

Great to Greater

Top third-party managers push leadership to local levels

By Connie Robbins Gentry

Retaining a spot among the five fastest-growing managers is not a question of improving from good to great; it's about answering the challenge to make a great team even greater. Each of the five companies on *Chain Store Age's* 2004 fastest-growing managers list, which ranks top third-party managers (3PMs) based on retail square footage awarded in the previous calendar year, is returning for a second consecutive year largely because they know how to push leadership expertise to the property level.

Describing the best 3PMs to do business with, Anthony Buono, managing director, national retail services, Western United States of CB Richard Ellis (CBRE), advises, "Bigger is better, but really, really small is good, too."

Global 3PMs offer economies of scale and expertise, while small, local companies have insider knowledge about the market, asserts Buono. "It's the mid-size companies that are questionable, because it's hard for them to be efficient or quick."

Los Angeles-based CBRE returns to the No. 1 position for the fourth year running, with new management contracts for more than 22.8 million sq. ft. in the United States and more than 47 million sq. ft. awarded globally in 2004. "Our goal is to double in size within five years," says Buono.

Reviewing the properties added in 2004, Todd Caruso, CBRE's managing director, national retail services, Eastern United States, observes, "There was a heavy contribution from



Secondary markets offer opportunities for third-party management, such as the contract awarded in 2004 to Jones Lang LaSalle Retail for North Grand Mall in Ames, Iowa.

secondary markets, with 17 new assignments in the Toledo, Ohio, MSA [metropolitan statistical area] and a number from Colorado Springs. That tells us that [national] retailers are looking in secondary markets for growth. We expect activity and capital to continue going into those markets."

The trend is evident among each of the five fastest-growing companies. Second-place Jones Lang LaSalle Retail claimed new management contracts in secondary markets from Sheboygan, Wis., to Merritt Island, Fla., with 10 of its 37 properties located in Iowa. The Atlanta-based 3PM finished 2004 by adding more than 17.5 million sq. ft. to its portfolio, primarily in enclosed regional malls.

Traditional malls in secondary markets are among the hardest hit by new competition, struggling to retain market share with the onslaught of new lifestyle and community centers opening in their backyards. "We help properties adapt to change," notes Gregory T. Maloney, president of Jones Lang LaSalle Retail. "Whether the competition is a 1 million-sq.-ft. open-air center or a 200,000-sq.-ft. specialty center, it will take market share from your retailers, so properties must adapt to what the customer wants. Sometimes the customer in the market is changing, as well, and you have to understand those changes. Our motto is, 'Even if things are going right, look for a change,' because you always need to improve."

Owners of enclosed malls also are looking for the management expertise of other mall owners. On the 2004 fastest-growing

2004 Fastest-Growing Managers

CB Richard Ellis	Los Angeles, Calif.	22,817,739 sq. ft.*
Jones Lang LaSalle Retail	Atlanta, Ga.	17,548,300 sq. ft.
Simon Property Group	Indianapolis, Ind.	9,613,900 sq. ft.
General Growth Properties	Chicago, Ill.	7,102,644 sq. ft.
Urban Retail Properties	Chicago, Ill.	6,379,985 sq. ft.

* U.S. total for 2004, does not include CBRE international activity
Source: *Chain Store Age* research and company reports

