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FEATURE by [Judy Lawrence](#), Kraus-Anderson Companies



STEEL STUDS-EXPOSED!

Have you noticed an increased hum of activity in your leasing office lately? Are leasing agents starting to hold their heads up higher and maybe even smiling a little bit? These are indications that the market may be loosening up and we are actually seeing some realistic deals coming across our desks. So the leasing agents have found a perfect fit for your space, now it is time to get some pricing to see how we can fit the prospect into the space.

In my role as a construction manager, I have to look at the tenant requirements and evaluate how much it will cost to get the tenant in place. Each major tenant has a Landlord Work Letter that will outline exactly what the tenant requires. Collecting the costs can be very difficult, but it is the key to whether or not you can accommodate the tenant. At this point in the process, everyone is a leasing agent and good will ambassador; the leasing agent, the property manager, the construction person, the contractor, and even (or especially!) the receptionist answering the phone. It takes a united front to secure this tenant.

First of all, we need to come up with a plan or at least an outline spec that a contractor can use for pricing. Once you have the plan, you must decide who would be the appropriate contractor to price this out for you. Make sure that you are working with a contractor that thinks like you do and that understands your priorities and values. I am very fortunate in that I have four different contractors I can put in this category. I select the contractor based on the type and size of the project and their familiarity with the property. I then ship the spec to the contractor with a copy of the building plan. Once the costs come in, the next question is "Why are the costs so high?" Have you done similar build-outs that you can compare this project to? Comparing spec section to spec section, are there any line items that seem askew without any explanation? If there is no simple explanation, read on.

Why are the costs so high? Four possible reasons:

1. Increased material costs

Even though the economy has been lagging, the cost of material has still been fluctuating. We have been told to expect sheetrock to go up 30% in the near future. The cost →

SNAPSHOT

YANKEE SQUARE SHOPPING CENTER



Location: West side of I-35E on Yankee Doodle Road, Eagan, MN
Month/Year Opened: 1975 – Renovated 1991 and 2011
Owner: MFC Properties 5 Limited Partnership
Managing Agent: MFC Properties Corporation
Center Manager: Chad Sandey
Leasing Agent: Bruce Miller, MFC Properties Corporation (651) 452-3303
Architect: Renovation – Kathy Anderson, Architectural Consortium, LLC
Construction Contractor: CMS Construction Services, LLC
GLA: 55,000 sf **Current Occupancy:** 93% **# of Stores:** 24
Anchor Tenants: El Loro Mexican Restaurant, Italian Pie Shoppe, Fantastic Sams, NAPA Auto Parts and Eagan Liquor Mart
Market Area Served: Eagan, Inver Grove Heights, Mendota Heights, Apple Valley and Burnsville
Construction Style: Modern / Traditional
Company Website: www.mfcproperties.com
Additional Facts: 1,000 – 2,600 sf available. Over 30,000 VPD on Yankee Doodle Road. Just completed major refurbishment with new façade, sign band, cornice work, decorative lighting, landscaping and pylon signs. Sits directly across the street from CSM's proposed Lockheed Martin redevelopment site.

Steel Studs Exposed - continued

of copper has been increasing exponentially. So much so, that we are seeing aluminum wiring being specified in lieu of copper. (This isn't the old aluminum that disconnected easily. This is the stuff that holds so the circuit is dependable.) The cost of copper has gone from \$3.43 per pound to \$3.85 per pound since the first of the year. To quote a contractor, "It is just out of control."

Finally, the cost of steel has gone a little crazy. The cost of structural steel has been level, but there is little product in the pipeline so it is assumed that will go up as the construction season starts. The cost of steel studs is another story. The cost for steel studs has increased by 25% and is anticipated to increase another 15-20% through the balance of the year. Suppliers are citing petroleum and transport costs as driving this increase.

2. Inability to re-use existing improvements

Tenant improvements, no matter how beautiful, appealing or majestic are rarely reused in a tenant build-out. You could have a lay office with wood millwork throughout that you would assume any tenant would want to keep, but typically, your next real prospect will either want a very basic image or interior finishes of glass and chrome. And this is why improvements are amortized over the life of the lease. In the case noted in the previous sentence, if the lease gets signed and the demo starts, you will see me crying at the entry, regretting the sacrilege of tossing that beautiful wood in the dumpster.

