

BURNS COMMERCIAL PROPERTIES

2009 RETAIL MARKET SURVEY TYLER, TX

The occupancy rate for retail properties in Tyler has decreased from 94% to 89% in the past twelve months. According to the data compiled by Burns Commercial Properties in its annual survey, the annual lease rate being asked by Landlords went in the opposite direction, increasing from \$13.14 per square foot in 2008 to \$13.34 in the 2009 survey.

The survey gathered current data from forty five properties which contain a total of 2,444,754 square feet. This is an increase of three properties and 40,759 square feet from last year. The amount of vacant space available increased to 263,559, which is 115,160 square feet more than the amount available one year ago.

The numbers obtained in the study indicate that while Tyler has not been immune to the country's economic slump, it is weathering the business dip much better than many cities. The occupancy rate is still at a high level when compared to historical figures. Fourteen of the forty five properties boast a one hundred percent occupancy level, while twenty centers are enjoying occupancy rates of ninety five percent or more. Only five of the retail properties quoted lease rates which are lower than last year's numbers.

One reason the Tyler market is holding up well is due to the lack of construction of large retail centers containing a significant amount of speculative space in recent years. The centers constructed in the immediate past have tended to be very small, so the market has not been overbuilt. In the current economic and lending climate, it is doubtful that any large centers are likely to be constructed in Tyler in the immediate future.

The survey only focuses on multi-tenant properties and does not include free standing single tenant buildings or the Broadway Square Mall. A number of single tenant restaurant, financial, and retail buildings have been constructed in the past year, all of which are occupied. Additionally, Tyler continues to attract new hotel/motel projects. While many markets are experiencing alarming vacancy rates, Tyler continues to see construction of new small retail and restaurant facilities. The major focus for these buildings is in South Tyler, particularly along Old Jacksonville Road along with several on Troup Highway and South Broadway. The expected construction of a major new grocery store on Old Jacksonville Road is likely to spur increased retail interest along that corridor.

The health of the retail sector of the economy through the remainder of 2009 will determine the direction of the occupancy level and rental rates for the retail sector of the local real estate market. Barring a major downturn, it appears that the Tyler market is holding up well when compared to the remainder of the country.

Thanks to all the property owners, leasing agents, and property managers who contributed the data which makes this report possible. Thanks also to Peggie Jenkins of the Burns Commercial Properties staff for compiling it.

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TYLER, TEXAS
DATE: April, 2009**

PROPERTY NAME/ADDRESS	OWNER	CONTACT	YEAR BUILT	TOTAL SIZE	CURRENT OCCUPANCY	QUOTED RENT	NNN CHARGES	LARGEST AVAILABLE SPACE	ANCHOR TENANTS
Macy's Plaza 4700 S. Broadway	The Genecov Group, Inc.	Mark Whatley Burns Commercial (903) 534-1200	1982	30,631 SF	73%	\$13.50/SF	\$3.93/SF	8,271 SF	Dressin' Gaudy, SAS, LaVilletta
Grande Plaza 212 Grande Blvd.	Pyle Properties	Tom Pyle (903) 509-8161	1986	57,500 SF	93%	Negotiable	Gross Rent	4,025 SF	Ark Assurance, The Blaze, Orthodontic Center
Tanglewood East Loop 323 @ E. Fifth St.	Pyle Properties	Tom Pyle (903) 509-8161	1986	41,900 SF	73%	Negotiable	Gross Rent	11,313 SF	Granary Health Foods
Times Square 5201 S. Broadway	Pyle Properties	Tom Pyle (903) 509-8161	1985	86,371 SF	99%	Negotiable	Gross Rent	863 SF	World Gym, Times Square Cinema, Tyler Athletics
Regency Center 6009 S. Broadway	Kevin Eltife	Mark Whatley Burns Commercial (903) 534-1200	1984	16,000 SF	100%	\$9.50/SF	\$3.30/SF	0	Susan Robinson Jewelry, Shaman's Sewing Center
Loop East Center Loop 323 @ E. Fifth St.	Roosth Properties	Dan Spivey Roosth Properties (903) 593-8333	1968	78,089 SF	80%	\$7.50/SF	\$1.63/SF	11,250 SF	Brookshire, The Schroll, Dollar General
Rose Plaza 4023 S. Broadway Ave.	Roosth Properties	Dan Spivey Roosth Properties (903) 593-8333	1976	105,761 SF	91%	\$12.00/SF	\$1.96/SF	9,800 SF	Hastings, Crazy Buffet, Dollar General
Front & Beckham Beckham @ E. Front St.	The Genecov Group, Inc.	Glenn Eikner Mark Whatley Burns Commercial (903) 534-1200	1956	65,666 SF	100%	\$6.00- \$8.00/SF	\$1.09/SF	0	Family Dollar, NAPA Auto Parts, Ladies Time, Rent A Center
Bergfeld Center Broadway @ Eighth St.	Bergfeld Center, LP	Julius Bergfeld (903) 592-1032	1948	201,000 SF	97%	\$10.00- \$12.50/SF	Gross Leases	5,950 SF	Brookshire, Luby's, CVS Pharmacy

