



NAI Utah
Southern Region
Commercial Real Estate Service, Worldwide.

4th Quarter 2012 Market Report

A Quarterly Newsletter & Report on Commercial Real Estate in Southern Utah



Duck Creek Lodging
7,359 SF

SOLD Q4



Classic Building
7,016 SF

SOLD Q4



Lake Powell Resort
56,300 SF

SOLD Q4



Hardy Way Building
6,133 SF

SOLD Q4



Stott Farms
32 AC

SOLD Q4



Duck Creek Restaurant
1,977 SF

SOLD Q4

2012 Q4

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Area Market Activity



Freddy's Frozen Custard & Steakburgers

Construction of the 60th location for a Freddy's Frozen Custard and Steakburger franchise was announced this week. Ground breaking will take place later this month in Southern Utah. The announcement by franchise partner Jeff Perkins said the popular, quick-service concept of a free-standing restaurant with drive-thru service will be located near I-15 at Green Springs Drive, in Festival Plaza, near Costco. The franchise group plans for additional locations in Utah in the future. Perkins, originally from the St. George area, said he believes Southern Utah is a good match for Freddy's.



C-A-L Ranch St George

C-A-L Ranch has opened and shoppers filled the aisles during the holiday shopping season. C-A-L Ranch Stores was founded in 1959 in Idaho Falls, Idaho, and is an agricultural and outdoor retailer with currently 18 stores in Idaho, Utah, Nevada and Arizona. C-A-L Ranch Stores offer a mix of ranch and farm supplies, hard goods and soft goods targeted at the agriculturally-oriented customer. C-A-L Ranch Stores also offers products to the non-agricultural customers who come to the stores for their general merchandise needs as well as sporting goods, clothing, footwear, electrical, plumbing and hardware.



Family Dollar Facility

Construction is continuing on the Family Dollar Stores 800,000 SF, \$80 million distribution facility in the Ft. Pierce Industrial Park in Washington County.



Chick-Fil-A

Chick-Fil-A is nearing completion of its new location at Red Rock Commons. The St. George store will be the sixteenth location in Utah. The Mattress Firm is also nearing completion of its new location in front of Dick's Sporting Goods.



Wilson Electronics

Wilson Electronics is increasing their facility with a 10,000 SF expansion project in the Mill Creek Industrial Park. Wilson pioneered cellular handset signal enhancement and has consistently led the industry in performance standards.



Rich Electric

Rich Electric has completed its new building at 831 N 1080 E in the St George Industrial Park. Rich Electric specializes in all electrical associated with commercial and residential construction.



Boyer Land Purchase

Boyer Company may option to purchase more than 23 acres of city-owned land near the Dixie Center for \$7.85 million. If exercised, the option to build what is described as a hotel-entertainment complex, would be one of the biggest land deals in St. George history.



IHC Expansion

IHC is expanding their River Road Instacare facility with a new 10,000 SF addition. IHC is the largest healthcare provider in Southern Utah.



Apollo Burger

Utah-based Apollo Burger, a char-broiled burger fast food restaurant chain started in 1984, is coming to St. George. Construction is continuing on a new Apollo Burger Restaurant at 245 North Red Cliffs Drive, Suite 21.



VA Center

Construction is continuing at a steady pace on the \$17 million Southern Utah Veterans Home project in Ivins. The facility will provide a staffed nursing home for retired military personnel.

2013 Real Estate Fundamentals Look Strong

There was a tremendous flurry of activity at the end of the year as business owners, property owners, and investors worked to get repositioned in anticipation of higher tax rates. Concerns remain about how the economy will be impacted in 2013 by the fiscal cliff negotiations and the implementation of Dodd-Frank and the Affordable Care Act. Although these policies may impact growth rates, we expect to see growth in Washington County in 2013.

Commercial real estate market fundamentals are strong in Washington County. Our local economy is significantly impacted by what is happening in the housing sector. Until recently, the recovery has moved forward in spite of lagging residential real estate markets. Over the past 18 months, residential real estate turned the corner and is now a significant contributor to our local and national economy. The significant change is driven by demographics.

Demand is very strong for housing. Our population locally and nationally continued to grow through the recession, although at a slower rate. College graduates and newlyweds were only willing to live with their parents for so long. They are now living in apartments or have been converted to first time home buyers. In addition, large numbers of second home buyers who thought prices had increased in 2005-2009 to the point where a second home was unaffordable are now realizing the good deals are gone and they are buying.