3. Lack of product availability

In doing tenant improvements, all projects are fast tracked. In some of these situations specified materials may not be available. You may have to pay excessive shipping costs to get the product to the job site on time, or you may waste valuable time waiting for a product and then be notified that it is out of stock and you will have to select a different finish and wait for its delivery.

4. Unrealistic expectations

My father was always complaining about the cost of 2-by-4 studs, not because the pricing was increasing drastically, but because he was comparing the cost to the price he paid in 1939. Time moves on and usually costs increase along the way. Another phenomenon that creates sticker shock is that the tenant may have some experience in residential materials. Commercial products are generally sturdier and last longer and are, therefore, more expensive.

How can we get back into budget?

The first person to go to is your contractor. When submitting the bid, he may already have identified some costs that seem unreasonable to him. The next question is, What can we do about it? Some things to look at may include:

- See if the quote includes a contingency cost. If it does, pull it out and set it to the side. The contingency amount may be warranted, but pull it out of the quote and keep it under your control, not the contractors.
- How long is the construction duration? Can that be shortened? If you can shorten the construction period, you are still going to pay for the same number of man hours, but you could reduce the amount you are paying for project supervision. This could amount to \$2,000-\$3,000 a week.
- In a similar vein, make sure that your contractor is giving you a "working superintendent." On most smaller projects, \$1,000,000 or less, you don't need a full time superintendent watching over all of the trades and laborers. You need a supt who can coordinate all of the work on the project as well as perform some of that work. We recently had one superintendent working on four build-outs. That saved the landlord a considerable amount of money.
- Could there be any duplication of efforts? Did the HVAC contractor include wiring for the RTU as well as the electrical contractor? Is each trade arranging for their own core drilling or is the general contractor arranging for all of the core drilling in order to take advantage of economies of scale?
- Are we doing any unnecessary steps? Are we demolishing existing wall tile and then replacing it when we could simply treat the existing tile with faster plaster and retile right over it?
- Make sure that the plans are consistent with your tenant handbook. The handbook should tell you how much electrical is allowed per square foot. The design should fall into that allowance, and if it doesn't, then it is time for the tenant to contribute to bringing in a new bus duct (because, eventually, you will need one!)

The best resource is your contractor and sub-contractors. Once they have priced this for you, they will want to see the project come to fruition. If there is a way to get it done for less, they will find it.

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Cutting Edge Property Maintenance

The sole purpose of our organization is to build a partnership that will inspire you, combine your vision with our industry knowledge and encourage you to discover your property's potential.

PRO-CUTS, BY REGIS

Regis Corporation is the largest hair salon company in the world, with approximately 12,800 salons, counting company owned and franchise locations here in the United States as well as internationally. Their Pro-Cuts branded store has been around since 1982 as a no-nonsense and value-priced salon for men and families. The legacy "Classic" branded stores will remain, at least for now, in their current format, but they are repositioning this brand with a sports-themed environment that caters to men and boys, and they're expanding rapidly.

Regis launched its first Pro-Cuts store just about a year ago, and Minnesota is the ground zero of this new brand with nine locations currently open with three more set to launch soon. There are also stores in Buffalo, NY, Rochester, NY and Denver, CO and Regis has plans for entering the Toronto, Canada market as well. Although all the current locations are corporate owned, sources say that there are active discussions with a number of franchisees to further fuel expansion. The company is placing these stores in high profile centers anchored by first-class grocery stores, Targets and Walmarts. For instance, their soon-to-be-opened Edina store will be located in the Centennial Lakes shopping center near Whole Foods.



The stores themselves are 1,000–1,200 sf, finished with basketball court flooring, sports imagery and flat screen televisions at every station. The customer experience for this store includes free beverage (sorry, no beer), a shampoo, head and neck massage, hot towel treatment and flat rate pricing of \$18 for men and \$15 for kids (ages 18 and under).

