



**International Council
of Shopping Centers**

A New Dawn

THE 2012 ICSC FLORIDA RETAIL REPORT

Florida Conference 2012

August 19 - 21, 2012

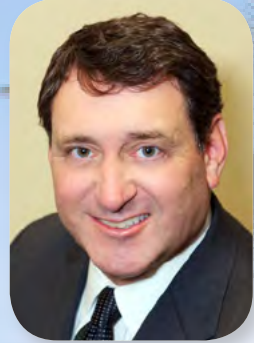
Gaylord Palms Resort & Convention Center

Kissimmee, Florida

Florida Retail Report Update



ICSC FLORIDA RETAIL REPORT UPDATE DISCUSSION MONDAY, AUGUST 20, 2012 | 8:00 AM - 9:00 AM



GRAY SWOOPE
Secretary of Commerce
President & CEO, Enterprise Florida Inc.

Gray Swoope brings more than 25 years of economic development experience to Florida as its new commerce secretary and president and CEO of its principal economic development organization, Enterprise Florida, Inc. A public-private partnership, Enterprise Florida is Orlando-based, which means Gray spends time there and at the Capitol, just two doors down from Governor Rick Scott. The proximity to the governor is vital to Gray's focus on job-creation, using business recruitment and expansion to improve economic growth and prosperity. Gray most recently served as executive director of the Mississippi Development Authority (MDA), reporting directly to Governor Haley Barbor. Notable accomplishments under his leadership included the recruitment of companies such as Toyota, GE Aviation and PACCAR, a global technology leader in the design, manufacture and customer support of trucks. Gray earned bachelor's and master's degrees in business administration at Mississippi State University.

Enterprise Florida Inc. (EFI) is a public-private partnership serving as Florida's primary organization devoted to statewide economic development. EFI's mission is to facilitate job growth for Florida's businesses and citizens leading to a vibrant statewide economy. EFI accomplishes this mission by focusing on a wide range of industry sectors, including clean energy, life sciences, information technology, aviation/aerospace, homeland security/defense, financial/professional services, manufacturing and beyond. EFI is committed to assisting companies confidentially with their expansion and location plans by providing site selection services, demographic information, incentive information and trade leads.



LEE E. ARNOLD, JR., CCIM, CRE
CEO, Chairman of the Board
Colliers International Tampa Bay, Central Florida, Southwest Florida

Lee is the Founder, Chairman of the Board and CEO of the Arnold Companies consortium of private companies including Colliers International – markets in Tampa Bay, Central Florida, and Southwest Florida, L.A. Financial, and Clearwater Bay Associates. Collectively these companies provide commercial and investment brokerage, property management, valuation, development, and capital market services. Lee's thirty-eight years of real estate experience have centered around his specialization in large, one-of-a-kind marketing assignments with an emphasis on problem properties. Lee actively establishes and manages numerous joint ventures in real estate, technology, and banking. Lee is a Founding Director of American Momentum Bank representing the largest financial institutional capitalization in Florida's history, exceeding \$150 million. He's a Principal and Director of Bayshore Solutions, an award winning interactive web marketing firm and he's the Principal and Director of Fairwarning, a software security company. Lee earned a Bachelor in Finance from the University of South Florida.

The information in this report, including all charts, graphs, photos and data is believed to be accurate and complete and is not warranted by ICSC, Colliers International, or any of the contributors or affiliates.

2012 ICSC Florida Retail Report

TABLE OF CONTENTS



Florida Retail Market Overview	4
Consumer Outlook	6
2012 Florida Housing Market Overview	7
Florida Shopping Center Sales	8
Capital Market Trends	10
Mid 2012: Mixed Signals in Housing & Commercial Property Markets	12
The Capital and Deal Markets - Summer 2012	13
UF: Survey of Emerging Market Conditions Q2 2012	14
USF: Florida on Track - Or Not	16
Capital Markets - National Perspective	18
Government Relations Update	19

MARKET SUMMARIES

Central Florida	
Brevard County	20
Daytona Beach Volusia	22
Ocala Gainesville	23
Orlando	24
The Villages	27
Northeast Florida	
Jacksonville	28
Panhandle	
Panama City	30
Pensacola	31
Tallahassee	32
South Florida	
Broward County	34
Palm Beach	36
Miami	38
Southwest Florida	
Fort Myers Cape Coral	40
Naples Collier County	41
Martin St. Lucie	42
Tampa Bay	
Lakeland Polk	43
Pasco Hernando	44
Sarasota Bradenton	45
Tampa St. Petersburg	46
Word on the Street	48
Special Thanks...	50



Florida Retail Market Overview

Around Florida, the recovery of the retail real estate market continues to be challenged by the struggles of the state's economy.

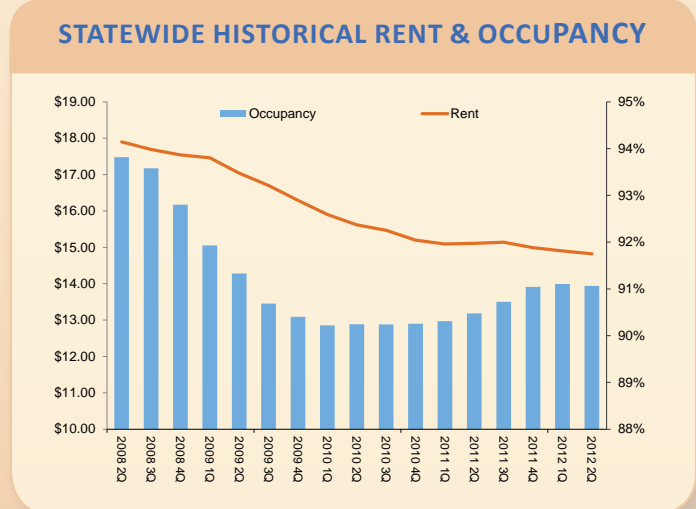
Still, the market has certainly continued to slowly improve, as occupancy and lease rates remain stable, with the market continuing to be led by value-oriented retailers like Dollar General, Beall's Outlet, and TJMaxx, along with "necessity" retailers such as grocery stores and drug stores like Publix, CVS and Walgreens.

Meanwhile, the closings of a number of locations by big box retailers such as Sears/Kmart and Albertson's have created challenges. In response, more owners are looking at creative ways to make space fit demand, with such strategies as finding ways to split square footage into smaller spaces and marketing to non traditional retail users, such as higher education, medical or churches.

