

Feature Article

Remodeling? Updating? Home Improvement Retailers Want You to Do-It-Yourself

Ferne L. Sofio, Paster Enterprises

Whether the housing market is up or down, consumers continue to invest in their homes. When new housing starts are down, the trend is to increase the value and enjoyment of homeowner property through repeated renovation, remodeling and expansion. When the housing market is on the rise, a greater number of older homes that require repairs become available. In either case, people want to save money. While home improvement projects are not a new trend,

the latest craze is to take on larger, more elaborate projects. Home improvement retailers such as Home Depot, Lowe's and Menards continue to expand their product lines and services to accommodate the desires of today's do-it-yourselfers.

Rising median home prices combined with consumer confidence in their largest assets results in a positive forecast for the housing and home improvement industry. Between 2004 and 2007,

Remodeling? continued on page 2



SHOPPING CENTER SNAPSHOT

Lonsdale Marketplace

Location: Lonsdale, Minnesota (20 minutes south of Metro at Hwy 19 and 8th Street)

Opening: Fall 2003/Spring 2004

Owner/Center Manager: Lonsdale Marketplace LLC

Leasing Agent: Greg Bast, Gonyea Land Company (612) 790-1750

Architect: Protterra Design

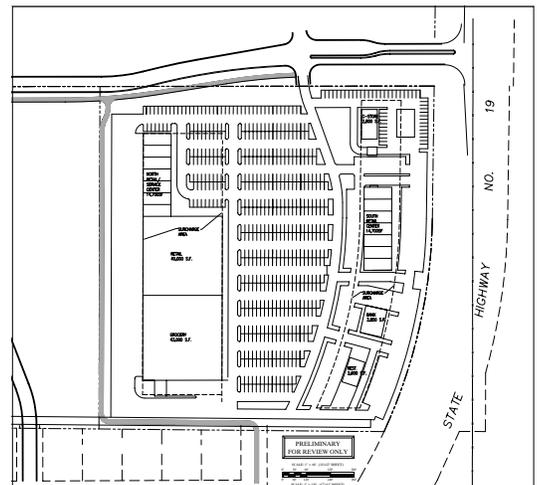
Construction Contractor: Construction 70, Inc.

GLA: 120,000 square feet

of Stores: 20

Market Area Served: Lonsdale Surrounding Area

Additional Facts/Narrative: Lonsdale is one of the fastest growing cities in the state, located 20 minutes south of the Metro area. The city currently has several new developments under-



way with many more in planning. With all of the new development, the city is in need of all types of products and services. Lonsdale Marketplace is a 15-acre commercial development in a prime commercial location.

REMODELING? *continued from page 1*

the projected growth in the home improvement market is expected to maintain an average of 5% annual growth as a result of a combination of new merchandise, customer service improvements and new marketing campaigns.

Research reaffirms homeowners' faith in their homes, whereby owners consider their homes to be a better long-term investment than the stock market. These investors have realized that the primary difference in their investment vehicle is liquidity. Stocks and bonds may be traded on an impulse, while the housing market requires a minimum holding period of two years to avoid substantial penalties and capital gains taxes. With steady investment in home improvement projects, over \$3,700 was spent by the average homeowner in the past year. And, retailers are competing to fulfill the dreams of every remodeler.

Who They Are

Home Depot's do-it-yourself centers offer 35,000 to 50,000 items in every store with geographic-specific items. At the close of fiscal year 2002, the company's portfolio included over 1,500 stores in North America and \$58.2 billion in net sales. Founded in 1978 in Atlanta, Home Depot has maintained its aggressive growth to attain the number one seat in home improvement. It is also the second largest retailer in the nation.

Lowe's is the runner up in home improvement to Home Depot with \$26.5 billion in sales in 2002. Currently, there are only about 875 warehouse stores nationwide. The North Carolina retailer has plans for rapid expansion, however, with new stores coming to the Midwest market, including the Twin Cities.

