

SUCCESS STORIES

Military Circle • Norfolk, Virginia

Leasing

Overview

Military Circle Mall is an enclosed single-level regional mall situated on a seventy-six acre site. The retail portion is part of a mixed-use development that includes a strip center, nine out parcels, and a 208-room hotel that is connected to the mall.

Military Circle Mall was faced with the problems of an aging physical plant, deteriorating occupancy, changing demographics, and a new competing center in the trade area. Furthermore, prior to Urban's involvement with the property in late 1994, Military Circle Mall's relationship with city officials and the surrounding community was poor.

Urban conducted detailed consumer research studies to help define a merchandising strategy and to further evaluate customer perceptions of the mall. The findings of this research led to a \$10 million interior mall renovation that was enthusiastically received. Urban remerchandised approximately 35% of the leasable permanent space in less than two years. An expanded specialty leasing program enhanced merchandise selection and significantly increased net operating income.

Additionally, Urban negotiated deals for and opened a new 127,856-square foot Sears store and a state-of-the-art, 84,087-square-foot, Cinemark Theater featuring 18 screens and stadium seating for 4,200. Urban utilized a creative public/private partnership with the City of Norfolk that helped fund the Sears and Cinemark deals and provide the property's Ownership with the required return on investment.

Urban also worked cooperatively with the local police department and other governmental agencies to dramatically



improve relationships. Public issues affecting this property such as property condemnation, roadway/access improvements, and area-wide security were all addressed positively by Urban with the applicable local and government agencies.

As a result of Urban's strategy, Military Circle Mall was re-positioned to effectively compete in the Norfolk market. Center sales productivity increased more than 37% in eight years.

Anchors:	JCPenney Hecht's Sears Cinemark Theaters (18)
Total Sq. Ft.:	944,447
Total Trade Area Population:	423,896
Total Trade Area Average Household Income:	\$52,370