At mid-year, retail occupancy statewide stands at 91.1%, with 10 consecutive quarters in which occupancy rates have increased or stayed the same.

Meanwhile, about half of Florida's markets saw slightly increased retail rental rates vs. year-end of 2011, while overall, average rates have stabilized, falling just 29 cents over the past four quarters statewide.

In one particularly bright spot in the market, retail brokers are seeing an increase in activity as 2012 moves along, particularly in the area of restaurants, led by so-called "fast casual" chains like Genghis Grill, PDQ and Little Greek. This increase in demand has led to more interest in second-generation restaurant locations, as the inventory of first-generation space shrinks.



Source: Power Center & CoStar Report: Shopping Center Statistics

Landlords remain aggressive in seeking quality tenants, with many offering higher tenant-improvement allowances and free rent for certain periods of time. And as always, locations in higher-quality shopping centers carry a premium.

By the Numbers

\$14.82

Statewide Average Rental Rate

91.1%

Occupancy

8.6%

Unemployment

19,057,542

Population*

* Population Source: US Census for July 1, 2011

ECONOMIC FACTORS

Political and economic uncertainty continues to challenge growth. With a projected 2% GDP growth for 2012, the economy is only expected to improve slightly in 2013, with projected GDP growth of 2.5% (assuming that progress continues in solving Europe's financial crisis and there are no significant financial disasters).

Other challenges for the retail real estate outlook: Retail sales are expected to grow just 6% in 2012, as low consumer confidence continues to stem from slow wage growth and high unemployment.

FLORIDA SUPERMARKET CONSUMER SATISFACTION		
FL SUPERMARKET	FLORIDA RANKING	NATIONAL RANKING
Trader Joe's	1	2
Publix	2	3
Costco	3	5
Harris Teeter	4	6
Whole Foods Market	5	12
Aldi	6	20
Target	7	22
Piggly Wiggly	8	27
IGA	9	32
Sam's Club	10	33
BJ's Wholesale	11	34
Albertsons	12	38
Winn Dixie	13	40
Walmart	14	51

Source: Consumer Reports 2012

A LOOK AROUND THE STATE

Central Florida and its submarkets have seen moderate growth in the beginning of 2012, but the region appears to be losing some momentum due to the economic issues across the country. At a 90.6% occupancy rate, Orlando has remained consistent over the last 12 quarters, with a high of 91% and a low of 90.2%.

As one of the top tourist destinations in the world, many high-end development projects continue to come to the market. Projects like The Grove at Islesworth and the revitalization of downtown Orlando at 55 West are just some of the developments taking place that will enhance and grow the retail industry in Central Florida.

Rental rates have been on a decline since 2010, but should begin to level out later this year as new concepts such as Wawa enter the market, and second-generation availability diminishes.

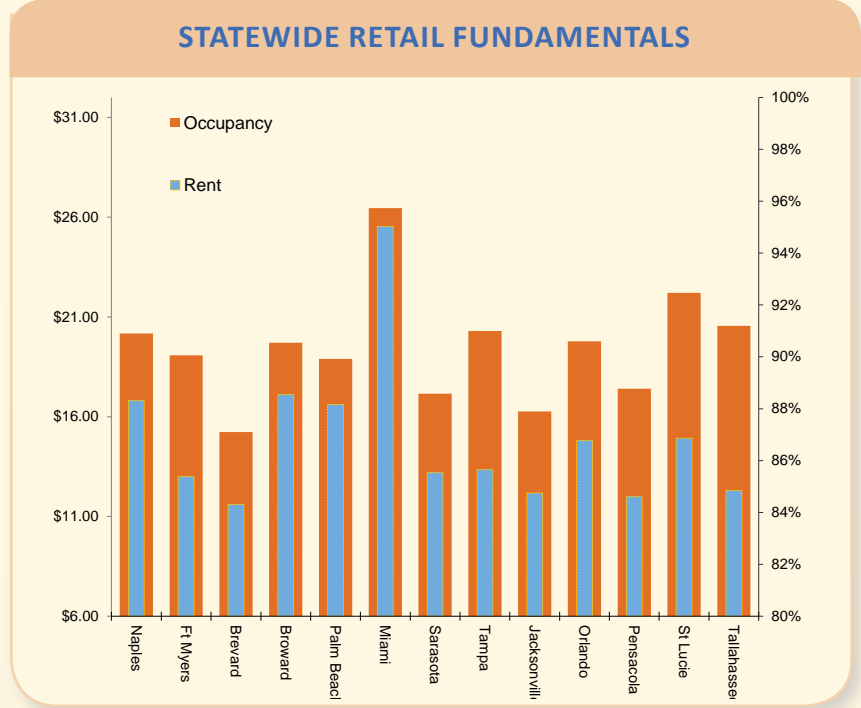
South Florida continues to capture the state's highest rental rates, especially in Miami where rental rates remain the highest in the state at \$25.54 PSF, and the occupancy rate hit its highest peak since 2008, at 95.7%.

Two of the three South Florida submarkets saw increased rental rates for Q2 2012, while all three submarkets saw increased occupancy rates.

While leasing activity in Miami lost some steam in the second quarter of 2012, the downtown Miami district is getting some much-needed revitalization with projects such as the Design District's planned \$312 million open-air, high-end retail transformation.

The Tampa Bay market has seen an increase in both rental rates and occupancy rates, as growth in the retail sector is spurred by discount stores and new casual dining concepts.

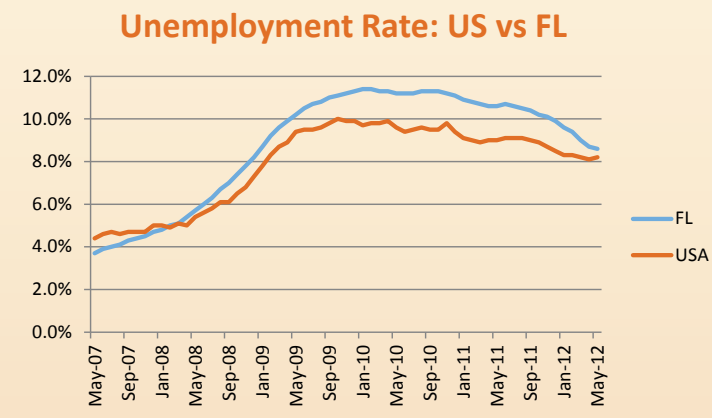
But while the Tampa Bay market has seen three consecutive quarters of increased rates, Southwest Florida has seen four consecutive quarters of decreased rental rates.



