

Mammoth Lakes Retail Analysis

Presentation of Results

Prepared for

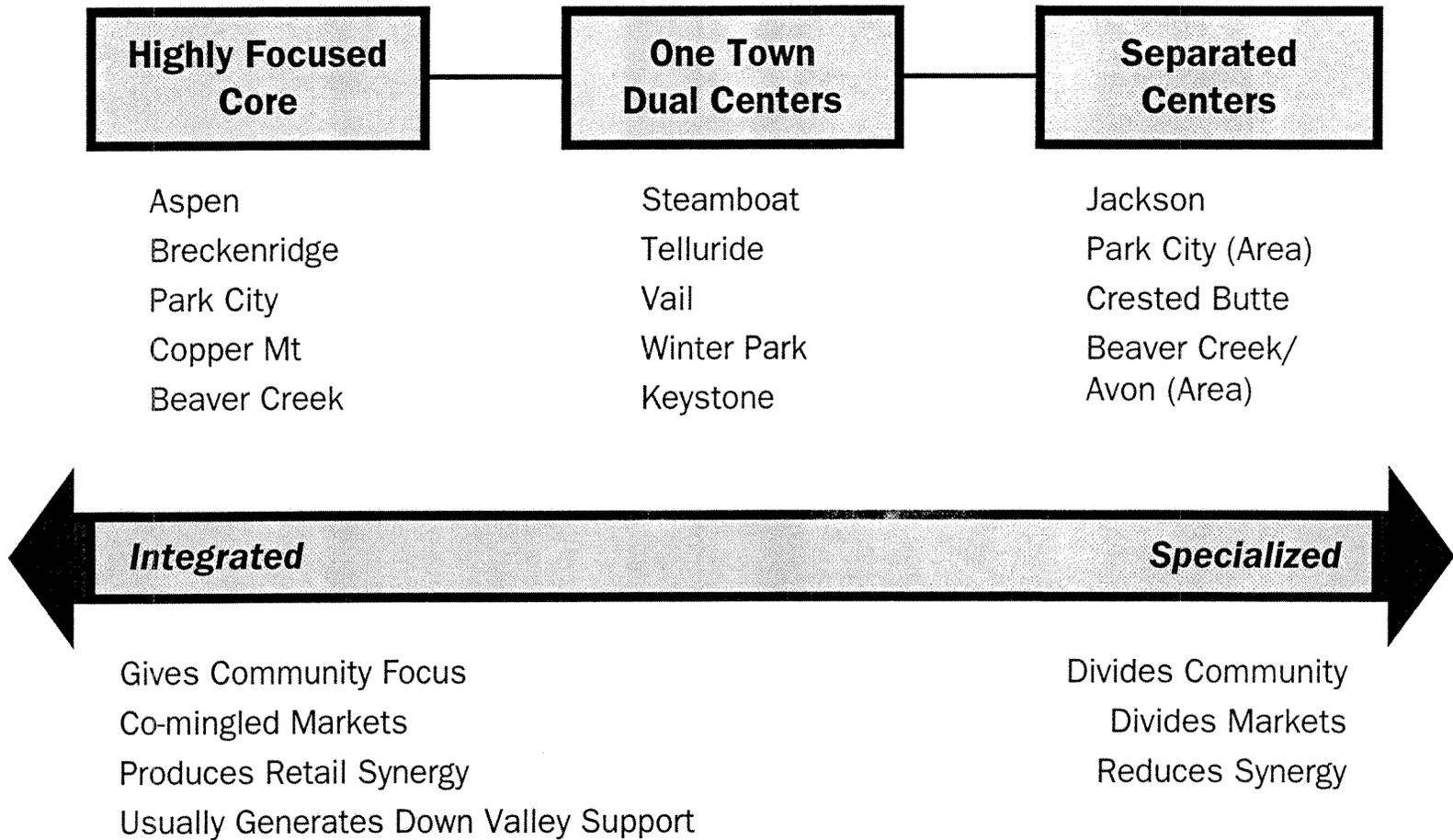
Town of Mammoth Lakes

Prepared by

BBC Research & Consulting
Ford Frick
3773 Cherry Creek N Drive, Suite 850
Denver, Colorado 80209
303.321.2547