The result of this increase in demand is that the number of homes for sale is falling, discounts are shrinking, and prices are rising (see inset charts). New construction is up 50% year-over-year, and buyers are finding it very difficult to find a bank owned property or short sale that isn't under contract, let alone buy one.

Residential Housing Stats	Oct-10	Monthly Trend	Oct-12
Listings in the MLS	2,732		1,776
Discount to Sale Price	8.8%		4.6%
Price Change*	-13.8%		9.9%
Sales Volume	252		272

* 3 month rolling average. Source: Utah Association of Realtors

This new activity is generating income in construction, mortgage, title, brokerage, and other related fields that have struggled significantly over the past four years. The natural impact of the recovery in the residential housing market is additional disposable income and new investment. This growth is catching many by surprise. Commercial markets are benefiting as deals are becoming harder to find, vacancies are falling, and lease rates are firming up. We expect our local economy to continue to strengthen through 2013 with the commercial markets following the accelerating residential trends.

Mark Walter
Managing Broker

Neil Walter
Managing Director

NAI in the News

Last Quarter **NAI**
Assisted These **Clients**
With Their Transactions



Color Country Community Housing

In October, Color Country Community Housing, a local non-profit developer, closed on approximately 2.5 acres at the bottom of 400 East, across from the Meadows Assisted Living Center. They are investing over \$6 million in developing a project called the Village at Heritage Court. It will consist of 56 units that will significantly enhance the affordable housing options for seniors in the St. George area. This will be the first project of its kind in Southern Utah and will be a beautiful architectural addition to the multifamily market. St. George City, Utah Housing Corporation, Zions Bank, the Olene Walker Housing Loan Fund, and the Seller each played an integral role in the process that culminated in the Village at Heritage Court. Neil Walter, with NAI Utah Southern Region, represented both Color Country Community Housing and the Seller, Grandview Mobile Home Estates, in the transaction.

Color Country Community Housing is a non-profit housing developer based in St. George that specializes in developing affordable housing options. They have a vision of eliminating homelessness in their service area by providing safe, decent affordable housing opportunities for all who are in need. For more information about Heritage Court or Color Country Community Housing, please call 435 673 3131 or visit their office at 139 North 100 West, St. George, UT 84770. Their website is www.ccchi.net.



28,000+ SF Former Government Office Buildings Sold to Investment Group

After sitting vacant for nearly a year and going through foreclosure, three buildings that formerly housed the Driver License Division and the Division of Child and Family Services changed hands just before Thanksgiving. An investment group purchased two of the buildings, and Patriot Mortgage, a local mortgage company specializing in refinancing homes, purchased the third building. Patriot Mortgage has occupied the 377B building since August, and they continue to add employees as interest rates remain at historic lows. Neil Walter, Managing Director at NAI Utah Southern Region who represented the seller, Wells Fargo, said "This is another indication of our strengthening commercial real estate market. Even though office has lagged retail and industrial in the recovery, the office sector continues to see absorption and demand for space continues to improve. We expect to see vacancy rates to fall and asset values to rise in 2013."



Cumming Construction Opens New Corporate Office

Brandon Vandermyde, of NAI Utah Southern Region, represented Cumming Construction in the acquisition of an office/warehouse building at 1483 E 3850 S, in Ft. Pierce Industrial Park. Cumming Construction has been in business for over 28 years, under the direction and ownership of Steven Cumming. They have completed several commercial construction projects throughout the United States including California, Oregon, Washington, Nevada, Colorado, Arizona, Virginia, and Hawaii. They have completed projects such as health clubs, restaurants, hotels/motels, and department stores. They have worked with several well-known organizations such as 24 Hour Fitness, TJ-Maxx Homegoods, Burger King, Taco Bell, Taco Time, Dairy Queen, Mr. Steak, and Boston Markets.



Agrello's Dancing into Astin Mele Center

Agrello Dance and Fitness is coming to St. George. Relocating from Las Vegas, Agrello Dance and Fitness signed a lease at the Astin Mele Center located at 1025 E Tabernacle. Agrello Dance and Fitness offers a unique combination of world-class ballroom dancing instruction, acclaimed competitive Dancesport training along with accredited fitness/nutritional education.