When you go to the new Pro-Cuts website, (www.getaprocut.com) it has an edgy feel with descriptions like: "This isn't your mama's frou-frou hair salon. Pro-Cuts is all about the guys," and "At Pro-Cuts, you get clipped while watching dunks and checks. There's a TV at every styling station, and you call the channel. There's no girlie

gossip. No perfumed hairspray. No pink carpet. Pro-Cuts. It's where guys can be guys. And look cool doing it."

Don't take my word for it - the photos really tell the tale of this rebranded experience.



THIRD THURSDAYS

Next Meeting: Thursday, April 19, 2012

Time: 8:30 am

Where: [Caribou Coffee](#) in Eden Prairie (11611 Leona Road)

Member hosts:

Cindy MacDonald

Kraus-Anderson Companies

Steve Johnson

Solomon Real Estate Group

What: Casual networking hosted by MSCA members

When: Third Thursday of every month from EITHER 8:30–9:30 am OR (new this year) 4:00–5:00 pm.

Why: Create synergy in the commercial real estate industry—share ideas and stories and make new effective relationships.

There is no fee for this event. Food and beverage are not included.

RSVP to Stacey is preferred, but not required.

EVENTS

- Apr 4 **Monthly Program – Trends**
Afternoon Program
- Apr 19 **Third Thursday event**
- Apr 24 **Learning Session**
- May 2 **Monthly Program –**
Downtown Minneapolis
Focus
- Mar 17 **Third Thursdays event**

To view MSCA program presentations, [click here](#).

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STAFF

Executive Director

Karla Keller Torp

(P) 952-888-3490 (C) 952-292-2414 (F) 952-888-0000

ktorp@msca-online.com

Associate Director

Stacey Bonine

(P) 952-888-3491 (C) 952-292-2414 (F) 952-888-0000

sbonine@msca-online.com

MN MARKETPLACE

Press releases are printed based upon availability of space and relevance to the local market.

- **Whole Foods** grand opening is April 18 at their new location in Centennial Lakes Plaza on France Avenue in Edina.
- **Uptown Cheapskate**, an upscale, recycled clothing boutique for women and men, has opened a 3,910-sf store at Yorktown in Edina.
- **Rocco Altobelli Salon** has relocated from the Galleria Shops in Edina to Yorktown with a grand opening slated for April 2.
- **Elements Therapeutic Massage** has opened in Edina at Yorktown.
- **Jason's Deli** has opened its doors in Centennial Lakes Plaza in the space formerly occupied by McDonalds.
- **Massage Envy** has opened a new 2,943-sf location in Southtown Center in Bloomington and a new 2,955-sf store in Rosedale Commons in Roseville.
- **Jerry's Hardware** opened a new store at Valley West on March 1.
- Hemisphere Restaurant Partners plans to open a 10,000-sf **Tavern Grill** at the Sheraton St. Paul Woodbury Hotel in mid-summer. The space was previously occupied by Aperitif Restaurant and Bar. Hemisphere also owns and operates Tavern on France, Mission American Kitchen & Bar, Atlas Grill, Flame, and Good to Go Mediterranean.
- In March, **HomeGoods** opened the company's eighth Minneapolis-area store. The 25,000-sf store will occupy the former Circuit City site at The Fountains at Arbor Lakes in Maple Grove.
- **JJ's Coffee + Wine Bistro** is planning a May opening in the new copper-trimmed apartment building perched on the northeast side of Lake Calhoun in Uptown.
- The pub owner behind downtown Minneapolis' O'Donovan's Pub, Excelsior's Jake O'Conner's and Waconia's Lola's Lakehouse took over the old Time Out space in Blaine in August, turning it into another sports bar, The Club. Business was slower than expected, so he closed in February and has been transforming the strip-mall spot into **JJ Murphy's**, an Irish pub.
- In March, **Jonathan Adler** opened a 2,780-sf store at 1439 West Lake Street (adjacent to Ragstock and under Jon English Salon). The designer is known for modern design that merges bold colors and patterns to create everything from decorative objects, tabletop collections, bedding, bath accessories, candles, furniture, rugs, pillows, and lighting. Jonathan Adler joins a growing list of home furnishing/decor stores in Uptown, including CB2, Roam, Design Within Reach, Go Home, and Kitchen Window.
- **Trader Joe's** has finalized a deal for a store at Southdale 494 Shopping Center in Bloomington. The company is also working on plans for a site on Lyndale Avenue in Uptown.
- Australian clothing store **Cotton On** plans to open its first Minnesota store in Maplewood Mall.
- **Crazy 8**, a children's clothing concept from Gymboree Corp, is opening at Maplewood Mall. Crazy 8 has more than 80 stores nationwide, including existing locations at Burnsville Center and Albertville Premium Outlets.