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Broadway Center 2125 S. Broadway Ave.	Weingarten Realty Investors	Daniel Goldware Weingarten Realty (903) 643-3305	1950	60,330 SF	80%	\$10.00/SF	\$2.85/SF	9,681 SF	Steinmart
Off Broadway I 2301 S. Broadway Ave.	Rosebriar	Jo Dobbs Interlink Real Estate (903) 534-9292	1984	44,010 SF	82%	\$14.50/SF	\$3.25/SF	7,922 SF	Gray's Home Fashion, Burger House, MRI Central, Style Salon, Metabolic Research
Southeast Crossing Loop 323 @ Troup Hwy.	Grunhut Properties, LP	Bob Myers Myers Commercial (214) 751-7550	1984	57,631 SF	87%	\$7.00- \$12.00/SF	\$3.40/SF	7,492 SF	Paper Plus, U.S. Post Office, Fat Catz
Westwood Shopping Center West Loop 323 @ Hwy. 31 W	Ruben Martinez	Glenn Eikner Burns Commercial (903) 534-1200	1983	68,000 SF	99%	\$10.00/SF	\$2.20/SF	800 SF	Family Dollar, Blockbuster, Comet Cleaners, Subway
Woodcreek Village 6100 S. Broadway Ave.	Yin Investments, Inc.	Jo Dobbs Interlink Real Estate (903) 534-9292	1986	20,000 SF	89%	\$12.00/SF	N/A	2,000 SF	Where's Rufus
Olde English Village S. Broadway @ Amherst Dr.	Olde English Village, LP	Mark Whatley Burns Commercial (903) 534-1200	1978	79,875 SF	87%	\$7.50- \$10.00/SF	\$2.51/SF	5,578 SF	Lifeway Christian Bookstore, Heartland Ham, International Golf
French Quarter S. Broadway @ Loop 323	Lasaters French Quarter	Terri Lumley Property Manager (903) 561-6644	1976	141,220 SF	100%	\$12.00- \$22.00/SF	\$2.87/SF	0	Pier One Imports, Hancock Fabrics, Baskins
Southpark Center Loop 323 @ Troup Hwy.	Tyler Southpark Center, LP	Walter Northcutt Beer Wells Real Estate (903) 753-2191	1983	146,096 SF	98%	\$14.00/SF	\$3.43/SF	2,922 SF	Albertsons, Bealls
Brookside Village 531 WSW Loop 323	The Genecov Group, Inc.	Mark Whatley Burns Commercial (903) 534-1200	1983	38,169 SF	89%	\$9.00- \$12.00/SF	\$2.69/SF	4,196	Chili's, 360 Fitness
Beckham/Fifth Streets Beckham @ E. Fifth St.	Briarwood Group, Inc.	Martin Heines (903) 593-2367	1965	90,000 SF	100%	\$8.00/SF	\$1.25/SF	0	Big Lots, ETMC