Agrello Dance and Fitness, owned by Giacomo and Debra Agrello, is family owned and operated. Born in Gallarate, Italy, Giacomo started dancing in 1987. From a beginner, through the ranks of amateur, and into the levels of professional and pro-Am, Giacomo's international career spans all levels of ballroom dance with successful results across the board. Debra grew up as a competitive gymnast, giving her early exposure to the very distinct and demanding needs of an athlete. Jason Griffith and Meeja McAllister, of NAI Utah South, represented Agrello Dance and Fitness; Brandon Vandermyde of NAI represented the landlord.



Rockwell Disaster Cleaning Up

Rockwell Disaster Cleanup is a full-service disaster restoration company serving Northern Utah, Idaho, Wyoming, and now St George, UT. With their new location next to Kwal-Howells Paint on Sunset Blvd, Rockwell will continue its legacy of putting people and quality first. Rockwell has over 20 years experience in total restoration of flood, fire, smoke, wind, mold, odors, trauma cleanup, asbestos removal and decontamination. Rockwell works with all insurance companies and their staff is trained in every aspect of restoration so they can complete each job in a fast and satisfactory manner. Jon Walter with NAI Utah South represented the Landlord in the transaction.



New Pharmacy in Santa Clara

The Shoppes at Santa Clara is excited to announce its most recent tenant, Fusion Specialty Pharmacy. They will occupy the end unit nearest to Anytime Fitness and are in the process of completing their tenant improvements. After receiving all of their regulatory approvals, they will begin servicing clients who require compounding and related specialty pharmacy services. It is anticipated they will open for business in the Spring. Neil Walter, of NAI Utah Southern Region, represented both the landlord and tenant in the transaction.

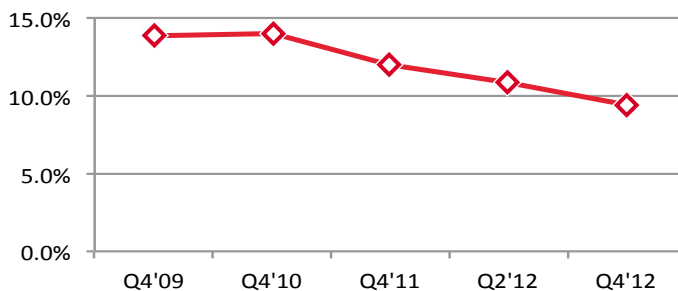
Industrial

2012 4th Quarter | Washington County

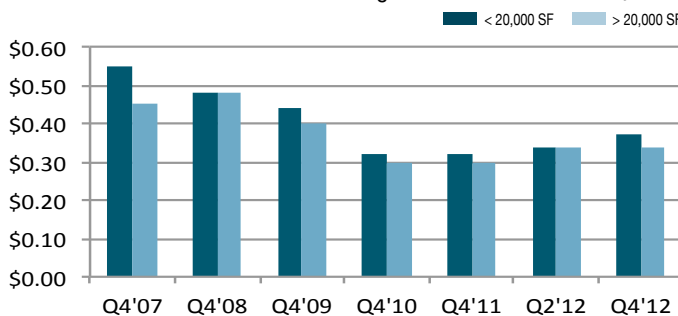


Asking Lease Rates (NNN)	< 20K SF	> 20K SF
Low	\$0.30	\$0.25
High	\$0.55	\$0.42
Average	\$0.37	\$0.34
Total Vacancy		
		9.4%
2011 Ending Inventory		8,300,000
Built Year To Date		6,000
2012 Ending Inventory		8,306,000
Land Value per SF		\$2-3
CAP Rates		7.5-9%
Under Construction		830,000

Industrial Vacancy Rates By Quarter



Asking Industrial Lease Rates By Quarter



Industrial Vacancy 2009 - 2012	Q4'09	Chart	Q4'12
All	13.9%		9.4%
Ft Pierce	17.4%		11.9%
MillCreek	17.1%		14.1%
Rio Virgin	41.4%		5.8%
STG	12.1%		8.4%
Gateway	5.5%		5.6%