Source: Power Center & Shopping Center Statistics from CoStar Property Report

Unemployment in Southwest Florida continues to drop, and retailers expect the lower unemployment rates to help spur the economy and increase consumer confidence.

North Florida rental rates remain some of the lowest in the state, but on the positive side, it has also seen some of the largest improvements in unemployment.



Tallahassee and Gainesville, two towns helped by the presence of major universities, have two of the lowest unemployment rates in the state. And with tourism returning to the Panhandle area, and its diversified economy, expect to see North Florida to continue to make slow and steady progress.

Consumer Outlook



CONSUMER CONFIDENCE UPDATE

Despite recent positive trends in Florida's housing and job market, consumer confidence among Floridians across all ages and income groups sank four points in June, after jumping four points to 78 in May. For the first time since February, all five components used to measure confidence declined.

Respondents were glum in their assessment of broader issues. Their confidence in the national economy over the coming year dropped three points to 73, while their trust in the national economy's prospects for the next five years fell four points to 84.

Despite the gloom expressed in the report, Florida experienced positive economic indicators in May and June, including big employment gains in Florida's professional and business services sectors, which increased by 2.4 percent, or 24,900 jobs.

Another promising trend is that Florida's improving unemployment numbers are not the result of a decreased state labor force, which was the case earlier in the year. Also, stock market values are up, and so are housing prices, which have been slowly recovering since January.

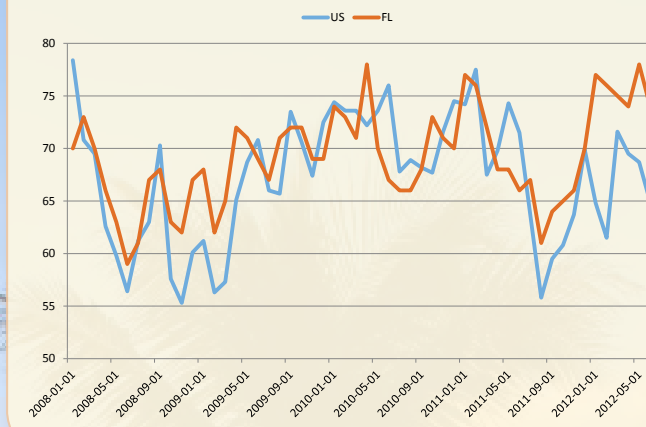


Expert Insight

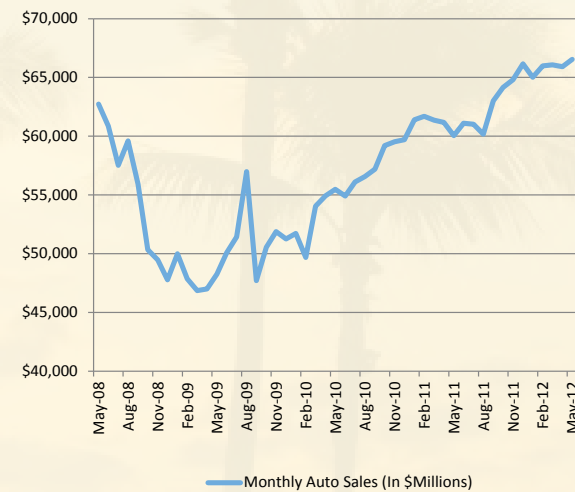
"Fortunately, gas prices are expected to continue to decline, although at a slower pace, in the next few months. This should help to maintain confidence somewhere near its current level."

Chris McCarty
Director of UF's Survey Research Center

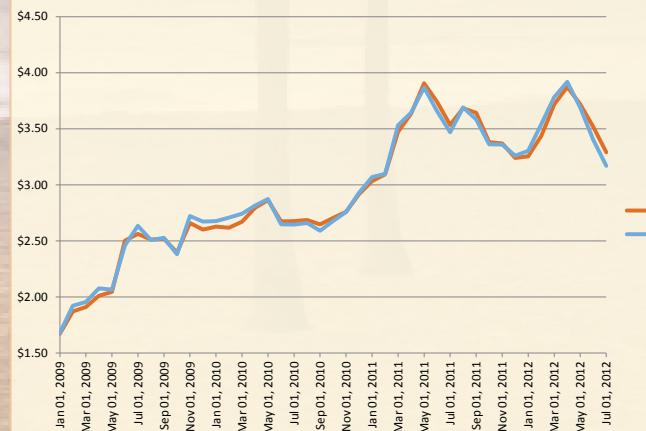
CONSUMER CONFIDENCE: US VS. FL



US NEW AND USED AUTO SALES



HISTORIC GAS PRICES: US VS. FL



Source: US Department of Energy - US Energy Information Administration

2012 Florida Housing Market Overview

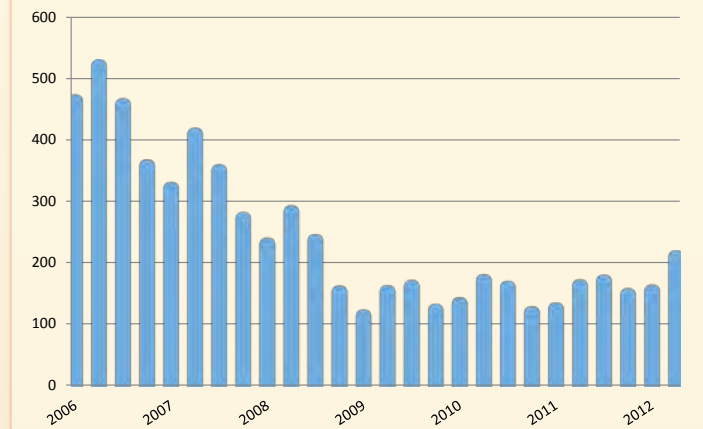
In Florida, a slowdown in population growth and the continuing challenges in the housing market have stunted two traditional drivers of the economy. Unemployment in the state at mid-year (8.6%) is outpacing the national average (8.2%), while population growth in the state is expected to remain relatively flat for the remainder of 2012.

As for the housing market, housing starts are improving slightly, and there are signs that the major national homebuilders are moving back into action after several years of relative dormancy. Still, the market continues to be negatively impacted by the number of foreclosure and short sales around the state.

However, if there is one positive in all this, it's that Florida is once again an affordable place for many to buy a home, with the median sales price of the state's homes running at \$151,000 in June 2012. Long-term, this is a major positive in the state's efforts to attract businesses and individuals to move south.