CB Richard Ellis

Domestic and International Retail Management Contracts Awarded in 2004

Avondale Fiesta Shopping Center	Avondale, Ariz.	155,006 sq. ft.	Rockton Avenue Centre	Rockford, Ill.	123,129 sq. ft.
Kayenta Shopping Center	Kayenta, Ariz.	81,685 sq. ft.	Shorewood Marketplace	Shorewood, Ill.	185,000 sq. ft.
Lakeside Plaza	Phoenix, Ariz.	142,263 sq. ft.	Foster Park Plaza	Fort Wayne, Ind.	150,000 sq. ft.
Mesa South Shopping Center	Mesa, Ariz.	176,199 sq. ft.	Gateway Plaza	Fort Wayne, Ind.	180,000 sq. ft.
Window Rock Shopping Center	Window Rock, Ariz.	103,384 sq. ft.	New Haven Plaza	New Haven, Ind.	80,000 sq. ft.
150 South First	San Jose, Calif.	165,072 sq. ft.	Washington Square	Fort Wayne, Ind.	78,225 sq. ft.
8000 Sunset	Hollywood, Calif.	155,694 sq. ft.	Marty Shops	Overland Park, Kan.	88,750 sq. ft.
Bristol Shopping Center	Santa Ana, Calif.	165,537 sq. ft.	Shawnee Mission Center	Shawnee, Kan.	89,710 sq. ft.
Crossroads Plaza	Pico Rivera, Calif.	290,000 sq. ft.	Shawnee Mission Center II	Shawnee, Kan.	88,507 sq. ft.
Northpark Village Square	Santa Clarita, Calif.	87,094 sq. ft.	5300 Dixie Highway Center	Louisville, Ky.	121,000 sq. ft.
Oakbrook Shopping Center	Thousand Oaks, Calif.	88,966 sq. ft.	Bashford Manor	Louisville, Ky.	77,907 sq. ft.
Plaza Rancho Del Oro Shopping Center	Oceanside, Calif.	173,000 sq. ft.	Dolphine Hills	Elizabethtown, Ky.	76,000 sq. ft.
Poway City Centre	Poway, Calif.	120,000 sq. ft.	Gardiner Lane Shopping Center	Louisville, Ky.	114,482 sq. ft.
Promenade at Town Center	Santa Clarita, Calif.	182,477 sq. ft.	LaGrange Shopping Center	Louisville, Ky.	76,000 sq. ft.
Quarry Creek	Oceanside, Calif.	205,000 sq. ft.	Richmond Mall	Richmond, Ky.	290,000 sq. ft.
Renaissance Creek	Roseville, Calif.	166,666 sq. ft.	Stonybrook South	LaGrange, Ky.	130,720 sq. ft.
Torrance Crossroads Shopping Center	Torrance, Calif.	45,801 sq. ft.	111 Constitution Drive	West Monroe, La.	167,450 sq. ft.
Alamada Shopping Center	Lakewood, Colo.	130,782 sq. ft.	Prime Outlets	Perryville, Md.	147,484 sq. ft.
Brookhill Towne Center	Westminster, Colo.	99,144 sq. ft.	Colonial Square	Wayzala, Mich.	93,200 sq. ft.
Centennial Shopping Center	Englewood, Colo.	120,660 sq. ft.	Delta Plaza	Lansing, Mich.	115,000 sq. ft.
Colorado Marketplace Shopping Center	Thornton, Colo.	150,447 sq. ft.	Frondor Plus	Lansing, Mich.	120,265 sq. ft.
Elk Lakes Shopping Center	Greeley, Colo.	95,421 sq. ft.	Hasleft Village Square	Hasleft, Mich.	78,460 sq. ft.
Hancock Plaza Shopping Center	Colorado Springs, Colo.	185,734 sq. ft.	Meridian Towne Centre	Okemos, Mich.	93,000 sq. ft.
Market Centre Shopping Center	Colorado Springs, Colo.	243,412 sq. ft.	2376 Main Street	Billings, Mont.	86,470 sq. ft.
Mission Commons Shopping Center	Westminster, Colo.	124,864 sq. ft.	Shiprock Shopping Center	Shiprock, N.M.	91,454 sq. ft.