Menards, founded in 1962, based in Eau Claire, Wisconsin, and privately held, is the nation's third largest retailer in home improvement. Menards is a regional retailer with stores in the upper Midwest, including Illinois, Indiana, Iowa, Michigan, Minnesota, Nebraska, North and South Dakota and Wisconsin.

How They Compare

Home Depot's trained sales staff offers customer service and support in 11 departments. There is breadth and depth coupled with good pricing. Turnover of merchandise is key, approximately eleven times annually.

Home Depot continues to respond to changes in demographics. It appeals to women through its services and product lines. Over 50% of Home Depot's customers were women in 1984. That percentage has grown steadily. The spring of 2003 marked the second wave of "Do-It-Yourself" workshops. Over 40,000 women attended the May workshops, and 94% indicated the intent to return for more on-site training.

Lowe's also caters to the female population. The number two home improvement store recognizes women's desire to work with their hands. Additionally, more female customers have conveyed that they take pride in the projects they complete. Other reasons include being able to do projects their own way and not having to wait for someone else to get the job done.

Menards has long served the do-it-yourself community and contractors. Their customer base is comprised of mostly men, with the exception of the lawn and gardening and landscaping departments. Although Menards is a regional retailer, they are making efforts to maintain their customer service through the use of wireless technology.

Home Depot began offering installation services over two years ago. They have their number one competitor nipping at their heels and are engaged in "installation wars" with Lowe's. Lowe's is launching a new installation model this year. The rollout is expected to be completed during the upcoming twelve month period. Both companies expect to capitalize on the industry's explosive growth due to the emergence of the do-it-for-me demographic segment. Installation services are currently a \$32 billion market and growing in popularity.

Home Depot has been described as the Wal-Mart of home improvement, appealing to consumers with all levels of income. They have had an adverse effect on independent retailers in home improvement, landscaping, carpeting and flooring, and nurseries in the communities in which they invade. The theory is to saturate and dominate the market. Home Depot will position stores as close as seven miles apart in a good market. Even with the close proximity, the industry giant averages \$340 to \$390 in sales per square foot. Lowe's is taking a similar approach with their plans for significant expansion.

There does not appear to be an end in site for the home improvement industry. With the addition of new lines to the industry giants and consumer bases ever growing, home improvement retailers meet the needs of the do-it-yourselfers. In addition to maintaining their market shares with traditional do-it-yourselfers and women, Lowe's and Home Depot have also launched marketing campaigns targeting the Latino and African American communities. The gap between Home Depot and its number one rival is quite significant, yet the stakes are high for Home Depot as Lowe's expands into new markets.

The home improvement industry continues to build upon the foundation that was laid over fifty years ago assisting and educating do-it-yourselfers. The industry's dominant players of the early 1980s have continued their command in home improvement. The home center industry has been marked with consolidation and expansion for years. There is a continued trend toward bigness as the players and the home centers themselves continue to grow. ■

2003 ICSC North Central States Idea Exchange, September 8-9, 2003 Hyatt Regency Minneapolis

Mark your calendars for the 2003 North Central States Idea Exchange sponsored by the International Council of Shopping Centers, to be held September 8-9, 2003 at the Hyatt Regency Minneapolis. The prelude to the program includes an optional golf tournament on September 8. Day two starts with a consumer panel discussing "What Does the Consumer Want" followed by a department store panel discussing "The State of the Department Store (Then and Now)". The day ends with a Developer Panel focusing on lifestyle centers, traditional malls, convenience and power centers. Registration is available online at www.icsc.org.

The Caring Tree Receives \$10,000 from MSCA

MSCA's 12th Annual Golf Tournament, held on June 16, raised an unprecedented \$10,000 for the Caring Tree Foundation. The Caring Tree, founded by MSCA in 1993, provides underprivileged children in Minnesota with new school supplies. Steven Mosborg, MSCA 2003 President and Vice President of Corporate Services for Park Midwest Commercial Real Estate, along with MSCA Golf Committee co-chairs Matt Alexander of Contractor Property Developers Company and Bob Lucius of RSP Architects Ltd. presented the

record-breaking donation to Kathy Anderson, 2003 Caring Tree Foundation President and Principal of KKE Architects, Inc. at the July 9 MSCA monthly meeting.