US RESIDENTIAL HOUSING STARTS

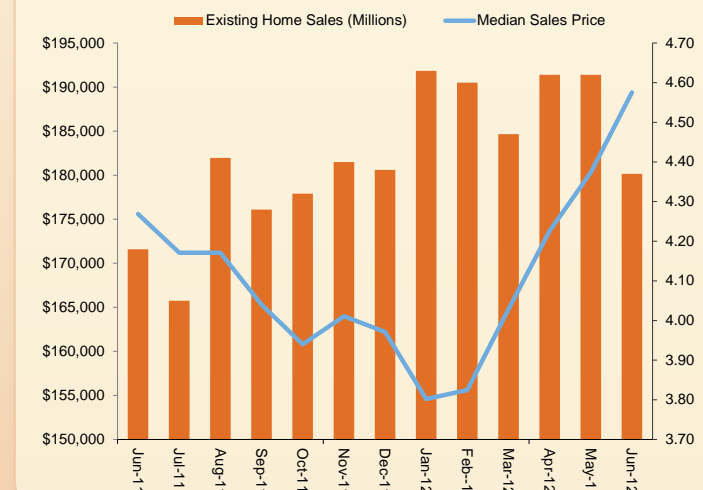


Expert Insight

"All of the signs point to solid gains, which is good news for the state's economy. In June, pending sales were up 31 percent for existing single-family homes and nearly 23 percent for townhouse-condo units compared to a year ago. The trend shows that many buyers are ready to purchase their Florida dream home, but a lack of financing options and overly restrictive credit standards remain obstacles."
Summer J. Greene,
President of Florida Realtors®

- Privately-owned housing starts in June were at a seasonally adjusted annual rate of 760,000. This is 6.9 percent ($\pm 13.3\%$) above the revised May estimate of 711,000 and is 23.6 percent ($\pm 16.8\%$) above the June 2011 rate of 615,000.
- Single-family housing starts in June were at a rate of 539,000; this is 4.7 percent ($\pm 10.1\%$) above the revised May figure of 515,000. The June rate for units in buildings with five units or more was 213,000.
- In order to keep the affordability picture afloat, The Fed has vowed to keep interest rates around 4 percent (4%) through mid-2013.
- Florida's Median Sales Price in June 2012 rose to \$151,000 for single-family homes, representing an 8.2% increase over June 2011.
- Florida's Single Family Pending Sales increased 31% between June 2011 and June 2012.

US EXISTING HOME SALES



Florida Shopping Center Sales

2012 YEAR TO DATE



Property Name	City	Tenants	SF	Date	Buyer	Seller
Watertower Place at Celebration	Kissimmee	Chick-Fil-A, Inc., ExxonMobil, SunTrust, Quizinos Subs	123,807	Jan-12	Clarion Partners	GE Capital
Southern Palms	West Palm Beach	Kohl's Department Stores Inc, Dicks	200,889	Jan-12	Garrison Investment Group	Panattoni Development JV Invesco RE by CBRE; HFF
Mainstreet Square	Casselberry	Winn-Dixie, Rent -A-Center, New York Pizza	107,134	Jan-12	Nightingale Properties	Lamar Cos by Newmark Knight Frank
fmr Sears	Saint Petersburg	Mall & Other/anchor only property	115,760	Feb-12	Ark Royal Insurance Company	Lawrence Kadish
Village on Venetian Bay	Naples	Aqua Beach Wear, Mondo Uomo, The Gallery Of Estate Jewels	100,000	Feb-12	Village On The Bay LLC by Investment Properties Corp	The Lutgert Companies
Reef Plaza	Fort Lauderdale	Save A Lot, Goodwill Industries, Payless Shoe Source, KFC, Casual Male	115,341	Feb-12	336 E Dania Beach Blvd	Kimco Realty Corp by CBRE
Westgate Square	Fort Lauderdale	Walgreens, Winn-Dixie	104,901	Feb-12	336 E Dania Beach Blvd	CW Capital Asset Management
The Prado at Spring Creek	Bonita Springs	Regal Cinemas, Inc., Stein-Mart, Inc, Congress Jewelers, Walgreens	152,072	Feb-12	Isram Realty & Management JV PMAT Real Estate Investments	C-III Asset Management
Century Town Center	Vero Beach	Marshalls, Home Goods, LA Fitness, Bed Bath & Beyond, Petco Animal Supplies, Inc.	106,976	Mar-12	Cole RE Investments	Cole RE Investments
Shoppes at Woolbright	Boynton Beach	Publix, Sally Beauty Supply, Hibachi Japanese Steakhouse	146,759	Mar-12	Principal Real Estate Investors	Woolbright Development Inc
Lauderhill Mall	Fort Lauderdale	Payless Shoe, Subway Sandwich, Simply Fashion, Winn Dixie, Family Dollar	600,000	Mar-12	IMC Property	Southeast Property Associates by Atlantic Commercial Grp
Hialeah Mercado	Hialeah	Firestone, Starbucks, Publix, UPS Store, Verizon Wireless	119,151	Mar-12	Edens & Avant	Victory Real Estate Investments
Crystal River Mall	Crystal River	Game Stop, Sears (Dark)	433,253	Mar-12	Crystal River Mall Realty Management LLC	C-III Asset Management
Jacaranda Plaza	Fort Lauderdale	Publix, Stein Mart, Party City Corporation	173,024	Apr-12	Ram Real Estate	Cohen Commercial Properties JV FIRC Group Inc
Lincoln Park West	Fort Lauderdale	Jeral's, Dollar General, Doris Italian Market	150,000	Apr-12	IMC Property	Infinity BH
Lakes Mall	Fort Lauderdale	Burlington Coat Factory, Subway Sandwich, Aldi, Ross Dress for Less, La Granja	287,000	Apr-12	IMC Property	Realstar Real Estate
Pompano Citi Centre	Pompano Beach	JC Penney Co Inc, Ross Dress for Less, Big Lots, Office Depot	360,923	Apr-12	Sterling Organization	Faison
Biscayne Commons	Miami	Publix, Petco, TGI Fridays, UPS Store	119,378	May-12	EDENS	Taubco by HFF
Glades Plaza	Boca Raton	Abe & Louies, Brewzzi, Coldstone Creamery, Corner Bakery, Five Guys	182,704	May-12	L&B Realty Advisors	Woolbright Development Inc by Cushman & Wakefield
The Shoppes of West Melbourne	Melbourne	Bed Bath & Beyond, Party City Corporation, Jo-Ann Fabrics, Office Depot, Avenue	144,399	Jun-12	Garrison Investment Group	Kimco Realty Corp by CBRE
Cove Center	Stuart	Publix, Bealls, JP Morgan Chase, Bank of America (Shadow/Not Owned), Ace Hardware	159,096	Jun-12	Kite Realty Group Trust	Woolbright Development Inc by Cushman & Wakefield
Polo Grounds Mall	West Palm Beach	Publix, Bealls Outlet, Rainbow	130,000	Jun-12	Atlantic Creek RE Ptnrs JV Blackpoint Properties	Commercial Properties Realty Trust
Saxon Crossing	Orange City	Hobby Lobby, LA Fitness, Target (Shadow/Not Owned), Lowe's Home Improvement (Shadow/Not Owned)	119,894	Jun-12	Inland Diversified Real Estate Trust	Michael Collard Properties by CBRE
Lakewood	Pompano Beach	Marshalls, Walgreens, Wal-Mart (Shadow/Not Owned), Boston Market, Radio Shack	236,679	Jun-12	North American	Inland American REIT by CBRE
Carillon Place	Naples	Walmart, TJ Maxx, Ross, Office Max	283,238	Jun-12	Blackstone JV DDR	Macquarie Bank Limited JV Plaza Centers N.V.
Lake Brandon Village & Lake Brandon Plaza	Brandon	Sports Authority, buybuy Baby, PetsMart, Lowe's Home Improvement	114,000	Jun-12	Blackstone JV DDR	Macquarie Bank Limited JV Plaza Centers N.V.
Lake Walden Square	Plant City	Sweetbay Supermarket, Premier Cinemas	261,897	Jun-12	Blackstone JV DDR	Macquarie Bank Limited JV Plaza Centers N.V.
Piedmont Plaza	Apopka	Bealls, Albertsons	146,275	Jun-12	Blackstone JV DDR	Macquarie Bank Limited JV Plaza Centers N.V.
Winterpark Palms	Winter Park	Publix	108,944	Jun-12	Blackstone JV DDR	Macquarie Bank Limited JV Plaza Centers N.V.
Lincoln Road Mall	Miami Beach	Regal Multiplex, Banana Republic, Serendipity, Anthropologie	127,000	Jun-12	Vornado Realty Trust	RFR Realty JV Greenstreet/Niosi Capital Partners by HFF
Daytona Promenade	Daytona Beach	Planet Fitness, China Wok, Pro Nails, Family Dollar, PNC Bank	147,545	Jun-12	from Wachovia by HFF	Wachovia by HFF