Transactions Q4

Industrial - Lease	SF	Agent(s)
R&R Industrial Center, PH 2	4,600	Jason & Meeja
Office/Retail Warehouse	20,081	Wes
Fairgrounds Industrial Park, Lot 38	1,755	Jason & Meeja
River Park	2,347	Brandon
HED	4,607	Jason & Meeja, Brandon
River Park	3,717	Jason & Meeja, Brandon, Wes
Riverside Drive Retail/Warehouse	2,750	Jason & Meeja
River Park	1,816	Jason & Meeja, Brandon, Curren
Nice, Clean Office/Wrks in Rio Virgin	9,042	Curren
320 East Project	3,906	Jason & Meeja, Wes
Industrial - Sale	SF	Agent(s)
Cedar Industrial Building	26,000	The Walter Group
Green Valley Cabinets	50,000	Wes, Curren
Industrial Building in Gateway	13,440	Brandon & Jon
Classic Builders	7,016	Brandon
Highway Commercial & Industrial Uses	4 AC	Wes
Industrial Acreage	2.61 AC	Curren

Review

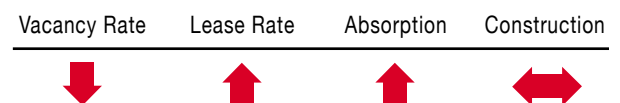
The industrial market continues to improve on all fronts. The total vacancy rate fell to 9.4% and asking lease rates increased 10-15%. Tenants are finding that Landlords are no longer distressed and are less willing to rent space at giveaway rates. Tenants seeking space under 5,000 SF are finding it increasingly hard to find the right configuration in many locations. Additionally, there are few buildings available over 50,000 SF. The majority of the vacant space is between 10,000 and 25,000 SF.

While there were extremely few industrial land sales in 2011, several occurred in 2012. At least three sales occurred in the Gateway Industrial Park, from 1-4 acres, in addition to sales in the St. George and Fort Pierce Industrial Parks. Rich Electric finished its building in the St. George Industrial Park, Wilson Electronics is under construction on a 10,000 SF expansion in the Mill Creek Industrial Park, and Family Dollar is moving at a rapid pace on its 800,000+ SF distribution facility in Fort Pierce.

Outlook

With improving lease rates and declining vacancy rates, some have asked if demand from tenants warrants new spec construction for small industrial space. Although lease rates are improving, they are still low relative to construction costs, making the economics of new construction questionable for most investors. This being said, there are many industrial projects that were approved in the boom but never built. Investors may decide to take advantage of construction costs by building in 2013 and hoping for advantageous market conditions in 2014. Virtually all new construction in recent years has been for owner-users, and it is anticipated that the construction in 2013 will also be dominated by similar users.

Market Trend



Industrial Units • SOLD Q4



50,000 SF Office / Warehouse



13,440 SF Industrial Building

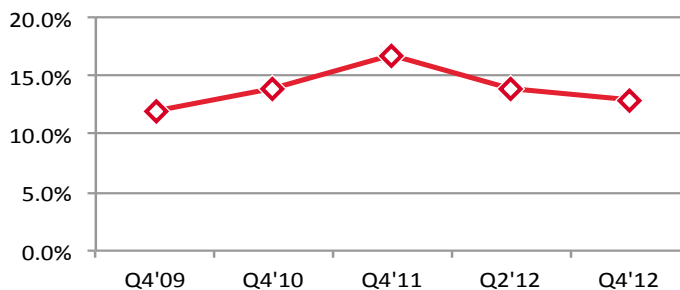
Office

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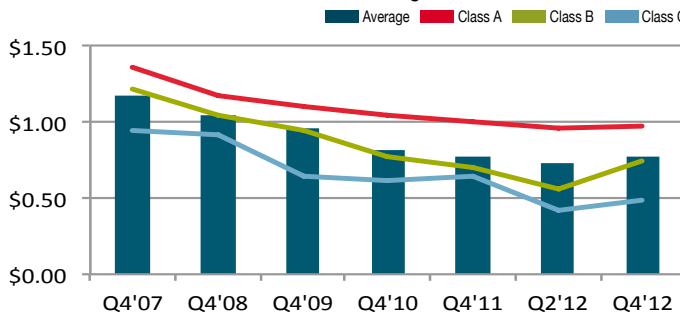


Asking Lease Rates (NNN)	Class A	Class B	Class C
Low	\$0.70	\$0.50	\$0.40
High	\$1.15	\$1.00	\$0.62
Average	\$0.98	\$0.74	\$0.48
Vacancy	9.5%	15.4%	11.6%
Total Vacancy			
			13.0%
2011 Ending Inventory			3,278,000
Built Year To Date			32,000
2012 Ending Inventory			3,310,000
Land Value per SF			\$6-10
CAP Rates			7-9%
Under Construction			-