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MANDINEC GROUP LANDSCAPING INC.



The Mandinec Group Landscaping, Inc. provides landscape design and maintenance. Whether you wish to install new landscaping or would like to enhance your property, we invite you to learn more about our work and to discover how we can add beauty and value to your property in a very cost effective way. We are a full service landscape provider. Outstanding quality is a level of service we strive for on every project.

We employ knowledgeable team members including:

- Landscape Architects • Irrigation Specialists**
- Fertilization • Power Limited Technicians • Certified Foresters**

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- **Landscape Design • Lawn Maintenance**
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Monday, June 18, 2012

11:00 am Registration & Boxed Lunch
 12:15 pm Shotgun Start & Four-Person Scramble
 5:30 pm Social Hour & Dinner Buffet
 7:00 pm Hole Event Winners & Awards Presentation

PAR-TEE CARTS

Purchase \$5 tickets at the course for a chance to win one of two decked out Par-Tee Carts for your foursome. All gifts on the cart are yours to keep!

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TOURNAMENT FEATURES:

- Longest drive, longest putt and closest-to-the-pin contest
- **New Golf Rule** - If you have missed your par attempt, pick up your ball and proceed to the next hole. Therefore, no greater score than bogey shall be recorded.

Foursome Registration *No refunds or cancellations allowed*

#1 Name _____
 Company _____
 Email _____

#2 Name _____
 Company _____
 Email _____

#3 Name _____
 Company _____
 Email _____

#4 Name _____
 Company _____
 Email _____

Ultimate Foursome \$690 (over \$900 value!)
 (includes team skins, mulligans, golf, lunch, dinner buffet)
 The first 50 foursomes to purchase the prize package will receive 4 free rounds of golf at Majestic Oaks (not to be used on the day of the tournament). They will be sent out to the purchaser of the foursome via mail in April (\$180 value!).

Foursome \$640
 (includes team golf, lunch, dinner buffet)

Individual Registration *No refunds or cancellations allowed*

Single Golfer \$170
 (will be paired as they are received)
 (includes individual golf, lunch, dinner buffet)

Name _____
 Company _____
 Email _____

Dinner Only \$30
 Name _____
 Company _____
 Email _____

2nd Annual!

Lawn Ranger Wine Pull
 \$10/cork - guaranteed winner!
 Red and white bottles ranging from \$10 - \$100



Purchase corks at the tournament near the lunch tent

Preferred Course (not guaranteed; first come, first served) Signature Crossroads Either

Return with payment to MSCA

Check Number _____ Visa MC Amount \$ _____
 Name on Card _____ Card Number _____ Exp. Date _____
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MEMBER PROFILES

Jim LaValle

Doran Companies



What is your primary career focus? Developing Real Estate

What is your secret talent? Culinary Skills

What is the one word that describes you? Really????

What was the first car you owned? 1969 Chevy pickup with a 327 and three on the tree

What would you rather do than go to work on Monday morning? I love our Monday morning meetings soo much I will never miss them.

When you were a kid, what did you want to be when you grew up? Ice cream man

What was your very first job? Home juice company, loading delivery trucks with juice

Who are/were your mentors? My father

What is your favorite cereal and why? Fruity Pebbles, because Fred Flinstone and I have similar looking feet.