Source: Real Capital Analytics, CoStar

Capital Market Trends

By Holliday Fenoglio Fowler, L.P.
www.hfflp.com



The U.S. commercial real estate equity market has continued to increase its appetite for retail considerably in 2012 vs. 2011 with \$18.8 billion in sales of significant retail properties as of May 2012. This volume is a 60% increase over the same period of 2011, demonstrating the largest gain among all property types including Hotel, Office, Industrial and Multifamily. The cause for the increase is primarily driven by portfolio trades totaling \$9.6B, most notably several regional mall portfolio sales by Farallon (\$3.9B) and Westfield (\$3.2B) and an open-air retail portfolio sale by Macquarie/Elbit (\$1.5B). However, even excluding portfolio sales, individual retail asset sales increased by 16% compared to the same period a year earlier. The increased retail transaction volume levels have made buyers, sellers, and debt providers more confident in their valuations, leading to a narrowing of bid vs. ask spread and eventually to more closings.

Capital is focused on primary markets and strong/average grocery-anchored centers in primary, secondary, and tertiary markets. Private and foreign based institutional capital in particular has shown an interest in secondary and tertiary markets. A scarcity of desirable product combined with an abundance of capital has created a highly competitive investment market for both stabilized and quality distressed assets.

Despite economic concerns, both in the U.S and abroad, the debt capital market is the most liquid it has been in the past 4 years, particularly for transactions involving top-tier assets in core markets with experienced sponsorship. Both short and long-term debt is available at or near historic lows; however, through Q2, financing remained scarce for properties in secondary and tertiary markets where it's becoming increasingly important to select the best capital source to finance your deals. Banks and life insurance companies have been increasing their leverage levels, tightening spreads and starting to provide interest only on partial or full term for the 'best of the best' deals for strong sponsors.

Concerns moving forward still revolve around job growth - one of the most important factors to commercial real estate success - although good news did come in the form of breaking the 10% unemployment rate in Florida, which now stands at 8.6% as of May 2012. The fear of inflation, rising energy/oil prices, regulatory changes, the potential for

rising costs in health care, small business lending, additional retailer closures, expiration of Bush Tax cuts on capital gains, new development, and the pending presidential election could hamper the positive momentum that has been exhibited so far this year.

WHO ARE THE SELLERS?

Banks and Servicers through note sales and REO, JV Partnerships that are dissolving or need a liquidity event, merchant builders, particularly groups with maturing construction loans, private owners that believe interest rates will rise, leading to a corresponding rise in cap rates, and REITs looking to 'recycle' capital or prune their portfolios.

WHO ARE THE BUYERS?

Private REITS for core product that are flush with cash, foreign investors (particularly Canadian and South American), High Net Worth private investors, public REITs, as well as institutional investors have largely dominated the investment landscape. Foreign investors represented an 11.5% share of CRE buyers at the end of 2011, a 42% increase over 2010, and nearly double the share from 2006. Canadian groups represent 34% of these buyers, over double the share of any other area. The top 5 buyers by dollar volume in the past twelve months in the Retail sector were Simon, followed by CPP (Canada), Blackstone, DDR (public REIT), and Cole Real Estate Investments (private REIT).

WHAT IS CURRENT EQUITY PRICING?

According to RCA, YTD national average cap rates are down 20 bps for both regional malls and anchored strip centers compared to 2011. For "best-of-the-best" assets, cap rates for malls and grocery anchored strip centers in Florida are 6.25% and 5.50%, respectively. Cap rate compression is being driven by the historically low interest rate environment and ability to secure long-term, fixed-rate financing below 4%. Institutional retail investors are focused on a combination of the current cash-on-cash yields and internal rates of return (IRR). Private investors are being driven by cash-on-cash yields, discount to replacement costs and 'price per pound.' For most investors running IRR metrics, reversionary cap rates are being set at 50 to 75 bps above the going-in cap rate.

Expert Insight

"While CMBS issuance is roughly 10% of what it was at the peak of the market, it has become an important source of funding in the commercial real estate capital markets."