Mosborg stated that "this check reflects both MSCA's and our industry's commitment to the Caring Tree Foundation and its programs, and we appreciate the efforts of our Golf Committee to make this such a successful event." Anderson added, "our sincere thanks to all involved in such a successful



Alexander, Mosborg, Anderson and Lucius

fundraiser. The strong dedication of MSCA to the Caring Tree cause is clearly reflected in this donation, which will enhance our efforts to properly prepare low-income, K-12 students for school." ■

Give Students the Tools They Need to Succeed!

Back-to-school can be an exciting time for students. Back to friends, back to activities and back to shopping for new school supplies and clothes. In some families, however, where budgets are tight and each expense is carefully scrutinized, some children are not able to get new supplies or clothes. For those students and families, they rely on The Caring Tree. The Caring Tree is a non-profit outreach project that links Minnesota children in need with retailers and consumers who can help.

Celebrating their 11th Anniversary, the 2003 Caring Tree Program runs July 30 – September 2. The 2003 goal is to assist more than 13,500 Minnesota children with new back-to-school supplies. Since the program was established in 1993, The Caring Tree program has provided supplies to over 100,000 low-income students. Although the Caring Tree Foundation has steadily in-

creased the number of low-income children they have served over the last ten years, there are over 110,000 children, according to statistics from the state of Minnesota, who need assistance. Therefore, the Foundation is looking to dramatically increase the awareness so we can help the thousands of children who are not currently served by the program. With the unemployment rate steadily rising, more assistance is needed this year than ever before.

There are many ways to participate!

AWARENESS

Help communicate the need for school supplies. Each year, required school supply lists are prepared and the amount of required supplies can be staggering! If families cannot afford the supplies, many students go to school unprepared. When a teacher asks the students to take out their supplies and a child

does not have it, everyone in the class observes. This can be very embarrassing, and often they get teased by other children. We want each child to have the same advantages so they have a better chance to complete the education successfully.

ADOPT A STUDENT

You can "adopt" a child in need at a local Caring Tree site in a participating shopping center, Herberger's or Younkers store. A list of the child's needs is provided to help you select supplies. Then, return the supplies to The Caring Tree site before the deadline. Or, purchase a pre-packaged set of school supplies at either Cub Foods or Office Depot and the stores will coordinate with a local social service agency to distribute the supplies to low-income students.

DONATE FUNDS

Individuals can make a cash donation that will be used to purchase pre-packaged or bulk school supplies. Visit The Caring Tree web site www.caringtree.org to make a Visa or MasterCard payment, or mail a check to The Caring Tree 8120 Penn Avenue South, Suite 554 Bloomington, MN 55431. Please do not mail cash.

Thank you for your consideration of The Caring Tree. We would appreciate any support that you could offer for this very worthwhile program. ■

Consider giving a financial contribution to The Caring Tree. All funds will be used to purchase new school supplies for low-income students in Minnesota.

- \$10 will provide:
 - Pencils and Erasers
 - Crayons and Highlighters
 - Six Notebooks
 - A 3" Binder and Paper
 - Folders

- \$30 will provide the items in the \$10 donation, plus:
 - Backpack
 - Scissors
 - Colored Pencils
 - Glue Stick
 - Pencil Bag
- \$50 will provide the items in the \$30 donation, plus:
 - A Calculator
 - Basic Clothing or Shoes
- \$ _____

A contribution of any size is greatly appreciated!

The Caring Tree Foundation, which is a tax-exempt organization as described in Sections 501(c)3 and 509(a)1 of the Internal Revenue Code of 1986. Donors may deduct contributions to Caring Tree Foundation as provided in Section 170 of the code.

Industry Tidbits

If you have additional tidbits, please forward them to
Tim Hilger, newsletter co-chair, at thilger@ix.netcom.com



by **Tim Hilger**, Diversified Acquisitions, Inc.