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Beckham/Fifth Streets SW Corner, Beckham & Fifth	Pollard-Heines	Martin Heines (903) 593-2367	1965	32,500 SF	95%	\$9.00- \$10.00/SF	\$1.20/SF	1,500 SF	Misc. small retail
Broadway Market Center Broadway @ Rice Rd.	Broadway Market Center Assoc., Ltd.	Art Mullan Signature Management (903) 579-0722	2001	94,000 SF	64%	\$23.75/SF	\$4.80/SF	33,840 SF	Ross Dress For Less, Starbucks
Lone Star Center 2500 Blk., E. Fifth St.	The Genecov Group, Inc.	Glenn Eikner Mark Whatley Burns Commercial (903) 534-1200	1960	25,567 SF	86%	\$8.00/SF	\$1.50/SF	1,800/SF	Sid's EZ Pawn, Kelly Credit Union Hand Me Ups
Fifth & Fleishel E. Fifth @ Fleishel Ave.	The Genecov Group, Inc.	Glenn Eikner Mark Whatley Burns Commercial (903) 534-1200	1960	24,046 SF	65%	\$8.00/SF	\$1.57/SF	5,000 SF	Payless Shoe Source, Jackson-Hewitt Tax Service
Tyler Town Center 322 ESE Loop 323	Town Center Retail, LLC	Blair Swaim Burns Commercial (903) 534-1200	1985	45,313 SF	95%	\$11.00- \$13.00/SF	\$2.99/SF	2,030 SF	Tuesday Morning, Cotton Patch Cafe
Broadway Crossing 5600 S. Broadway Ave.	Broadway Crossing, Ltd.	Art Mullan Signature Management (903) 579-0722	1992	135,151 SF	73%	\$12.00/SF	\$2.15/SF	37,000 SF	Drug Emporium, Marshalls, Lowe's Best Buy, Petsmart, Shoe Carnival
Pavillion Center 4900 S. Broadway Ave.	Reiff & Gevertz	Art Mullan Signature Management (903) 579-0722	1994	30,670 SF	100%	\$20.00/SF	\$2.61/SF	0	Barnes & Noble, CVS
Gateway Center 5325 S. Broadway Ave.	The Genecov Group, Inc.	Mark Whatley Burns Commercial (903) 534-1200	1999	42,900 SF	100%	\$13.00/SF	\$3.15/SF	0	Office Max, Racquet & Jog
Green Acres Shopping Center 1817 Troup Hwy.	The Genecov Group, Inc.	Glenn Eikner Mark Whatley Burns Commercial (903) 534-1200	1950	158,524 SF	84%	\$7.00- \$12.00/SF	\$1.81/SF	6,450 SF	Dollar General, Sav-On, Lack's, Sherwin-Williams

