

# RETAIL TRAFFIC™

Where real estate, retail and development meet



## MIXED-USE

More than child's play

Creating profitable mixed-use projects takes more than slapping together different property types. From incorporating new and unusual uses to retail condos to new design strategies to integrating mass transit, mixed-use properties are growing up. p.22





## Getting a Dell Plant

The Winston-Salem/Greensboro/High Point region is expecting a wave of growth as employment centers come on line. Most prominently, the region is getting a new \$500-million Dell Computer plant and a \$300-million Federal Express sorting facility. All that is expected to grow the region's population from its current base of 600,000 residents.



## Western Frontier

Asheville sees a retail renaissance as Boomers descend.

Asheville, N.C., a city of nearly 75,000 nestled in the foothills of the Smoky Mountains, has long been known as an eclectic spot. The city is home to several small universities and has built up a culture mixing college students, recent graduates and outdoors types drawn by the region's natural attractions. Now they're being joined by a new wave as affluent Baby Boomers retire. An American Association of Retired People survey ranked the city as the seventh most popular retirement destination in the country.

"People come here for the mountains and quality of life. They visit and never leave," says Kenny Jackson, senior advisor in Asheville for Sperry Van Ness, noting that the city's population is expected to double by 2025.

As Boomers enter the market either by relocating or buying a second or third home there, the region's demographics are changing dramatically and the cost of housing is rising, says Jackson. While the median price of a home is still under \$200,000 in most North Carolina cities, the median home price in Asheville is now \$250,000, and locals are being priced out of the market.

"The sophistication of the Carolina markets is moving retail to the next level because of the migration," says Hill Partners President Robert H. Spratt.

"Consumers are pushing for the better quality goods and restaurants, because they no longer want to travel to Washington D.C., New York, Chicago or Dallas [to shop]. They want it in their own backyard," he says.

Already the primary shopping district for a region of 400,000 people, Asheville is also getting two new Wal-Mart Superstores. Target is coming into the market. Also, it got its first two Old Navy stores this past year.

The downtown market also is hot, says Jackson.

"There's a thriving community of restaurants, residential condos and nightlife going on," he says. "New buildings are coming out of the ground, and there's 10 to 12 projects on the books." Noting there's no land available, he adds, developers are buying older buildings and doing adaptive mixed-use conversions.

Additionally, the region is getting its first taste of urban mixed-use developments, notes Jackson. This includes Gerber Village, a 500,000-square-foot project with retail, office and residential components, and Crosland's Biltmore Park Town Square, with 150,000 square feet of retail, 150,000 square feet of office space and 300 residential units.

Hill Partners is also building a \$20-million, mixed-use development with 35,000 square feet of retail on the ground floor and 35,000 square feet of office space above. The project is adjacent to a quaint 1890s planned village with 30 shops and 10 eateries at the entrance to the historic 8,000-acre Biltmore Estate. The Vanderbilt family's 250-room Smoky Mountain chateau, the largest non-castle in the world, is the region's top tourist attraction.

—Patricia L. Kirk