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

Retail Trends Report—Fourth 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	371,742	9.1%	(5,027)	2,021	-	17.36	20.00
Downtown	552,038	116,738	21.1%	8,676	28,082	-	-	-
Far Northeast Heights	3,887,636	289,140	7.4%	1,644	35,721	-	19.46	-
North I-25	3,200,883	208,360	6.5%	15,332	72,140	-	12.29	-
North Valley	968,540	51,009	5.3%	(2,259)	8,679	-	13.02	-
Northeast Heights	4,257,339	592,942	13.9%	729	101,514	-	15.40	-
Rio Rancho	1,790,271	129,419	7.2%	(3,348)	(33,607)	-	14.64	-
South Valley	1,017,346	99,697	9.8%	2,590	1,970	-	9.91	-
Southeast Heights	2,757,869	181,579	6.6%	3,125	(18,601)	-	12.30	-
University	1,018,295	74,999	7.4%	-	6,861	-	-	-
Uptown	1,952,699	229,784	11.8%	-	137,518	-	15.00	-
West Mesa	2,087,767	165,377	7.9%	8,388	49,023	-	19.11	18.50
Totals	27,561,534	2,510,786	9.1%	29,850	391,321	-	15.67	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	163,317	7.6%	3,924	46,329	-	13.45	-
Free-standing	7,819,812	345,433	4.4%	7,983	157,252	-	12.38	-
Neighborhood	7,063,622	986,524	14.0%	14,178	43,871	-	15.67	-
Power	1,299,062	23,823	1.8%	-	(6,292)	-	19.26	-
Showroom	2,006,156	112,277	5.6%	2,374	33,112	-	15.83	-
Specialty/Theme	171,000	-	-	-	10,016	-	-	-
Strip	4,558,112	486,064	10.7%	(7,285)	(27,333)	-	14.20	-
Super-regional	2,190,336	274,152	12.5%	-	114,033	-	37.38	-
Urban Retail	304,442	119,196	39.2%	8,676	20,333	-	16.63	-
Totals	27,561,534	2,510,786	9.1%	29,850	391,321	-	17.33	-

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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