

THE BOTTOM LINE

BY DONNA MITCHELL

MARKET SCANNER

Retail properties accounted for 31.5 percent of a \$721.5 million commercial-mortgage-backed securitization by GMAC Commercial Mortgage Securities. Two retail property mortgages were among

the deal's five largest. Those were a \$37.3 million loan on the 353,578-square-foot Johnstown (Pa.) Galleria and a \$35 million loan on the 1.8 million-square-foot Tysons Corner Center, McLean, Va.

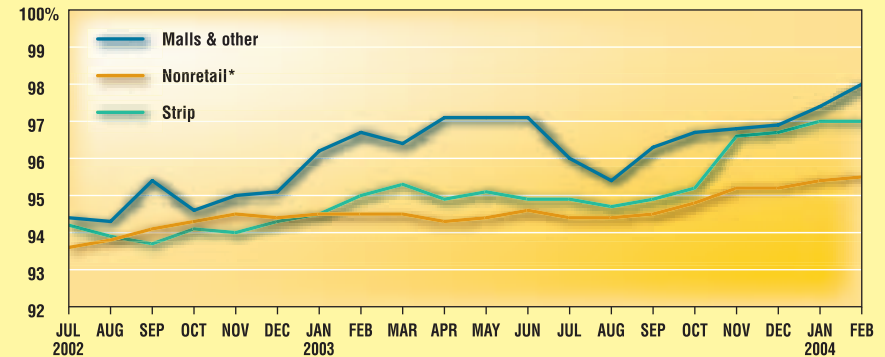
Where the boys (and girls) are

Retailer type	Teen patronage
Mass merchandiser	83%
Supermarket/food store	82%
Regional mall	73%
Convenience store	68%
Video store	62%
Department store	56%
Chain clothing store	55%
Electronics store	47%
Music store	43%
Athletic store	42%

Malls are a definite hit with teen-agers, but other kinds of retailers have claims on their attention too, according to a nationwide survey of 2,000 youngsters that Teenage Research Unlimited conducted in 2003. Here is a breakdown of where U.S. teen-agers reported they had shopped over the 30 days preceding the survey.

Source: Teenage Research Unlimited

Retail property buyers paying up

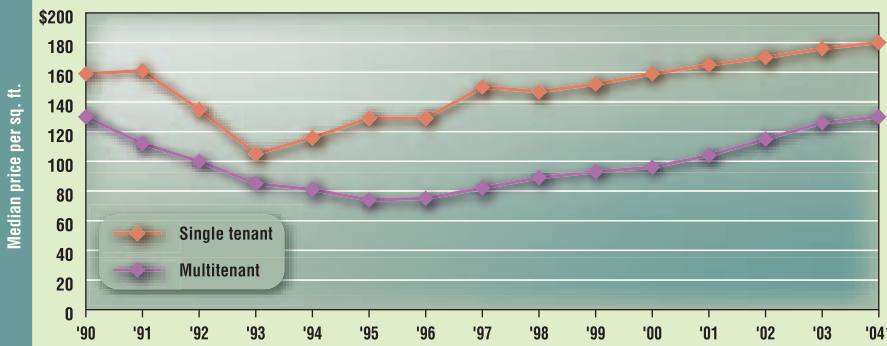


* Office, apartment, industrial, etc.

Buyers are paying close to the asking prices for retail properties. On average, regional malls are fetching 98 percent of the asking price, up from 96.7 percent a year ago. Strip center transactions, meanwhile, are garnering an average of 97 percent of the asking price, up from 95 percent a year ago.

Source: Real Capital Analytics

Tenant transaction trends

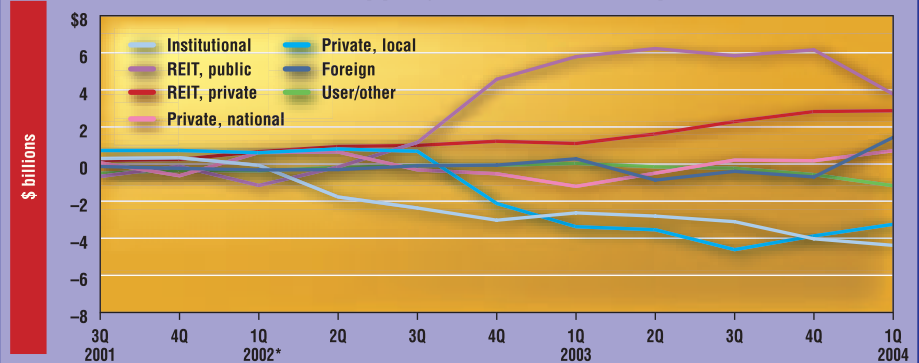


* Projected through the end of the year.

Single-tenant net-lease properties continue to benefit from low interest rates and the flight-to-quality investors who seek a haven from the turbulence of the equities market. Their multitenant cousins, meanwhile, haven't done any too shabbily either, observers say. They may do even better if bolder investors turn from the single-tenant assets to the higher-risk, higher-yield multitenant side.

Source: Marcus & Millichap Research Services; CoStar Group Inc.

Shopping center ownership



* Excludes Rodamco portfolio.

As retail real estate properties have gotten more expensive over the past year, public and private REITs emerged as the biggest net buyers of the assets. Conversely, institutions, local developers and private investors became the most conspicuous sellers. Among those, private-local operators have been disposing of the properties the most rigorously.

Source: Real Capital Analytics