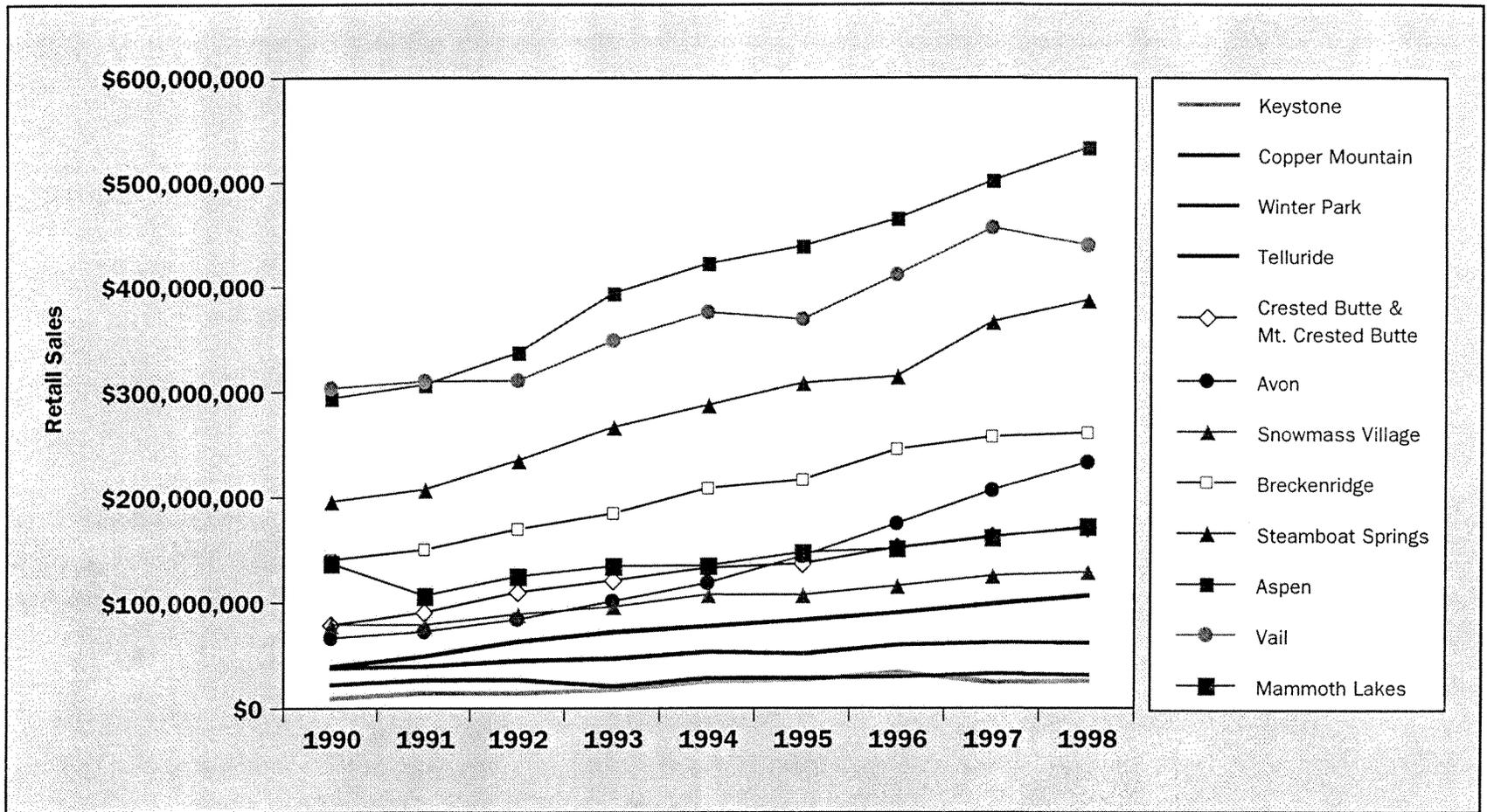
Mammoth Lakes Retail Analysis

Mountain Resort Retail Models



Mammoth Lakes Retail Analysis

Ski Resort Retail Sales



Mammoth Lakes Retail Analysis

Intrawest Retail Concepts

- **Minimum of 70,000 sq. ft. for synergy**
- **Sales need to exceed \$350/sq. ft.**
- **Leases vary: \$25/sq. ft. with participation likely**
- **“Neighborhood tenanting” similar to a shopping center**
- **Some local tenants, some Intrawest linked, some national**

Mammoth Lakes Retail Analysis

Mammoth Retail Characterization

- **Auto orientation**
- **Scattered retail pattern, “lightly specialized” clustering**
- **Unfocused retail reflects dispersed accommodations and multiple skier portals**
- **Low rents, slow growth, modest sales performance**
- **Multi-seasonal business**
- **No down valley relief town**
- **Antiquated building design**
- **All visitors pass through Main Street**
- **Commercial doesn’t address the mountain**

Mammoth Lakes Retail Analysis

Project Sierra Retail Sales

Category	Performance (2,150 Units)	
	Low	High
Days	365	365
Persons per Unit	3.0	3.5
Occupancy	45%	60%
"New Guests"	80%	90%
New Guest Nights	847,000	1,483,000
Add Hotel	100,000	120,000
Total New Guest Nights	.95M	1.6M