- **Boise Cascade Corp.** will purchase **OfficeMax** for \$2.1 billion in a cash and stock transaction. Boise's office products will now have a dedicated retail outlet and reportedly will increase efficiency, improve distribution, and reduce overhead and supplier costs.
- **Christopher & Banks** 1st quarter earnings exceeded estimates by 2 cents per share (earnings of \$11.1 million vs. \$9.8 million for the same quarter last year). Additionally, the company projects that it expects modest improvements for the coming 2nd quarter over last years 2nd quarter.
- **Wal-Mart** stated that July sales are tracking on the high end of its projected July same store sales, which were anticipated to be up 2% - 4% from the year earlier.
- **Famous Dave's** announced that 2nd quarter comparable stores sales decreased 1.7% at corporate owned stores and franchised operated sales decreased 9.1%. Presently there are 31 company owned stores and 20 franchised stores.
- **Morgan Stanley** will acquire **Lend Lease Corporation's** real estate business, which has approximately 29 million s.f. of retail properties which are worth approximately \$13 billion. In addition, Morgan Stanley will

also purchase Lend Leases' other commercial properties consisting of 47 million s.f. of office and 39 million square feet of industrial and other properties.

- **Target** will unveil a new prototype for its discount store format this fall, in the Minneapolis market. The chain also will build two new import warehouses as part of a move to increase direct sources.
- **Snyder's Drug Stores/Drug Emporium** debuted a new hybrid prototype that combines a traditional drug store format with the promotional aspects of a discount drug store. The 15,000 s.f. store, in Bloomington, MI is the first to open under the combined Snyder's/Drug Emporium logo.
- **Noodles & Company** is embarking on an aggressive franchising program to help reach a target of more than 300 stores nationwide in three years. The \$75 million-a-year company is one of the largest noodle chains in the country with restaurants in Colorado, Wisconsin, Minnesota, Illinois, Maryland and Virginia.
- In July, the **Dakota Bar and Grille** and jazz club, a long time tenant in St. Paul's **Bandana Square**, announced that it will leave Bandana Square to a new location on the **Nicollet Mall** in downtown Minneapolis.

- **Sears** recently completed the renovation of seven of their 50 planned remodelings this year. The new stores have wider aisles, centralized cash registers, strong displays for their newly acquires **Land's End** clothing lines, expanded appliances and electronics and larger auto service centers. A tour of Sears new Coon Rapids store will show their new store format.
- **Family Dollar** opened 41 stores in May, and 56 stores in June 2003. As of July 5, 2003 the retailer now operates 4,894 stores.
- **May Department Stores** will lay off about 1,500 in the sales management and support positions. The retailer also announced that its 1st quarter earnings rose \$2 million, but reported a 7.2% decline in sales. May operates 447 stores under the names of **Lord & Taylor**, **Filene's**, and **Famous-Barr**. In July May announced the acquisition of **Modern Tuxedo**, which will be part of the **May Bridal Group**, which includes **David's Bridal** stores. The acquisition of the 25-store tuxedo chain cost a reported \$12 million.

Tidbits continued on page 7

- **Wendy's** 2nd quarter 2003 U.S same store sales declined 1.9% compared to a 7.3% increase for the same quarter in 2002.
- **Hollywood Entertainment (Hollywood Video)** announced that 2nd quarter same store sales increased by 11%. Its Game Crazy departments, including game rentals and merchandise sale were major contributors to the increase in sales.
- **Outback Steakhouse** reported that June's comparable stores increased 2.8% for its steak house operations and .8% for its U.S. **Carrabba's Italian Grills**.
- **Starbucks'** June same store sales increased 10% compared to last year.
- **California Pizza Kitchen** same store sales for the 2nd quarter increased 2.3% compared to last year's same quarter.
- **P.F. Chang's** 2nd quarter same store sales increased 5.4% vs. the same quarter last year.
- **Best Buy** announced in July that it is instituting its first shopper reward program called "**Reward Zone.**" The program entitles an enrolled customer participant to earn points toward cash discounts on store

Upcoming Events

MSCA programs are held at 8 a.m. (7:30 a.m. registration) unless otherwise indicated. Pre-registration ends at noon the day prior. Any registrations received after that will not be guaranteed pre-registration. Program topics are subject to change.