Office Vacancy Rates By Quarter



Asking Office Lease Rates By Quarter



Office Vacancy 2009 - 2012	Q4'09	Chart	Q4'12
Office	12.0%		13.0%
A	9.6%		9.5%
B	16.5%		15.4%
C	11.6%		11.6%
CBD	12.5%		15.8%
Downtown	9.5%		9.8%
Suburban	22.9%		21.5%
Medical	0.2%		3.4%

Transactions Q4

Office - Lease	SF	Agent(s)
Highly Visible Office at Signalized Corner	633	Curren, Roger
Red Cliffs Professional Park	2,876	Jason & Meeja, Chappell, Roger
Central Business District	2,138	Wes
Dental or Medical Office Space	950	Ryan
Office Condo on Bluff Street	800	Curren
Executive Suites	185	Roger
State Street Office Building	1,186	Curren
Sunland	1,402	Jason & Meeja
94 S Mall	2,434	Jason & Meeja
St George Blvd	2,722	Jason & Meeja
Sun Valley Office Bldg	1,497	Jason & Meeja
Office - Sale	SF	Agent(s)
Large Office Buildings for Sale	28,364	The Walter Group
Hardy Way Office Building	6,133	The Walter Group, Wes

Review

The office market vacancy declined to 13.0% at year end. Class C recognized the greatest improvement in vacancy with a decline from 14.4% to 11.6%. The vacancy rate for Class B space declined slightly while the rate for Class A improved to 9.5%. The office market vacancy been the slowest to recover. Asking lease rates improved for Class B and C space while Class A rates remain mostly unchanged.

Nearly half of the space on the market is Class B space and the supply still exceeds the demand. Most space configurations are for 1,000 to 2,000 SF and tenants have many options to choose from. Suburban office space remains the most difficult to lease, while vacancy for medical office space remains low at only 3.4%.

2012 office construction included the Dr Joseph D. Te Medical building near the Dinosaur Museum, Red Sands Realty on Tabernacle, and the Anderson Detox building off Blackridge Dr. IHC is under construction on a 10,000 SF addition to its River Road Clinic.

Outlook

We expect the office market to continue to slowly improve. Tenants have shown a preference for inexpensive space in central locations. Well located space in like-new condition that is competitively priced will lease, while vacancies will remain high for less desirable and more expensive space. Business owners who are able to take advantage of attractive financing and low costs will continue to consider new construction. No speculative office construction is anticipated in 2013.

Market Trend

Vacancy Rate Lease Rate Absorption Construction



Office Space • SOLD Q4



28,364 SF Office Building



6,016 SF Head Start Building

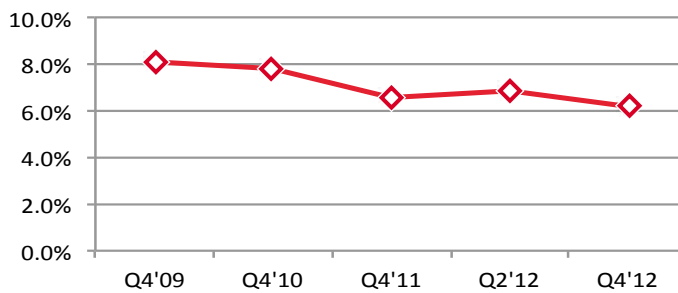
Retail

2012 4th Quarter | Washington County

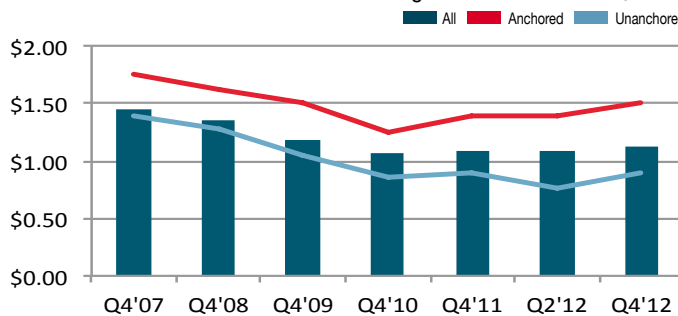


Asking Lease Rates (NNN)	Anchor	No Anchor
Low	\$1.00	\$0.50
High	\$2.00	\$1.10
Average	\$1.50	\$0.90
Vacancy	5.0%	10.6%
Total Vacancy		6.2%
2011 Ending Inventory		6,175,000
Built Year To date		43,000
2012 Ending Inventory		6,218,000
Land Value per SF		\$8-16
CAP Rates		7-8%
Under Construction		14,000

