

RETAIL VACANCY RATE HOLDS STEADY IN KC

BY JOYCE SMITH



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Kansas City's overall retail vacancy rate remained at 8.3 percent at the end of 2007, according to a report from Lane4 Property Group Inc.

Average lease prices dropped by about 2 percent.

But the 2008 Kansas City Retail Report, a survey of area shopping centers larger than 50,000 square feet, primarily looks forward.

The big retail news for this year is that retailers Staples, Sports Authority and Von Maur are expected to join the Kansas City market.

"We try to include things that will be interesting to someone trying to understand retail in Kansas City," said Owen Buckley, president of Lane4.

"Kansas City as a whole is probably traditionally stronger than other markets. We have a lot of shopping center developers who are based here, and Kansas City has done a good job of not overbuilding."

Report highlights by area:

- Northland: Zona Rosa is constructing its second phase, which will include Dillard's and Old Navy; and Tiffany Springs MarketCenter is under construction and will be anchored by Best Buy, Home Depot, J.C. Penney, PetSmart, Sports Authority and Target when it opens this year.
- Central Kansas City: The Kansas City Power & Light District is expected to have its grand opening events starting in March with more tenants opening in the next few weeks.
- South Kansas City: Lane4 redevelopment plans for the former Bannister Mall include more than 600,000 square feet of retail to open in 2010.
- Eastern Jackson County: Best Buy, Lowe's, Target and others will join Home Depot and Wal-Mart in 2009.

The Falls, at Interstate 70 and Interstate 470 in Independence, is expected to open this year and be anchored by Bass Pro Shops.

•Lee's Summit, Raymore, Belton: Summit Fair, Lee's Summit's first outdoor lifestyle center, is expected to open in 2009 with J.C. Penney and Macy's.

Raymore Galleria and Belton Marketplace also have added to the retail mix.

•Southern Johnson County: Corbin Park, a 1.1-million-square-foot regional center scheduled to open this year, will feature a high-end movie theater and boutique hotel, along with Sports Authority and Von Maur.

Cedarwood Development in Lenexa is marketing a center anchored by Lowe's and Target scheduled to open in 2010.

•Northern Johnson County: The Metcalf South Shopping Center redevelopment is scheduled to open in 2011, possibly with Macy's and Sears.

Grading has been completed at the site of the former Mission Center mall for a new center, The Gateway, a 700,000-square-foot mixed-use destination scheduled to open in 2009.

•Wyandotte County/Kansas City, Kan.: The story continues to unfold around The Legends at Village West, near Interstate 70 and Interstate 435. The second phase was completed in 2007 with the addition of J.C. Penney and Target. Nearby First National Development's 800,000-square-foot center is moving forward with a lineup of major big-box retailers.

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