



HISTORIC DOWNTOWN GARNER PLAN MARKET ASSESSMENT SUMMARY

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Urban Collage, Inc. in association with The Littlejohn Group, Noell Consulting and Kimley-Horn & Associates

Big Picture Trends and Demographics

Nationally and locally, opportunities for infill continue to grow

- Long-term demographic trends favoring

Push towards convenience already ongoing

- Supported now by greater need to live efficiently – location matter more and more

Huge growth in singles and childless couples

- Greater acceptance of attached and small lot homes
- Empty nesters now living for themselves – kids gone

Generation Y (and X) focused on walkable environments

- Seeking social interaction/sense of community
- Favor sense of authenticity

Growth in small, entrepreneurial firms

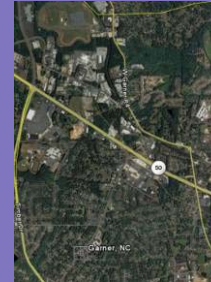
- Value office locations that improve overall quality of life

Local Downtown Market Audiences



Local Residents:

- Small group
- Low impact
- Easy to Attract for convenience retail dining



Regional Residents:

- Large group
- High impact
- Requires destination/ visibility to attract--dining



Baseball/Rec Park/Theatre/Ice House/ Senior Center Visitors:

- Largest group
- Moderate impact
- Built-in audience for dining—will return for more



Commuters:

- Moderate group
- Low to moderate impact
- Easier to snag with greater visibility & access (dining & exercise)



Area employees

- Moderate group—but spread out
- Limited impact for dining, convenience
- Are seeking places to go

Residential Market Overview

Garner area housing market is affordable relative to greater Raleigh Market

- Less than 12% market share, pricing under \$200,000

Unique opportunities for for-sale housing exist

- Historic rehab and preservation programs
- Density should be flexible to allow an array of product types, garage apartments etc.
- Focus on smaller scope- easier to develop projects
 - Many under 10 units/bldg
- Complete in conjunction with and after public and infrastructure improvements
 - Value creation to attract lifestyle buyers—else products merely sell on lower price

Recommended housing types:

- Single Family: Critical to establish for-sale residential base
- Townhomes: Larger share of product, but needs SFD to thrive
- Condominiums: Focus on 6-8 unit buildings with units over retail



Apartment Market Overview

Market Audience

- Local SE Raleigh employees, chose location for proximity to work, interstate access, and retail concentration
- Regional Raleigh employees, chose location for affordability, interstate access, and retail access
- Mostly singles & couples earning \$25-50k

Market Summary

- Typically only 1 new project delivered per year in entire SE Raleigh market – occ. 98%
- Greatest demand for mid-priced units (average \$600-800 per month), one-bedroom / 1BR plus den (\$0.85-\$0.90/sf)
- Communities need to be heavily amenitized,

Opportunities

- Annual demand for approximately 130 new apartments – approximately 1 standard 300 unit size complex every 2 years
- Lack of “town center”/mixed-use product in the area— lifestyle creation opportunity



Retail Market Overview

Market Audience

- Garner serves as retail core for entire SE Raleigh region

Market Summary

- Approximately 2.5M sf of retail currently exists within trade area
- Occupancy is 94% overall,
 - Older and non-anchored centers are struggling (averaging 70% occupancy)
- All disposable—lack of destinations in the market



Opportunities

- For 65,000sf of smaller, boutique, destination and local-serving uses
 - 45-55% Limited- and full-service restaurants and drinking places
 - 20-30% Boutique clothing stores, and specialty food/wine stores
 - 20-30% Dry good gift shops, (furniture, electronics, sporting goods, etc.)
- Must have strong visibility and access from Hwy. 70 – lack of left turn in and out cuts out up to 60% of demand
 - Leaving only 30k SF demand

Office Market Overview

Market Audience

- Garner serves as a business with mix of small manufacturing, contracting, and services firms and neighborhood-serving tenants
 - Majority located close to Hwy. 70, with some n'hood - serving tenants (medical, financial, etc.) closer to the population base south of Hwy. 70

Market Summary

- Most tenants in the area have less than 20 employees and occupy under 5,000 SF of space
- Mix of local serving (law, accounting, realtor, medical) and industrial-serving
- Located in non-amenitized buildings (stand-alone)
- Area market supports approximately 15,000 SF of small office space annually.
- On average the market rental rates run from \$12 to \$14/sf
- Occupancy in stabilized properties averaging 90%

Opportunities

- New space created with strong Hwy. 70 access and visibility can capture between 20-30% of the market
- Potential for up to 30,000sf of new small office/professional space over the next 5 years



Historic Downtown Garner Plan- Market Potential

Potential for significant sized new town center linking to historic commercial core

- Civic space anchor to help bring audiences in and show town support behind effort
- Fitness/wellness/medical center to help support aging population base in Garner
- Variety of moderate level retail and restaurant uses – help retain audiences currently in Downtown, and attract new
- Small professional office space – primarily service oriented firms
- Demand for new rental apartment community upon financial market return
- Demand for up to 100 for-sale units over time
 - Value creation (parks, sense of place) critical to establishing for-sale residential
- A portion of commercial uses will likely locate in historic Downtown core, once access/visibility is improved

TOWN CENTER SUMMARY	
<u>Anchor Uses</u>	Square Feet/Units
YMCA/Fitness Center	20,000 – 40,000
Medical Facility	TBD
Major Civic Anchor	10,000 – 20,000
<u>Retail</u>	60,000 - 65,000
Restaurants	25,000 - 30,000
Other Retail	30,000 - 35,000
<u>Local-Serving Office</u>	25,000 - 30,000
<u>For-Sale Residential</u>	80 - 100
Single-Family	20
Townhomes	30 - 40
Condominiums	30 - 45
Rental Apartments	250