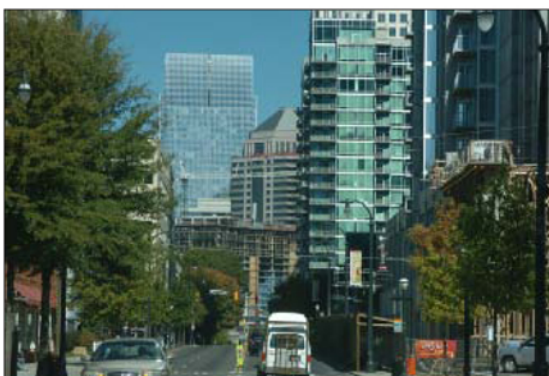


Study: 'Midtown Mile' would have major impact

By **Kate Carter**
CONTRIBUTING WRITER

By 2012, the Midtown Mile will be flush with 1 million square feet of high-end retailers, restaurants and entertainment, potentially generating nearly \$477 million in additional annual retail sales and enticing tourists to stay an extra night in Atlanta.

So says an economic impact analysis conducted by Atlanta-based **Bleakly Advisory Group** on behalf of the **Midtown Alliance**, the group guiding Midtown's revitalization. The just-released report shows that Midtown Mile, a 14-block stretch of Peachtree beginning at The Fox Theatre on the south end and stretching to the Woodruff Arts Center on the



Miles and miles: High-end retail along Peachtree Road would have strong returns.

rebrand Midtown's main corridor as an urban retail district akin to New York City's Fifth Avenue, San Francisco's Union Square, Los Angeles' Rodeo Drive and Chicago's North Michigan Avenue. The Bleakly Report, she said, quantifies Midtown Alliance's vision, and will woo future developers and high-end retailers to the neighborhood.

north end, can be an economic windfall for the entire city.

Susan Mendheim, president and CEO of the Midtown Alliance, has been thinking for years about how to

Over the next five years, more than 600k square feet of retail space will be added to the market's existing 417,000 square feet, according to the Bleakly report. Today there are 16,359 residential units in the market, and another 7,809 are planned. There is 21.6 million square feet of office space, and another 6.7 million square feet is under construction or planned.

By 2014, according to the report, there will be 4,464 hotel rooms — 1,122 more than the existing 3,342 rooms.

"The goal here is to create a unique retail destination that will combine the scope and scale of the world's best shopping district with Atlanta's special character," said Mendheim.

Ken Bleakly, president of Bleakly Advisory Group, said he was surprised to find out how far Atlanta trails other cities in terms of luxury spending. The numbers outlined in the report show the effect that high-end retailers can have on a retail district's sales per square foot, and therefore a city's sales and property tax collections.

For example, retail district rents in New York City's swanky Fifth Avenue neighborhood are \$1,000 per square foot — more than 31 times the city's average of \$32 per square foot. A snapshot of retail districts in 12 cities shows that high-end retail districts collect rent that is, on average, 9.78 times higher than other retail space in the same cities. And, according to the Bleakly Advisory Group report, sales per square foot in high-end, destination retail centers are "significantly higher."

If the Midtown Mile becomes a vibrant, urban shopping district, it would generate nearly \$23.9 million annually for the city — \$18.8 million in property taxes and \$5.1 million in local sales taxes, according to the report.

Bleakly also said he was surprised by the likelihood that a luxurious, character-filled Midtown corridor would capture tourists for an additional night's stay in Atlanta. According to the report, Atlanta's average daily tourist spending registers at \$144 — significantly behind Boston's \$368 average, Las Vegas' \$201 average, Los Angeles' \$158 average and Miami's \$245 average. In addition, tourists stay in Atlanta an average of 2.51 days, compared with Boston (3.3 days), Las Vegas (3.5 days), Los Angeles (3.8 days) and Miami (5.74 days).

"Shopping, nationally, is the No. 1 tourist activity. Even though we focus on Midtown, it would have a citywide impact on hotels, restaurants, rental cars," said Bleakly.

Leslie Mintz, partner with **The Shopping Center Group LLC**, has handled retail leasing for Novare Group's Metropolis, Spire and ViewPoint development projects. She has firsthand experience speaking to retailers around the country about the opportunities of the Midtown Mile.

"I spent 18 months getting in touch with apparel tenants who were either not in Atlanta or not in Midtown," said Mintz. "Right now our focus is going after some hip, urban tenants — home accessories, apparel, furniture — who like to be in urban areas and don't want to be in the malls."



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