If you were an animal, what would you be and why? Man's best friend, a dog. I would be women's best friend as well.

What are your favorite place(s) that you have travelled to? South St. Paul

How long have you been an MSCA member? Going on five years

Kate McCall Beazley

Beazley Consulting, LLC



What is your primary career focus? As a small business owner, I wear many hats.

What is your secret talent? Skilled Ms. Pac-Man player

What is the one word that describes you? Determined

What was the first car you owned? 1984 Honda Accord 3-Door

What would you rather do than go to work on Monday morning? Play tennis, and then get a massage

When you were a kid, what did you want to be when you grew up? Criminal Defense Attorney

What was your very first job? Carhop at the Minnetonka Drive In, Spring Park, MN

Who are/were your mentors? My mother and Mike Sims

What is your favorite cereal and why? Steel cut oatmeal with brown sugar – it's satisfying, tasty and good for you.

What are your favorite place(s) that you have travelled to? Italy, Peru, Ireland, Hawaii

How long have you been an MSCA member? Since 2007

NEW MEMBERS

Troy Ludgate

ACI Asphalt Contractors, Inc.

Jesse McDonald

M-CON Construction

Jerry Stewart

Dick's Sanitation Services Inc.

William Gorton

CoStar Group

Rick McKelvey

RJM Construction

James Wilson

Leonard, Street and Deinard

Ryan Keating

McDowall Comfort Management

Evan Fiksdal

McDowall Comfort Management



A huge thank you to everyone that attended Business Day at the Capitol on March 14th!



A GROCERY PERSPECTIVE: THERE'S MORE TO GROCERY THAN FOOD

March presenters (l to r)
 David Bade, RLK Incorporated (moderator)
 Elliott Olson, Dakota Worldwide
 Jim Hornecker, SUPERVALU
 Brent Anderson (moderator)
 Paul Tucci, Oppidan Inc.

On Wednesday, March 8, members were given the opportunity to hear from three local experts about the past, present and future of the grocery industry. Moderators Dave Bade, RLK Incorporated and Brent Anderson guided the audience on an overview of the grocery industry.

- Elliott Olson, Dakota Worldwide, provided a marketing perspective of the 13 county metro area
- Jim Hornecker, SUPERVALU provided the perspective from the real estate department of one major grocer
- Paul Tucci, Oppidan, Inc provided the perspective of a local developer with experience on grocery developments both locally and nationally.

Elliott Olson began his presentation with an overview of the dominant players in the grocery market in 1972, 2009 and 2011 and how things have changed.

1972 dominant players in this market:

- Applebaum's
- Country Club
- Penny's
- Red Owl
- National Tea
- Shopper's City
- SUPERVALU & Byerly's
- Lunds

SHARE OF SALES IN THE 13 COUNTY METRO AREA: 2009 vs 2010

Grocer	Share of Dollar Sales 2009	Share of Dollar Sales 2010
Festival Foods, Coborn's, Kowalski's, SUPERVALU, Cub Foods	45.5%	41.6%
Walmart/ Sams Club	19.9%	12.2%
Target	13.7%	15.6%
Rainbow	12.0%	11.4%
Lunds/ Byerly's	7.8%	7.6%
Others	4.1%	3.8%
ALDI	2.4%	2.9%
Co-ops	2.1%	2.4%
Trader Joe's	1.5%	1.4%
Whole Foods	1.0%	1.2%

The dollar volume of grocery sales hasn't changed so the changes in market share occurred because "everybody wants to get into the act."



Grocers are not experiencing an increase in sales and other grocers have entered the market and have taken a piece of the pie. New grocery retailers that have entered this grocery market are:

- Costco
- Sam's Club
- Dollar General
- Dollar Tree
- Family Dollar
- United Noodles (oriental grocer)
- Target
- Walmart
- ALDI
- Local Farmer's Markets
- Co-ops
- Whole Foods
- Coborn's (delivery)
- CVS
- Walgreens
- Menards

Olson also discussed the "Share of Stomach" which relates to the percent of food expenditures comparing food at home and food away from home. In the 1960's the percent of dollars spent on food away from home was 25% of the total food expenditures. In 1997, the percent of dollars spent on food away from home was 40% of the total food expenditures. Today, it is estimated that we spend 50% on food away from home of the total food expenditures. Today grocers are trying to compete with the "food away from home" category by packaging meals to go.