Retail Vacancy Rates By Quarter



Asking Retail Lease Rates By Quarter



Retail Vacancy 2009 - 2012	Q4'09	Chart	Q4'12
Retail	7.8%		6.2%
Anchored	3.9%		5.0%
Unanchored	14.6%		10.6%
Free Standing	11.8%		3.3%

Transactions Q4

Retail - Lease	SF	Agent(s)
Paula's To Go	1,667	Curren
Southland Retail Building	2,500	The Walter Group, Jason & Meeja
Dinosaur Crossing	2,090	The Walter Group, Chappell Team
Blvd Commons Retail Space	780	Ryan, Brandon
Rio Plaza	1,270	Jason & Meeja
Retail/Office Just Off Sunset	1,250	Jason & Meeja
Horizon Plaza II	2,448	The Walter Group
Retail Buildings	4,000	The Walter Group & Abraham
Retail Buildings	1,000	The Walter Group & Abraham
Astin Mele Retail Center	3,046	Jason & Meeja, Brandon
Freeway Interchange Property	1.6 AC	The Walter Group
31.96 Acres in Fillmore	31.96 AC	The Walter Group
Investment - Sale	SF	Agent(s)
Falcon's Nest Lodge	7,359	Curren
Falcon's Nest Restaurant	1,977	Curren
Riverside Townhomes (Four Units)	6,656	The Walter Group
Lake Powell Resort	56,300	Chappell Team

Review

The retail market was extremely active in 2012. Vacancy rates declined, lease rates increased, and retailers continued to enter the market. While the majority of interest has been centered around high traffic retail locations, many of the unanchored centers are now realizing some benefit from the improving retail market.

Some of the recent retail activity is as follows: C-A-L Ranch opened in the former Tai Pan Trading building, and Tai Pan is scheduled to move to the former Old Navy location on exit 8. Dairy Queen is under construction on its new location next to State Bank in Hurricane, Freddy's Frozen Custard & Steakburgers is building in front of Festival Plaza, and Mattress Firm and Chick-Fil-A are under construction in new locations on pads at Red Rock Commons. Durango's and Krave recently finished their new building in front of the Cinema 8 in Hurricane, Swig purchased and is renovating a location on the Boulevard, and Apollo Burger is opening off of exit 8. St George City granted Boyer Company the option to purchase 23 acres of land near the Dixie Center to build what is described as a hotel-entertainment complex. They have until April to determine if they will move forward.

While there are many announcements of expansions, there are also unfilled gaps left to relocations, downsizing and closures. Joann's relocation to Washington left a mid-box location on Bluff Street available. Office Max recently announced the year end closing of its Washington location, and Big Lots is also closing after the year end.

Outlook

It is yet to be seen how national retailers will respond to the recent election and upcoming changes in corporate tax rates. If they occur, Retail closures are almost always postponed until after the Christmas shopping season. Retail expansion is closely tied to national economic conditions and corporate confidence in the future economy. Retail announcements in January will be a good indicator of how the market will fair in 2013.

Market Trend

Vacancy Rate Lease Rate Absorption Construction



Retail Buildings • SOLD or LEASED Q4



56,300 SF Lake Powell Resort



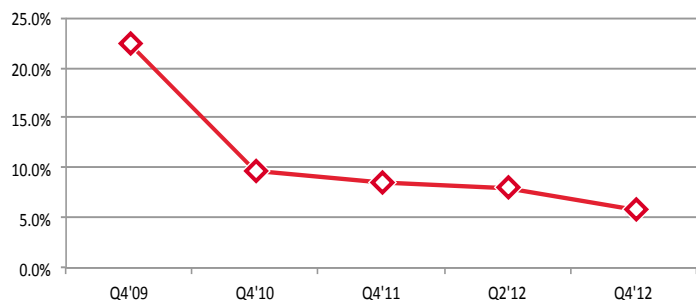
3,046 SF Astin Mele Space

Multi-Family

2012 4th Quarter | Washington County



Apartment Vacancy Rates By Quarter



Vacancy	Q4'09	Chart	Q4'12
1 Bed 1 Bath	7.4%		2.0%
2 Bed 1 Bath	23.1%		5.0%
2 Bad 2 Bath	30.0%		8.4%
3 Bed 2 Bath	20.8%		3.6%
Average	22.5%		5.8%