Parkway Shopping Center	Commerce City, Colo.	129,663 sq. ft.	Neonopolis	Las Vegas, Nev.	232,992 sq. ft.
Regatta Plaza Shopping Center	Aurora, Colo.	80,496 sq. ft.	Eastgate Center	Cincinnati, Ohio	365,202 sq. ft.
Rustic Hills Shopping Center	Colorado Springs, Colo.	241,396 sq. ft.	South Campus Gateway	Columbus, Ohio	336,000 sq. ft.
Towne Center Brookhill	Westminster, Colo.	429,682 sq. ft.	The Shoppes at RI	Perrysburg, Ohio	104,607 sq. ft.
Millenia Plaza	Orlando, Fla.	404,336 sq. ft.	Greenway Town Center	Tigard, Ore.	93,400 sq. ft.
Ramblewood Square	Coral Springs, Fla.	144,000 sq. ft.	Grant Avenue Plaza	Philadelphia, Pa.	350,000 sq. ft.
Regency Court Shopping Center	Boca Raton, Fla.	139,703 sq. ft.	Valleybrook Shopping Center	McMurray, Pa.	90,639 sq. ft.
The Shops at World Golf Village	St. Augustine, Fla.	79,991 sq. ft.	Columbia East	Columbia, S.C.	88,156 sq. ft.
2100 Kalakaua	Waikiki, Hawaii	96,271 sq. ft.	Columbiana Station III	Columbia, S.C.	109,715 sq. ft.
Bougainville Center	Honolulu, Hawaii	203,761 sq. ft.	Hickory Ridge Commons	Memphis, Tenn.	333,312 sq. ft.
Ewa Town Center	Ewa Beach, Hawaii	79,659 sq. ft.	Market at Summer Oaks	Memphis, Tenn.	100,000 sq. ft.
Kauai Village Shopping Center	Kapa'a, Hawaii	113,597 sq. ft.	2015 Southwest Loop	San Antonio, Texas	167,290 sq. ft.
Koko Marina Shopping Center	Hawaii Kai, Hawaii	284,175 sq. ft.	Garden Ridge	Lewisville, Texas	122,000 sq. ft.
Kukui Grove Shopping Center	Lihue, Hawaii	313,407 sq. ft.	MacArthur Park	Irving, Texas	168,612 sq. ft.
Kukui Marketplace	Lihue, Hawaii	142,152 sq. ft.	Meadows Mall	Meadows, Texas	197,747 sq. ft.
Lahaina Cannery Mall	Lahaina, Hawaii	130,399 sq. ft.	Memorial City Mall	Houston, Texas	1,700,000 sq. ft.
Stadium Marketplace	Honolulu, Hawaii	212,761 sq. ft.	Bethel Junction/Bethel Place	Port Orchard, Wash.	158,239 sq. ft.
The Shops at Wallea	Wallea, Hawaii	162,000 sq. ft.	Blue Mountain Mall	Walla Walla, Wash.	345,000 sq. ft.
Waikele Center	Waipahu, Hawaii	521,332 sq. ft.	Columbia Square	Kennewick, Wash.	107,000 sq. ft.
Hazelene Center	Naperville, Ill.	400,000 sq. ft.	First Washington	Bellevue, Wash.	267,000 sq. ft.
Market Place at Vernon Hills	Vernon Hills, Ill.	447,057 sq. ft.	Lakewood Towne		
Riverfront Plaza	Chicago, Ill.	213,329 sq. ft.	Neighborhood Center	Lakewood, Wash.	218,376 sq. ft.
			Lakewood Towne Power Center	Lakewood, Wash.	578,863 sq. ft.
			NorthGate North Inland	Seattle, Wash.	305,000 sq. ft.
			Shops at Grand Avenue	Milwaukee, Wis.	244,872 sq. ft.
					18,349,710 sq. ft.
					2,646,836 sq. ft.
					1,088,278 sq. ft.
					732,915 sq. ft.
					22,817,739 sq. ft.
					507,668 sq. ft.
					9,749,343 sq. ft.
					11,139,647 sq. ft.
					2,841,128 sq. ft.
					47,055,525 sq. ft.