Jim Hornecker discussed the impact, trends and challenges of the SUPERVALU brand across the country. SUPERVALU is one of the largest grocery companies in the U.S with annual revenues of \$37.5 billion (fiscal year 2011) and 140,000 employees. SUPERVALU is a national grocer with three parts:

- 1,100+ traditional retail supermarkets with 800+ in-store pharmacies
- 1,200+ hard-discount stores (900 stores operated by licensed owners)
- 2,700 independent locations

Plus SUPERVALU is a primary supplier to 1,900 stores including Festival Foods, Lunds, Byerly's and Kowalski's.

Of all of the banners of SUPERVALU, Cub Foods was born in the market in 1968. Cub is a well-established market leader, has corporate and franchise units, has experienced high growth through 2000's, and is expecting to grow more.

Paul Tucci presented his perspective from the developer's side. Oppidan was rated the #1 commercial developer for 2011 by Twin Cities Business. Oppidan has developed \$1.4

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MARCH 2012 PROFESSIONAL SHOWCASE

Fredrikson & Byron is one of Minnesota's largest law firms, with over 250 attorneys worldwide. Fredrikson & Byron's Property Tax Appeals Group has earned a reputation as aggressive, thorough, and well prepared in real estate tax negotiations and trials. The Fredrikson & Byron Property Tax Appeals Group invites you to consult with them about your property tax issues. They will review the assessor's estimated market value and provide an initial preliminary analysis at no cost or obligation.

Fredrikson
& BYRON, P.A.

MY MSCA

MEMBERSHIP DIRECTORY

The annual MSCA Membership Directory is a huge benefit of being an MSCA member. Not only can you view all MSCA members' contact information, you can also view company information and companies by classification.

We try to keep all member information as up to date as possible, which is very easy now with the launch of the new website. Just visit www.msca-online.com and log in as a member. Once you are logged in, you can make updates to your profile. Please continue to do this as changes are made, as this is where members will find all of your current information. In addition, when logged in, you can view member profiles online by clicking in the top left DIRECTORY SEARCH.

Please watch for your MSCA directory to come the beginning of April. Many of the directories are hand-delivered by the MSCA Networking Committee to help save funds that translate to maintaining the member dues each year. If your directory is hand-delivered, please take a moment to thank the member delivering it – they are providing their time and effort to get you the directory and your gratitude is greatly appreciated!

A Grocery Perspective - continued from page 6

billion of commercial real estate nationally and locally and has developed 8 million square feet of commercial real estate including 25 grocery-anchored developments. Nationally, Oppidan established its presence by rolling out 85 stores. Oppidan has an impressive list of clients including the following grocers: Rainbow, Cub Foods, Target, SUPERVALU and Coborn's. Two of the most recent impressive grocery developments include:

- Cub Foods, Phalen was built in 2008 and is the second gold LEED grocer in the country.
- SUPERVALU in Pequot Lakes was developed by a partnership with the operator to build a store for the local area for residents who formerly had to travel to the Brainerd area for groceries.

Finally, Tucci discussed the challenges today with the grocery market in this 13 county area:

- Competition everywhere.
- Sales are holding, but margins are decreasing.
- It is challenging for developers to build grocery-anchored centers and keep rents in line with declining sales for grocers.
- Increasing construction and labor costs and high gas prices have contributed to this challenge.
- Opportunities are better for in-fill sites versus new development.

By the end of the discussion, it was clear that the grocery market has expanded with new players taking market share, increased competition for "food away from home" and increased challenges for developers to economically build grocery-anchored developments.