Wednesday, September 10 (Afternoon)
Mall of America Program
15th Anniversary

Wednesday, October 1
Retailer Panel
Holiday Inn Mpls Metrodome

Wednesday, November 5 (Afternoon)
Retail Report
Holiday Inn Mpls Metrodome

Tuesday, December 9 (Evening)
STARR Awards/Year End Ceremonies

Hit the Books!

The Wal-Mart Decade: How a Generation of Leaders Turned Sam Walton's Legacy Into the World's #1 Company by Robert Slater (Portfolio)

On Target: How the World's Hottest Retailer Hit a Bull's-Eye by Laura Rowley (John Wiley & Sons)

Big Change at Best Buy: Working Through Hypergrowth to Sustained Excellence by Elizabeth Gibson and Andy Billings (Davies- Black Publishing)

Kmart's Ten Deadly Sins: How Incompetence Tainted an American Icon by Marcia Layton Turner (John Wiley & Sons)

Source: *DSN Retailing Today*, 6/23/03

Communication Crossroads

by Christopher Naumann, KKE Architects, Inc.

Have you ever been frustrated by a situation where no matter how you say something, the party you're speaking with just doesn't seem to get it? Surprisingly enough, even with our awareness that communication skills are immensely valuable, few people actually understand or take time to develop the critical skills and habits to that are needed to be an effective communicator.

The MSCA recognizes the importance of efficient communication and invited Beth Wellesley of Promoting Brilliance Inc. to speak at the July breakfast meeting. Introduced by moderator Stacey Cunningham of Brookfield Properties, Wellesley presented "Crossroads of Change: Authentic Communication Tools and Strategies."

Importance of Relationships

Wellesley stressed that the best way to effectively communicate is to engage and nurture relationships with those we wish to communicate. Since interpersonal relationships are the key to success in the business world, it is vital to develop a high level of trust and integrity through credibility, dependability and mutual respect. This common understanding can go a long way when needing to communicate effectively. However, just as positive relationships can enhance the level of communications between parties, poor relationships can deter and sabotage communication efforts.

Escaping the Drama Triangle

When misunderstandings occur, a negative atmosphere can spin into a deteriorating pattern. According to Wellesley, people in negative situations often fall into a "drama triangle." A drama triangle is a dynamic that occurs when three main players: a drama victim, a rescuer, and a persecutor are engaged in a conflict. Instead of supporting clear concise lines of communication, indirect communications between these three parties can indirectly derail positive relationships. If the negative pattern is not broken, levels of trust are diminished making future communication more difficult.

With a typical a shopping center, a tenant (*persecutor*) might innocently communicate a complaint directly to the property owner, rather than the property manager, as a matter

of convenience. The owner (*rescuer*) may deliver the complaint to the manager with discontent, assuming the manager did not service the tenant properly. In turn, the manager (*drama victim*) may feel ambushed when confronted

with the unknown complaint from the owner and experience some level of mistrust towards the tenant in future exchanges. This simple example clearly illustrates how an innocent sidestep of communication can destabilize a possible efficient and effective communications stream.

To break the drama triangle, positive relationships must constantly be reinforced. Maintaining a high level of integrity through communicating directly, including all relevant parties in ongoing conversations, and participating in active listening are all methods to strengthen communication links. In the case of our shopping center, the owner might advise the tenant to communicate their complaint directly to the manager, and in doing so bring in the manager into the conversation as a collaborator within the process. In this manner, the owner didn't break confidence with the manager yet still directly addressed the concerns of the ten-



Left: Moderator Stacey Cunningham stands with Beth Wellesley of Promoting Brilliance. Right: Royanne Carper, Scott Thompson and Dean Wieber demonstrate the "drama triangle."



ant, breaking the potential for a drama triangle to damage relationships.

Tips

When reacting to an emotionally charged issue, take time to cool off. Heated discussions tend to escalate when conflicts could have been easily resolved with calmer heads.

Regarding Internet communication, Wellesley advised that the Internet should be used as a communications tool with clear definition and developing strong personal connections beyond the computer screen would help sidestep any problems that might arise when using this tool.