Source: Chain Store Age research and company reports

Properties alphabetized by state.

managers ranking, the two largest 3PM companies are followed by the largest owners of enclosed malls in the United States.

Simon Property Group of Indianapolis claims the third spot, with more than 9.6 million sq. ft. in new management contracts, and Chicago-based General Growth Properties (GGP) is in fourth position, with more than 7.1 million sq. ft.

Stephen Sterrett, CFO of Simon, says his company does not

actively pursue third-party management opportunities, but accepts management contracts because of individual circumstances or ongoing relationships. GGP, on the other hand, has a division dedicated exclusively to third-party management.

"Right after we take over a property, we bring in our SWOT team of management, leasing, business development and marketing executives," explains David Pratt, GGP's senior VP of

Fastest-Growing Managers

Jones Lang LaSalle Retail

New and Renewed Retail Management Contracts Awarded in 2004

Ghirardelli Square	San Francisco, Calif.	182,000 sq. ft.
The Shops at 2000 Penn	Washington, D.C.	70,000 sq. ft.
Merritt Square Mall	Merritt Island, Fla.	894,000 sq. ft.
Karcher Mall	Nampa, Idaho	600,000 sq. ft.
Peru Mall	Peru, Ill.	450,000 sq. ft.
University Mall	Carbondale, Ill.	633,500 sq. ft.
Glenbrook Commons	Fort Wayne, Ind.	254,000 sq. ft.
Mounds Mall	Anderson, Ind.	298,800 sq. ft.
Richmond Square Mall	Richmond, Ind.	384,000 sq. ft.
College Square Mall	Cedar Falls, Iowa	550,000 sq. ft.
Marshall Town Center	Marshall Town, Iowa	350,000 sq. ft.
Muscatine Mall	Muscatine, Iowa	330,000 sq. ft.
North Grand Mall	Ames, Iowa	350,000 sq. ft.
Westland Mall	West Burlington, Iowa	340,000 sq. ft.
Valley West	West Des Moines, Iowa	860,000 sq. ft.
Town Mall of Westminster	Westminster, Md.	629,000 sq. ft.
Westgate Mall	Brockton, Mass.	650,000 sq. ft.
St. Louis Union Station	St. Louis, Mo.	177,000 sq. ft.
Mesilla Valley Mall	Las Cruces, N.M.	588,000 sq. ft.
Villa Linda Mall	Sante Fe, N.M.	570,000 sq. ft.
Columbia Mall	Grand Forks, N.D.	633,000 sq. ft.
Canton Center	Canton, Ohio	435,000 sq. ft.
Central Mall	Lawton, Okla.	548,000 sq. ft.
Central Mall	Port Arthur, Texas	563,000 sq. ft.
Central Mall	Texarkana, Texas	568,000 sq. ft.
Killeen Mall	Killeen, Texas	572,000 sq. ft.
Mall of Abilene	Abilene, Texas	682,000 sq. ft.
Sunset Mall	San Angelo, Texas	567,000 sq. ft.
Westgate Town Center	Abilene, Texas	195,000 sq. ft.
Memorial Mall	Sheboygan, Wis.	358,000 sq. ft.
Contracts renewed on seven properties		3,267,000 sq. ft.
Total for 2004		17,548,300 sq. ft.
37 properties in 15 states and D.C.		

Source: Chain Store Age research and company reports Properties alphabetized by state.

“[Mall] managers need to think strategically; we need them to be sure the plan that is put into play by our executive team is implemented at the property level.”

David Pratt,
senior VP of asset management,
General Growth Properties



asset management.

The SWOT, which stands for strengths, weaknesses, opportunities and threats, analysis is particularly beneficial in helping malls understand how to compete in dynamic markets. “After the SWOT team leaves, the mall manager makes sure the plan is implemented by the right people in the designated time frame,” says Pratt.

Urban Retail Properties of Chicago completes this year’s list and is, along with GGP, the only 3PM to have qualified as one of the fastest-growing management companies every year since 1995. In 2004, Urban accepted new contracts for more than 6.3 million sq. ft. of retail space, including landmarks such as Boston’s Waterside Place and Desert Passage in Las Vegas. Secondary markets, such as Pueblo, Colo.; Manhattan, Kan.; and Lufkin, Texas, also are represented.