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Sunset Plaza 1909 ESE Loop 323	The Genecov Group, Inc.	Mark Whatley Burns Commercial (903) 534-1200	1992	108,300 SF	100%	\$7.00/SF	\$1.90/SF	0	Hobby Lobby, Ace Hardware
Pine Tree Shopping Center Hwy. 64 West	Pine Tree Assoc.	Art Mullan Signature Management (903) 579-0722	2004	19,160 SF	84%	\$14.00/SF	\$4.00/SF	2,000 SF	Catos
Tanglewood West 1925-1945 SSE Loop 323	The Genecov Group, Inc.	Glenn Eikner Mark Whatley Burns Commercial (903) 534-1200	2004	6,000 SF	100%	\$12.00/SF	\$3.06/SF	0	Subway, KETK, Ace Cash Express
Tyler Corners 3825-3877 Hwy. 64 W	First Guardian Group	Andy Bergfeld Bergfeld Realty (903) 592-1032	2004	32,196 SF	88%	\$13.00/SF	\$3.65/SF	2,400 SF	Dollar Tree, EB Games, It's Fashion, El Quatro
Shoppes on Broadway 6450 S. Broadway Ave.	Tenants in Common	Don Carroll Landbridge Commercial (903) 561-9527	2005	13,500 SF	100%	\$23.16/SF	\$7.36/SF	0	Hollywood Video, Verizon Wireless, Citizen's Nat'l Bank, Papa Murphy's, Solar Nail Spa
Highland Village Shopping Center 3826 Troup Hwy.	C.G. Investments	Greg Caton Caton Property Group (903) 939-9849	2000	46,650 SF	100%	\$12.00/SF	\$1.87/SF	0	Card & Party, Dollar Tree, It's Fashion, Anytime Fitness
Southland Plaza 631, 701-755 S. Beckham Ave.	The Genecov Group, Inc.	Glenn Eikner Mark Whatley Burns Commercial (903) 534-1200	1965	22,054 SF	100%	\$8.50- \$10.00/SF	\$1.98/SF	0	Papa John's, Schlotzsky's, Zeta Home Health
Macy's II 4820 S. Broadway Ave.	The Genecov Group, Inc.	Mark Whatley Burns Commercial (903) 534-1200	1978	63,399 SF	100%	\$11.00/SF	\$2.63/SF	0	Bed Bath & Beyond, Room Store
Westside Center 400-424 SSW Loop 323	Iowa Falls Partners	Burns Commercial (903) 534-1200	2007	5,382 SF	100%	\$20.00/SF	\$4.25/SF	0	Subway, Federal Cash Advance

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Cumberland Pass 924 S. Broadway Ave.	Iowa Falls Partners	Mark Whatley Burns Commercial (903) 534-1200	2007	16,642 SF	82%	\$20.00/SF	\$4.75/SF	3,000 SF	The Diner, L.A. Boxing
Shiloh Crossing 3101 Shiloh Rd.	Tyler Shiloh Center, Ltd	Don Simmons Simmons Real Estate (903) 581-5858	2007	13,662 SF	81%	\$17.50/SF	\$5.00/SF	2,575 SF	Cato, Payless Shoe Source, Cash Store Wireless to Go
Broadway Commons 8288 S. Broadway		Don Carroll Landbridge Commercial (903) 561-9527	2008	16,000 SF	20%	\$22.00/SF	\$7.01/SF	6,400 SF	Trinity Mother Francis Health Care, El Lugar
Shoppes at Old Bullard 5825-5875 Old Bullard Rd.		Don Carroll Landbridge Commercial (903) 561-9527	2006	14,040 SF	92%	\$17.00/SF	\$4.75/SF	1,170 SF	Sonoma Grill, American State Bank
Newk's Center 3985 Old Jacksonville Rd.		David Theriot Omni Real Estate (903) 581-7777	2008	10,090 SF	45%	\$17.00/SF	\$5.00/SF	5,600 SF	Newk's Restaurant
Edwin Watts Center 402 WSW Loop 323	Watts Investments	Blair Swaim Burns Commercial (903) 534-1200		12,079 SF	78%	\$14.50/SF	\$2.80/SF	1,753 SF	Edwin Watts Golf, In The Wind
Troup Square 3707 Troup Hwy.	Terry Cook, etal	Burns Commercial (903) 534-1200	2008	13,330 SF	100%	\$21.00/SF	\$4.92/SF	0	Café Frontera, Sprint
The Shops at Shiloh Road Troup Hwy. @ Rhones Quarter	BCTS Partners	Matthew Marshall Landbridge Commercial (903) 561-9527	2008	15,350 SF	0%	\$19.00/SF	N/A	8,500/SF	
Totals:				2,444,754 SF	89%	\$13.34/SF (Average)		263,559 SF (Total Available)	