Daniel E. Rosenberg, Cohen Financial

CURRENT UNLEVERAGED / LEVERAGED DISCOUNT RATES		
Type	Unleveraged Returns	Leveraged Returns
Core	6.5-7.5%	7.5-9.0%
Value Add	7.5-10.0%	10.0-16.0%
Opportunistic	10.0%+	16.0+

WHO ARE THE LENDERS?

For core stabilized assets, Life Companies, Banks, and CMBS lenders are actively lending on retail centers in the Florida market. Life Insurers have originated more than \$9.2 billion nationally as of 1Q 2012, an 18% increase over 1Q 2011. They have focused on larger loans for the highest quality properties and sponsors with over 70% of loan originations over \$25 million. Year-to-date loan originations for many of the largest and most active life insurance companies is well beyond the halfway mark for yearly allocations and as a result select life insurance companies are initiating rate floors that will make aggressively priced life company debt more challenging to achieve in the 4th quarter of 2012.

CMBS lending totaled \$33 billion in 2011, and many predict CMBS loan originations to experience similar volumes in 2012. CMBS originations have increased their overall market share in each of the last three years. For assets that require a turnaround or are not stabilized at market occupancy, balance sheet lenders such as banks and debt funds are the primary sources for this type capital. Bridge and mezzanine financing is readily available and lenders

are becoming increasingly more aggressive for quality assets with good sponsorship.

WHAT IS CURRENT DEBT PRICING?

Best-in-class sponsorship and reliability of tenancy/income is paramount to obtaining aggressive financing. The table below shows the real-time current lender underwriting parameters for permanent financing.

WHAT IS NEXT?

Fundamentals have continued to stabilize, and even increase in some markets, from an occupancy and rental rate perspective. Transaction volume will likely continue as an upward trend pending the continued availability of financing from the debt markets. Cap rates have compressed considerably and for some, retail asset classes have fallen to, or exceeded, the aggressive leverage-fueled levels of 2006 and 2007 for Tier I markets on Core product. There is very strong demand for centers in Tier I markets, but grocery-anchored is performing well in all markets. Secondary markets have seen sales volume increase by over 37% (doubled in Orlando and Tampa – top secondary markets in Florida) in the past six months, compared to a 16% increase in Major Metros for the same period of 2011.

Development financing options have returned for select multifamily deals; however, it has remained scarce for other commercial product types such as retail. Will development debt/equity become more prevalent in 2012 and 2013? It is unlikely that the volumes will be robust in the near term, but unique product in strong markets could find their way off the drawing board.

	DEBT CAPITAL SOURCES AND PRICING			
	Life Companies	CMBS	Debt Funds	Banks
Description:	The vast majority of Life Companies have increased their allocations for 2012 by +/-20% over 2011.	CMBS shops are very active and issuing quotes to fill up securitization buckets. Aggressive underwriting metrics that retreated in late 2011 have returned in 2012.	Mortgage REITs, and private equity funds are providing senior debt, mezzanine and note financing.	National and Regional are most active; some local banks re-entering competitively. Several National and Regional banks are offering non-recourse financing for very select assets with strong sponsorship and low leverage. Considering development for 'special' projects
Max LTV:	50% - 65% LTV	75% LTV	75% - 80% LTV	55% - 75% LTV
All-In-Rates:	10 YR: 3.90% - 5.00% (fixed)	10 YR: 4.70% - 5.30% (fixed)	.50% - 7.50% (fixed/floating)	2.25% - 4.50% (floating or fixed)
Fees:	Mostly PAR	Mostly PAR	Varies	0.5%-1%
Debt Yields:	9-11%	9-11%	Varies	NA
Term/Amortization:	5 to 10 year terms; amortization of 25-30 years. Some interest only (I/O) periods available for lower leverage loan requests.	5 to 10 year terms; amortization of 30-years. Full term interest only (I/O) periods available for lower leverage loan requests.	2 - 5 years terms; interest only (I/O) or amortization of 30 years.	Terms: 3-5 years; amortization of 25 - 30 years.
Recourse:	Non-recourse	Non-recourse	Non-recourse	None to Full
Loan Size Preference:	\$5-300 MM; majority above \$20 MM	\$10 MM - no upper limit (some will consider \$5 MM min.)	\$10 MM; no upper limit.	\$1 to \$50 MM without need to syndicate; no limit with syndication.

Source: Real Capital Analytics, CoStar, Mortgage Bankers Association, and HFF.

Mid 2012: Mixed Signals

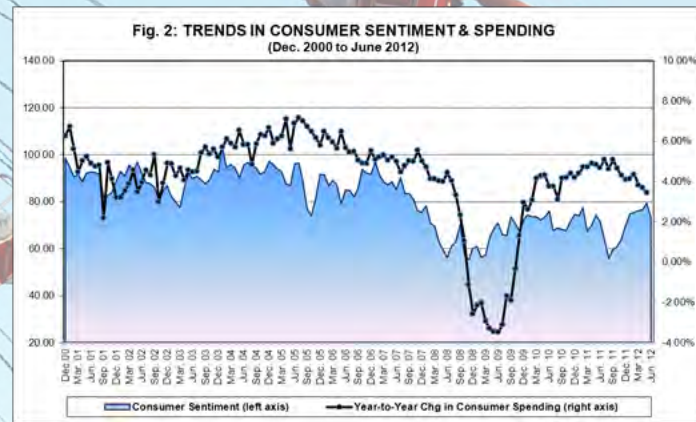
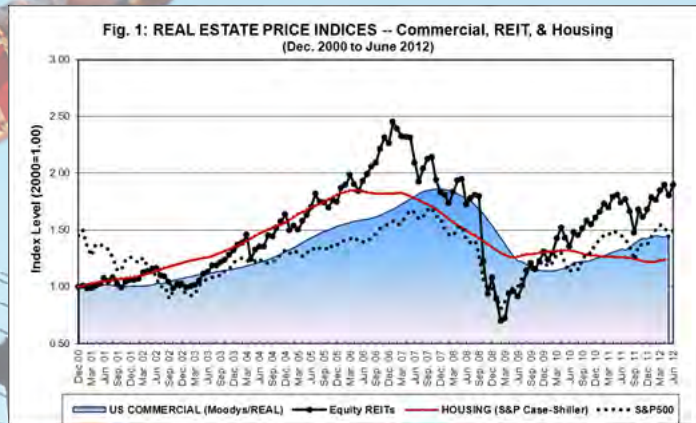
IN THE HOUSING & COMMERCIAL PROPERTY MARKETS