Rent	Q4'09	Chart	Q4'12
1 Bed 1 Bath	\$549		\$572
2 Bed 1 Bath	\$635		\$635
2 Bad 2 Bath	\$664		\$713
3 Bed 2 Bath	\$827		\$868
Average	\$648		\$680

Rent/SF	Q4'09	Chart	Q4'12
1 Bed 1 Bath	\$0.86		\$0.88
2 Bed 1 Bath	\$0.65		\$0.65
2 Bad 2 Bath	\$0.65		\$0.70
3 Bed 2 Bath	\$0.64		\$0.67
Average	\$0.68		\$0.70

Review

Like the national trend, the local multifamily market is arguably the strongest sector in investment real estate. Vacancy rates continue to tighten, lease rates are inching up, and investment buyers are having a hard time finding sellers that are willing to part with multifamily assets.

The vacancy rate declined from 8% to 5.8% from six months ago. The improvement reflects a dramatic recovery from the 23% vacancy in 2009. While lease rates haven't improved as aggressively as vacancy rates have, they have also consistently been on the rise. Since June, Average rents have increased from \$674 to \$680. Where many complexes are experiencing few vacancies, landlords are becoming more selective in reviewing applicants and less tolerant of tenants who are slow to pay. Investors like multifamily assets because short lease terms permit more frequent rent increases and demand for housing remains high.

Outlook

While vacancy rates warrant new multifamily construction, investors remain slow to build given current lease rates. Declining availability of single family and multifamily rentals is creating upward pressure on multifamily lease rates making new construction increasingly more economical. Affordable land, low construction costs, low vacancy, and improving rental rates are a compelling combination for new multifamily construction in 2013.

NAI Property Management - Brandon Vandermyde



NAI Property Management- We don't just know the market...the market knows us!

In today's market more than ever, the success of your investment is determined by how well your management company is connected to your local market. From tenant relationship/retention, vendor negotiations, and property tax disputes,...reputation is everything.

Our professional management team has had great success in taking over the management of several multi-tenant properties that were less than 40% occupied, and with implementing property specific strategies have been able to bring their occupancy level to 100% this year.

Our goal is to preserve your capital, minimize risk, and increase income. This is accomplished by working on a customized plan for your property, and providing you with an analysis on how you can save money by using our management services.

Contact us for a free analysis of your property - **435 627 5735**



Iron County

Although conditions are improving, the recovery in Cedar City has not been as strong as in the St. George area. Residential markets are slowly improving, retail and industrial are seeing absorption, and office remains sluggish. In October, the Cedar City Office of Economic Development announced it is working toward establishing the Southern Utah College of Osteopathic Medicine in partnership with Rocky Vista University's College of Osteopathic Medicine based in Colorado. This new initiative is expected to create high-value, professional jobs in Southern Utah, attract additional resources and research, and develop rural health care opportunities while accomplishing a regional mission of providing primary care physicians for the Intermountain West.

Asking Lease Rates (NNN)	Industrial	Office	Retail
Low	\$0.20	\$0.45	\$0.65
High	\$0.50	\$1.25	\$1.25
Average	\$0.38	\$0.77	\$0.97
Vacancy	24.6%	26.7%	8.5%

Lease Rates 2009 - 2012	Q4'07	Chart	Q4'12
Industrial <20K	\$0.60		\$0.38
Industrial >20K	\$0.29		\$0.30
Office	\$1.04		\$0.77
Retail	\$1.34		\$0.97

Cedar City • SOLD Q4



26,000 SF Industrial Building



7,359 SF Duck Creek Lodging

Industrial

The industrial market has seen the number of available buildings for sale or lease fall over the past year. Lease rates have moved up slightly over the past 12 months. In Cedar City, 75% of the industrial space is concentrated in seven buildings west of Interstate 15. One of these buildings, the Lozier* building consisting of 534,589 SF, is currently available for lease. The industrial market has seen vacancy rates improve for spaces under 20,000 and finding a specific configuration may prove challenging.

Office

The office market currently offers opportunities from very small, inexpensive office suites, to new Class A office space. There is still first generation space built in the last economic expansion that has not been built out and absorbed. Office lease rates have remained flat for three years now. Landlords face stiff competition from alternative options such as inline retail space, building a new building, and working out of a home office. We continue to see leasing activity, but not enough to significantly push lease rates higher.