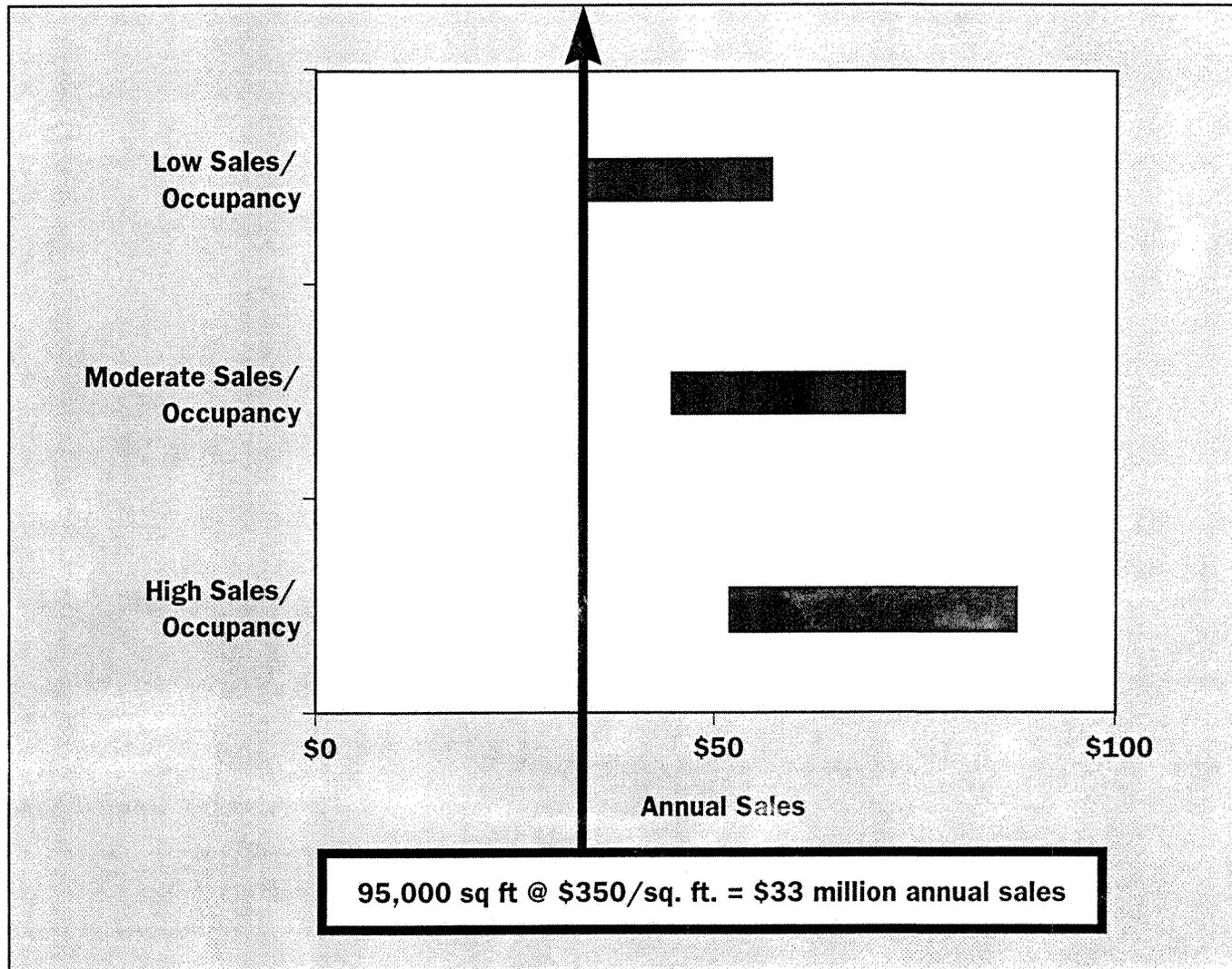
Retail Sales/Guest Night		
\$35	\$45	\$55

**Current
"Retail" Sales
\$110 million**

Millions (\$)		
\$33-56	\$42-72	\$52-88

Mammoth Lakes Retail Analysis

Projected Mammoth New Sales & Intrawest Absorption



Mammoth Lakes Retail Analysis

Conclusions

- North Village retail is not excessive compared with new bed base
- Risk: Retail will precede accommodations
- Village Strengths: Specialty retail, equipment & clothing, restaurants
- All other Mammoth Lakes retail will reorganize as North Village is absorbed
- Other areas are likely to specialize: restaurants, fast food, local services
- Consolidation of properties and redevelopment likely
- Main street benefits from visibility; needs to revitalize image, spur “exploratory” interest; enhance multi-modal access
- Mammoth Road will become local shopping district around grocery store
- Absence of “down valley” support and absence of developable land will quickly pressure Mammoth commercial – expect space shortage and rent increases