By Dean Gatzlaff, and Mark Bane, Professor and Center Director
Center for Real Estate Education & Research - Florida State University



Presidential election years, with of course the exception of 2008, have often been good for the markets. By traditional measures, the great recession is over and most economists suggest that the downturn much feared in 2011 has been avoided. Housing markets appear to have begun to turn. After seeing overall house prices continue to decline -3.9% in 2011, many markets have stabilized in 2012. On average, major markets have seen prices rise 1.5% since the beginning of the year (S&P Case-Shiller). Zillow and others have also reported house price increases in the most recent quarter, leading many economists to suggest that prices may have bottomed. Still, recovery in the overall housing market remains anemic and there is considerable variation in conditions both across and within markets. While the national unemployment rate has slowly trended down from its high point, it remains stubbornly high at 8.2% (down less than 1% over the last 12 months and almost unchanged since the start of the year). This trend is also seen in Florida, where the unemployment rate in June 2012 was at 8.6%. Perhaps fueled by the small gains in employment, consumer sentiment remains below its index level of 80 and spending is off after trending upward for a period.

In comparison, price movements in the commercial property markets have been remarkably strong. As tracked by Moody's/RCA, the overall commercial market has seen asset prices rise over 10% during the last 12 months. These increases are largely due to investor preferences for yield and conditions specific to the apartment and gateway markets (i.e., New York, Chicago, Los Angeles, San Francisco, Boston and D.C.). Consistent with the commercial real estate activity, total stock returns (VFIAX) as of June 29 are up 9.48% in 2012 YTD and REIT returns (VGSIX) are up 14.8%, after experiencing much smaller returns in 2011. Still, business and consumer sentiment must continue to rise for all property markets to thrive.



Moody's/RCA CPPI - Commercial Property Price Appreciation by Type and Sector						
Period	National All Comm.	National Apartment	National Retail	National Office - CBD	National Office - Sub.	Gateway Markets
5/08 to 5/09	-29.2%	-30.3%	-18.5%	-37.5%	-32.3%	-27.7%
5/09 to 5/10	-8.3%	-5.2%	-18.6%	3.2%	-15.5%	-5.3%
5/10 to 5/11	0.1%	0.2%	0.0%	0.2%	0.1%	0.2%
5/11 to 5/12	10.8%	14.6%	8.3%	16.0%	1.3%	12.1%

The Capital and Deal Markets

PLANNING FOR CERTAINTY

By Randy Anderson, Ph. D., CRE
Howard Phillips Eminent Scholar Chair & Professor of Real Estate

Joshua Harris, Ph.D., CAIA
Director, Dr. P. Phillips Institute for Research and Education in Real Estate

Dr. P. Phillips School of Real Estate
University of Central Florida

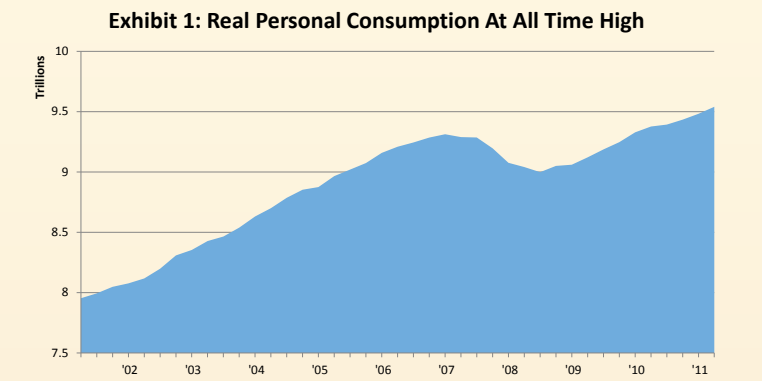


At the beginning of 2012, we noted that the European debt crises and our domestic political issues could have major impact upon the broad economic recovery and thus the real estate capital and deal markets. Sadly, these forces have become the dominant reality across the globe. The United States is now racing toward a "fiscal cliff" where taxes are poised to rise significantly if congress and the president take no action by the end of the year; the markets are clearly factoring some action will take place, but no one is sure what it will be or worse, when it will finally be accomplished. This has put a temporary halt to many expansion plans, acquisition activities, and other decisions that are all impacted by future tax regimes. Thus, we would not be surprised if there is a marked slowdown in commercial real estate transaction activity for the remainder of the year. CoStar is reporting that real estate equity fundraising is down 25% quarter over quarter and 9% year over year in the second quarter of 2012, a sign that points to this reality.

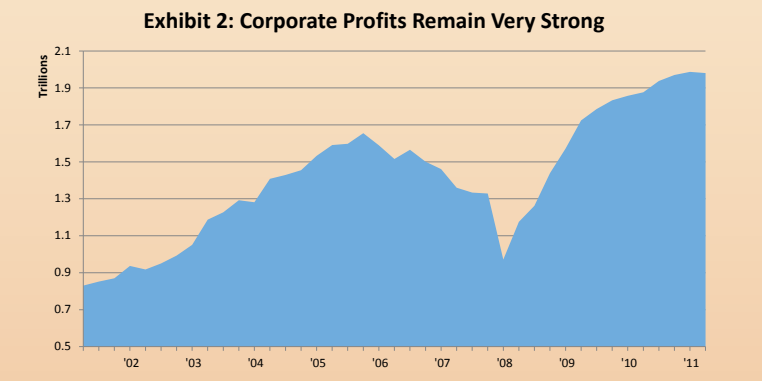
The other major source of uncertainty comes from across the Atlantic. Greece teeters on the brink of being forced out of the currency union while a broad European banking crisis seems to be lurking. In the short term, borrowers in the United States are benefiting from still incredibly low interest rates caused by global investors flooding the US Treasury Bond and other fixed income markets. Over the long term, the reduced global demand from a potential European recession will likely cause spillover effects at home; specifically, reduced demand for US exports and reduced tourism expenditures. We feel like a broken record in writing this as it has been present for several years now; in reality, Europe has effectively only been able to punt the problem a few yards at a time, thus do not expect it to leave the headlines anytime soon.

Given these sources of uncertainty, one may ask if the wisest strategy is to wait. We contend now may be a very good time to plan for future expansions and acquisitions as the underlying fundamentals of the American economy remain quite strong. In fact, we have been using the phrase "all-time high" to discuss many pieces of economic data over the last year or so (of most notable interest to ICSC members, retail sales); and this continues to be the reality in many circumstances. Take personal consumption in real dollars, something very impactful to the retail real estate sector: it sits at all-time record highs according to the Bureau of Economic Analysis (see Exhibit 1). Other factors that were at all-time highs have been begun to level off and even

show very slight declines; one such item that fits that profile is corporate profits (see Exhibit 2). While these numbers often get reported as being quite negative in the press, the reality is these readings are still very near to all-time highs and have likely only really declined due to release of pent up demand in the end of 2011.