Beth Wellesley and her company, Promotional Brilliance Incorporated, specialize in communications training and development for companies. For more information on communications training and development for individuals and companies, please visit <http://www.promotingbrilliance.com>. ■

Professional Showcase

The July Professional Showcase featured The Shenehon Center for Real Estate Education in the College of Business at the University of St. Thomas, which offers real estate education degree programs and appraisal courses, in addition to curriculum for the System Maintenance Technician, the Systems Maintenance Administrator, the Real Property Administrator and the Facilities Management Administrator professional designations.

The College of Business at the University of St. Thomas also houses The Institute for Retailing Excellence, the only professional development programs in the Midwest



Jordan Milan and Dr. Dave Brennan from the University of St. Thomas

specifically designed for the retail industry. The Institute is committed to serving the retailing community by providing innovative, practical, educational experiences that go beyond store-specific training.

What's Happening

Itasca Funding Arranges Loan for Rice Lake Plaza Shopping Center

Itasca Funding Group, Inc. recently arranged a \$3.5 million loan for the Rice Lake Plaza Shopping Center in Maple Grove, MN. This is a mixed-use complex with approximately 30,000 sf of ground level multi-tenant retail space and approximately 9,000 sf of second level office space. A portion of the new loan funds is being used to make significant improvements to the interior and exterior of the property, as well as to mechanical systems.

Two-tier Wall-Mart Opens on Fringe of NYC Market

Wal-Mart has opened its first two-level store on the East Coast. The mall-based unit shares anchor positioning with Macy's, JCPenney and Sears and operates alongside an array of 135 retailers. Wal-Mart has looked upon underserved markets such as cities and densely populated suburbs as potential opportunities as they complete their conquest of more rural realms. Wal-Mart also recently unveiled a three-story, mall-based store in the Baldwin Hills section of Los Angeles.

A Franchise Push for Taco Del Mar

Taco Del Mar, a Seattle-based fast-casual Mexican chain has signed its first U.S. master franchisee, for the territory of Oregon and Clark County, Washington, and agreements for Utah, Phoenix, California and Minneapolis-St. Paul are expected to follow shortly. Taco Del Mar specializes in Baja-inspired fish tacos and "mission-style" burritos.

Supermarket News

Minneapolis-based food wholesaler and retailer Nash Finch Co. will supply 20 to 25 Super K-Mart stores, a deal that is expected to bring in roughly \$150 million in annual sales. Nash Finch takes over the supply agreement from Fleming Companies. In addition, Minneapolis-based Target Corporation turned to cross-town distributor SuperValu to supply groceries to replace Fleming Companies as supplier of 31 Target Stores.

Cunningham Completes Vic's in Historic St. Anthony Main

In June 2003, historic St. Anthony Main welcomed its newest dining venue – Vic's.

Created in a space that was originally the Salisbury Satterlee mattress factory, Vic's has added modern design to a minimalist and industrial warehouse space. Designed by Cuningham Group Architecture, P.A., the 4,600-square-foot footprint takes full advantage of the scenic St. Anthony Falls and the historic Riverfront District.

RLK-Kuusisto, Ltd. Congratulates Staff

RLK-Kuusisto, Ltd. congratulates Jim Pucel, P.E. and Joseph Kong, P.E. on passing their exams and becoming Registered Professional Engineers.

KKE Finalizes plans for Champlin Plaza

KKE Architects is finalizing the design and documents for the Champlin Plaza shopping center. Several years ago, the existing 81,844 sf center completed a facade remodeling to accommodate a new Snyders Drug Store and small shops. This final phase includes demalling of the interior mall and a new architectural entry statement to accommodate a new 16,000 square foot hardware store

What's Happening continued on page 7

**PEDESTRIAN
STUDIES AD**

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Corporate Sponsor Focus



CBL Properties/ Burnsville Center

Industry Focus: CBL primarily owns regional malls that are the dominant retail facility in middle market areas. CBL is also an active developer of new regional malls and community centers.