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For more information,
contact Mary Jo Kelly at 612.335-2767
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MN Marketplace - continued from page 4

- Inland Real Estate Corporation has acquired two retail properties in the Minneapolis market for a total cost of approximately \$46.6 million, including **Silver Lake Village**, a grocery-anchored community center located in St. Anthony, and **Woodbury Commons**, a community center located in Woodbury.
- **Primebar** will be filling the Figlio/Il Gatto space in Calhoun Square. The restaurant is a national chain from the Restaurants-America group, which created the **Bar Louie** concept going into the still-rising Mozaic complex. Primebar bills itself as a contemporary ale house with "cool food, local brews, and great cocktails featuring a distinctly urban interior."
- **Dry Goods**, a relatively new retail concept created by lowa-based department store chain Von Maur, will open its first Minnesota location in May at Rosedale Center. The 4,500-sf space on the center court will be the fifth Dry Goods location.
- Smalley's 87 Club, which replaced the former Champ's location at 100 6th Street N., has closed. The space reopened in early March under new ownership as **Alley Sports Tavern**.
- The **Panera Bread** location at 233 E. Hennepin Avenue closed February 21 after being in business for nearly a decade. The space is being divided for two new tenants. Early reports indicate that one will be a restaurant and bar and the other will likely be a new **Jimmy John's** sandwich shop.
- Opus Corp. plans to build Velo, a mixed use development in the North Loop neighborhood of downtown Minneapolis. Velo will include 106 apartment units on top of 12,000 sf of retail space. Just across the street, Ryan Companies has already started construction on a 580,000-sf mixed-use project, including a **Whole Foods** grocery store and 286 apartments.
- Doug Flicker's acclaimed restaurant **Piccolo** has expanded. The company purchased the building to the south and shut down for ten days in March while the two buildings were joined.
- **Eat Street Social**, the second restaurant by the proprietors of Northeast Social, is now open. The restaurant at 18 W. 26th Street opened its doors on February 9.
- **Pizza Luce** will open its seventh location in Richfield at 800 66th Street W., sometime this summer (in the old Bridgeman's). The restaurant will have a full bar and outdoor patio facing 66th Street. The company plans to completely renovate the existing building.
- Stewart and Heidi Woodman of restaurant Heidi's have announced plans for a new restaurant called **Birdhouse** which will take over the former Duplex space at 2516 Hennepin Avenue this spring. The 54-seat restaurant will focus on healthful, organic foods, with ample vegetarian and vegan options.
- **Eli's East Food and Cocktails** opened at 815 Hennepin Avenue E. Eli's East is the second location for Eli's Food and Cocktails at 1225 Hennepin Avenue S. The building was completely gutted, so everything inside is completely new, including a custom copper bar. It will soon feature a 56-seat patio.

SMALL TALK

STATS: Retail Brands

Most Valuable US Retail Brands 2012

The rankings are based on financial performance, role of brand and brand strength

- 1 Walmart
- 2 Target
- 3 The Home Depot
- 4 CVS
- 5 Best Buy
- 6 Walgreens
- 7 Coach
- 8 Sam's Club
- 9 Amazon
- 10 ebaY
- 11 Nordstrom
- 12 Publix
- 13 Lowe's
- 14 Dollar General
- 15 Costco
- 16 Kohl's
- 17 Staples
- 18 Victoria Secret
- 19 Avon
- 20 Tiffany & Co.
- 21 Auto Zone
- 22 Gap
- 23 GameStop
- 24 Bed Bath & Beyond
- 25 Old Navy
- 26 Sherwin-Williams
- 27 Michaels
- 28 Ross Dress For Less
- 29 Guess
- 30 Banana Republic
- 31 J. Crew
- 32 T.J. Maxx
- 33 Marshalls
- 34 PetSmart
- 35 Toys "R" Us
- 36 RadioShack
- 37 Dick's Sporting Goods
- 38 Whole Foods
- 39 Dollar Tree
- 40 Bath & Body Works
- 41 Urban Outfitters
- 42 American Eagle Outfitters
- 43 Big Lots
- 44 Buckle
- 45 Abercrombie & Fitch
- 46 Tractor Supply
- 47 Family Dollar
- 48 Advance Auto Parts
- 49 Macy's
- 50 Rent-A-Center

Source: [Interbrand](#)