Simon Property Group

New Management Contracts Awarded in 2004

Anchorage Fifth Avenue Mall	Anchorage, Alaska	464,800 sq. ft.
Galleria at Fort Lauderdale	Fort Lauderdale, Fla.	1,001,100 sq. ft.
Claypool Court	Indianapolis, Ind.	125,400 sq. ft.
Mall of America	Bloomington, Minn.	2,777,900 sq. ft.
Deptford Center Plaza	Deptford, N.J.	51,500 sq. ft.
Deptford Mall	Deptford, N.J.	1,040,800 sq. ft.
Hamilton Mall	Mays Landing, N.J.	1,037,900 sq. ft.
Newport Centre	Jersey City, N.J.	1,149,700 sq. ft.
Newport Crossing	Jersey City, N.J.	40,500 sq. ft.
Newport Plaza	Jersey City, N.J.	116,200 sq. ft.
Bond Shopping Center	Upper Darby, Pa.	83,900 sq. ft.
Huntingdon Pike	Abingdon, Pa.	56,400 sq. ft.
Huntingdon Valley Shopping Center	Abingdon, Pa.	115,400 sq. ft.
King of Prussia - The Pavilion	King of Prussia, Pa.	192,200 sq. ft.
Golden Triangle Mall	Denton, Texas	762,300 sq. ft.
Midway Mall	Sherman, Texas	597,900 sq. ft.
Total for 2004		9,613,900 sq. ft.
16 properties in 7 states		

Source: Chain Store Age research and company reports Properties alphabetized by state.

General Growth Properties

New Management Contracts Awarded in 2004

The Avenue Viera	Viera, Fla.	415,000 sq. ft.
Windward Mall	Kaneohe, Hawaii	532,279 sq. ft.
Glendale Mall	Indianapolis, Ind.	546,608 sq. ft.
Alexandria Mall	Alexandria, La.	866,064 sq. ft.
Swansea Mall	Swansea, Mass.	701,455 sq. ft.
Edgewood Mall	McComb, Miss.	400,000 sq. ft.
St. Lawrence Centre	Massena, N.Y.	508,301 sq. ft.
Sunrise Mall	Massapequa, N.Y.	1,247,282 sq. ft.
Columbia Mall	Bloomsburg, Pa.	408,000 sq. ft.
Rock Hill Galleria	Rock Hill, S.C.	679,334 sq. ft.
Bassett Center	El Paso, Texas	798,321 sq. ft.
Total for 2004	11 properties in 10 states	7,102,644 sq. ft.

Source: Chain Store Age research and company reports/ Properties alphabetized by state.

Urban Retail Properties

New Retail Management Contracts Awarded in 2004

Pueblo Mall	Pueblo, Colo.	575,000 sq. ft.
Mazza Gallerie	Washington, D.C.	293,935 sq. ft.
Citrus Park Station	Tampa, Fla.	7,930 sq. ft.
Eastlake Woodlands Plaza	Palm Harbor, Fla.	188,000 sq. ft.
La Carreta Plaza	Kendall, Fla.	30,950 sq. ft.
Lakeside Center	Port St. Lucie, Fla.	57,959 sq. ft.
Main Street at Miami Lakes	Miami Lakes, Fla.	150,000 sq. ft.
Morningside Shoppes	Port St. Lucie, Fla.	31,072 sq. ft.
Manhattan Town Center	Manhattan, Kan.	392,000 sq. ft.
North Point	Cambridge, Mass.	75,000 sq. ft.
River Bend Shoppes	Tyngsboro, Mass.	850,000 sq. ft.
Waterside Place	Boston, Mass.	1,200,000 sq. ft.
Desert Passage	Las Vegas, Nev.	437,468 sq. ft.
Newburgh Mall	Newburgh, N.Y.	380,000 sq. ft.
Providence Town Center	Collegeville, Pa.	580,406 sq. ft.
Shops at Riverton	Riverton, R.I.	395,000 sq. ft.
Lufkin Mall	Lufkin, Texas	375,265 sq. ft.
Marq-E	Houston, Texas	360,000 sq. ft.
Total for 2004	18 properties in 9 states and D.C.	6,379,985 sq. ft.

Source: Chain Store Age research and company reports Properties alphabetized by state.

To keep its centers competitive, Ross B. Glickman, CEO of Urban, says, “We don’t put a merchandise plan together just to generate [short-term] revenue; we pride ourselves on leasing to tenants that have sustainability.”

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