Company Vision: To continuing success through expansions, renovations and aggressive leasing at its properties.

“MSCA allows us the opportunity to network with others in our industry, and provides great market information through monthly programs and research, which is particularly helpful in dealing with an owner located outstate.” *Peter Lund*

Dunkley, Bennett, Christensen & Madigan, P.A.

Industry Focus: Leasing, asset-based financing and development.

Company Vision: To be the premier legal provider of services to all facets of the shopping center industry.

“MSCA is a dynamic organization. I have gained knowledge and insight about the industry as a result of my membership.” *Marcia Seligman*

THANK YOU!

J.L. Sullivan Construction, Inc.

Industry Focus: Design/build, general contracting and tenant improvements.

Company Vision: To provide outstanding commercial construction expertise and service which exceeds our customer’s needs and expectations.

“MSCA presents an excellent forum for understanding our clients needs and building long-term relationships.”

John L. Sullivan

North American Properties, Inc.

Industry Focus: To respond to the growth of emerging markets and remain committed to creating the best places to shop, live and work.

Company Vision: To develop a wide array of properties that effectively meet the needs of our clients and the communities they serve.

“MSCA provides an excellent forum for interacting and networking with industry leaders in Minnesota”

Jay Scott

Robert Muir Company

Industry Focus: Retail non-enclosed shopping centers and office space.

Company Vision: The Robert Muir Company will continue to create developments, which are designed and built to become centers of community pride, through innovative and visionary planning, creative use of the highest quality building materials, and exceptional property maintenance.

“As one of the nation’s largest state oriented shopping center organizations, MSCA has been a very effective tool to help us expand and promote our business.” *Kelly Doran*

United Properties

Industry Focus: Retail leasing and sales, tenant representation, property management and investment sales.

Company Vision: To be the most talent-rich, customer-focused regional real estate firm in America.

“I believe the collective MSCA membership shares a passion to be the industry leaders in striving to better our communities and businesses by establishing a higher standard to serve our customer needs.” *Michael Sims*

WHAT'S HAPPENING

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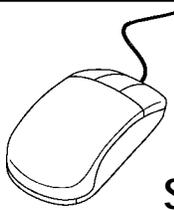
anchor tenant. Face-lift improvements include unique arched canopies, ornamental railings, and multiple EIFS detailing and colors. Kraus-Anderson is the owner, developer, and contractor.

Retail Sector Remains Strong

Twin Cities retail real estate continued to shine through the first six months of 2003, even as landlords of commercial office and industrial properties and apartment buildings struggled with the ongoing effects of a “jobless” economic recovery, according to United Properties’ July 2003 *Outlook* report. Mike Ohmes, senior vice president, United Properties Brokerage Services, believes that vacancy rates have peaked for office and industrial space in the Twin Cities, and he remains optimistic about the continuing prosperity of the region’s retail and medical office real estate markets. ■

TIDBIT *continued from page 6*

brought merchandise, opportunities to attend special events, offers, demonstrations, product giveaways, and meet recording artists. The enrollment fee is \$9.99, but the company is waiving the initial membership fee for its most frequent shoppers.



Surfin' Safari
www.mortgage-x.com
www.mbaa.org/consumer/index.html
www.bankrate.com

- **Ethan Allen** announced the opening a new larger s.f. floor plan in Alpharetta, Georgia. The new store has 35,000 sf vs. the traditional store with 18,000 to 20,000 sf.
- **Gymboree**, the children’s clothing retailer, reported a 1% increase in same store sales for the month of June.
- **Shoe Pavilion** announced that 2nd quarter sales declined 6.9% compared to the same quarter last year. Shoe Pavilion operates 87 stores and licenses departments in a number of **Gordman** stores.
- **Tweeter Home Entertainment Group** announced the 2nd quarter same store sales decreased 10% from the year earlier period. Total sales for the 2003 quarter were \$170 million.
- **Bed Bath & Beyond** 1st quarter sales were up 4.4% over the same quarter last year. ■

MSCA 2003 CORPORATE SPONSORS

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**STARR Awards
Nominations Due!**

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