Retail

Vacancies have fallen in the retail market as inline space continues to be absorbed. Retailers and restaurants appear to be doing better than a few years ago, and space is filling up with both national tenants and local entrepreneurs. This year, Jimmy Johns built a new building on 200 North and Mountain America Federal Credit Union built a new branch in the Providence Center near Walgreens. Retail is expected to continue to see slow, steady improvement in Cedar City with activity centered around Providence Center and the intersection of Main Street and 200 North.

Agent Spotlight: Pat Chappell



Pat Chappell is recognized as the #1 business listing agent with NAI Utah Southern Region. Pat was the second woman general contractor in the state of Utah. She specialized in the coordination, design, and building of multiple large commercial structures in a three state area. This diverse and complex business background, coupled with a vast administrative knowledge, enables Pat to offer seasoned business knowledge to business sellers and buyers looking to purchase real estate investments. She has found a niche, specializing in marketing and selling retail businesses.

As a Retail Business & Investment Specialist, Pat and her husband, Mathew, have assisted their clients with acquiring and divesting motels and restaurants throughout Utah. Whether selling or purchasing a business, Pat understands business infrastructure and its complexities. She is a proven and seasoned negotiator.

Pat represents a large client base of investors and sellers who buy and sell mid-size retail buildings from 15,000-30,000 SF. Currently, Pat also represents clients in leasing retail centers from 25,000 SF-143,000 SF throughout Washington County. She has also represented numerous leases for many national tenants and continues to represent national, regional, and local tenants in the sale and leasing of commercial retail centers locally.

*The Lozier building was initially reported as Longview Fiber Paper and Packaging in error. The size and availability reported was correct.

What can NAI do for you?



Broader Exposure Online

Every property gets premium listing exposure through web searches, email campaigns, property pushes, KSL.Com, Craigs List, flipping books, and marketing brochures. Upon completing a listing package, we send an email to potential buyers and tenants who have requested information for similar properties and we send an email to the other commercial brokers notifying them of the new opportunity.



Local Cooperation

NAI is the only commercial brokerage in Southern Utah participating in the Multiple Listing Service. We believe there are many agents who represent buyers and tenants that want to see commercial inventory in the MLS. We make it available to them through their FLEX MLS system and willingly cooperate with other brokerages.



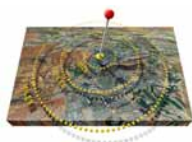
More Closings

With over 250 transactions closed in 2012, we close over 4 deals per week. Every transaction includes presentation of properties, showings, negotiations, due diligence, and closing. With this many tenants and buyers in our office, we are providing maximum visibility for our clients.



Marketing by Mail

Our direct mail inventory review and market report will deliver hard copies to over 4,000 current and past clients, developers, investors, business owners, architects, financial advisors, CPA's, attorneys, appraisers, city employees and service providers to the commercial real estate markets. Want a custom direct mail strategy? Talk with your agent about the cost and options.



On-Site Support Services

We are the only real estate brokerage in Southern Utah with on-site GIS, Marketing, and Property Management services. Whether your need is custom graphics, custom maps, demographics, or full service commercial property management, accounting and leasing, we can help.

2012 Transaction Data

TOTAL Transactions 2012

	Transactions	SF/Acres
Industrial	65	486,358 SF
Lease	53	209,599 SF
Sale	12	276,759 SF
Investment	20	129,129 SF
Lease	1	3,036 SF
Sale	19	126,093 SF
Land	27	617 AC
Sale	27	617 AC
Office	82	196,368 SF
Lease	76	138,869 SF
Sale	6	57,499 SF
Retail	53	166,707 SF
Lease	41	95,817 SF
Sale	12	70,890 SF
Grand Total	247	978,562 SF

Additional Land Transactions Q4

Land - Sale	AC	Agent(s)
Farm/Ranch Near Bryce Canyon	34.07	Wes, Chappell Team
6 Acre (+/-) Ranchette	6	Chappell Team
Building Lots at The Ledges	2.77	Curren
Black Canyon Ranch	235	The Walter Group
Recreational Lot	0.5	Curren
Recreational Lot	0.5	Curren
Recreational Lot	0.5	Curren
Residential Lots	2.02	Curren

In 2012 **NAI** Transacted
Nearly **1 Million SF** of
Commercial Space!