In summation, there remains a great deal of strength in both the consumer and business sectors of the domestic economy. If there is a reduction of uncertainty, it is quite possible for a firestorm of economic growth to begin, and accordingly, cause a surge in demand for commercial real estate. This is quite possible in the near term; the elections are in November, after all. Why could this work? Reduction of uncertainty increases confidence, something still lacking from consumers and becoming bleaker for business leaders in the present moment. We firmly believe lack of confidence due to short term uncertainty is the single biggest impediment to sustained job growth domestically. Can we say for sure if this reduction in uncertainty will happen and if so, when? Of course not! That is where the opportunity lies in today's markets. By taking calculated risks today, above average profits may be realized tomorrow.



UF: Survey of Emerging Market Conditions

2ND QUARTER, 2012

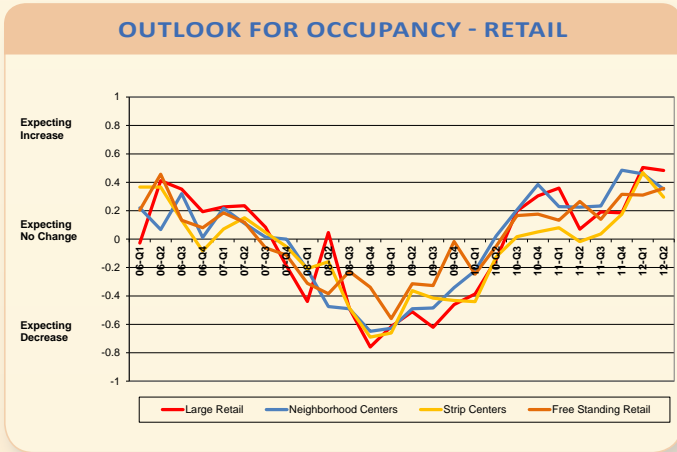
By Timothy Becker, CCIM, Director
Wayne Archer, PH.D.,
William D. Hussey Professor, Executive Director

BERGSTROM CENTER FOR REAL ESTATE STUDIES
Warrington College of Business Administration,
University of Florida



EXPECTED OCCUPANCY

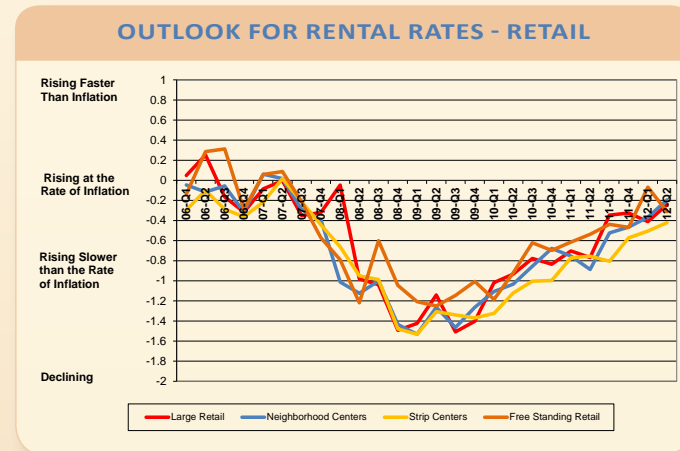
The outlook for occupancy declined slightly this quarter for all retail properties with the exception of Free Standing Retail. However, the respondents continue to believe that occupancy will increase across all retail property types. Retailers continue to expand within the state as Florida's economy is outperforming the national economy. Unemployment rates continue to decline across the state with Florida's average unemployment



rate at 8.6%, down 100 basis points from the beginning of the year. Respondents continue to indicate strong leasing activity at quality centers. Consumers are feeling more confident than they have in almost two years, according to the University of Florida Bureau of Business and Economic Research's consumer confidence survey. In May, Floridian's confidence reached their highest level since April 2010. The index declined slightly in June but remains near its high point since the recession. Continued improvement in the unemployment rate will certainly have a positive effect on consumers over the remaining part of the year.

EXPECTED RENTAL RATES

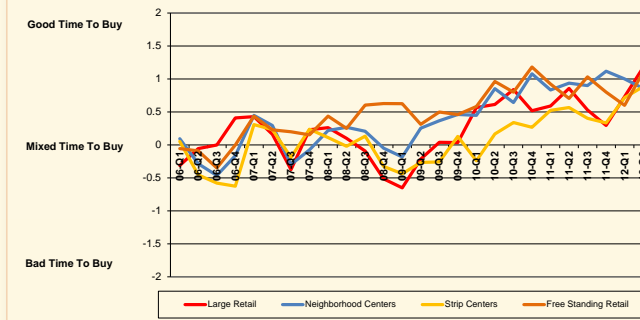
The improved economic conditions along with improving consumer confidence have had a positive effect on occupancies. This, in turn, is driving improved expectations for rental rates this quarter. Respondents' expectations for rental rates improved across most property types, continuing a trend that has been improving since 2009. Rental rates now are expected to increase with inflation across all retail property types. Respondents indicate that concessions are down and rents are improving for quality properties in the right locations. Retailer expansion and competition for the best locations will continue to have a positive affect on rental rates.



INVESTMENT OUTLOOK

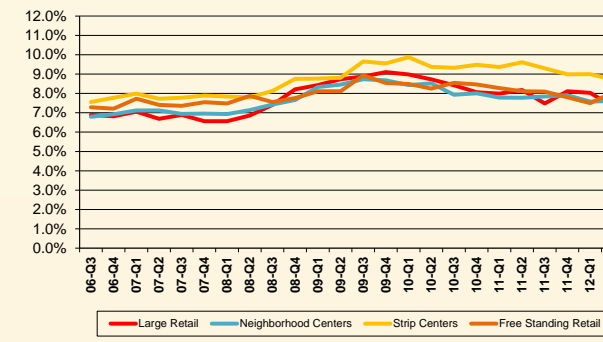
The outlook for investment in retail improved across all retail properties with the exception of Neighborhood Centers. In fact, the outlook for the remaining three property types reached survey highs this quarter with most respondents believing this is a good time to buy. Improving fundamentals along with improving capital availability and low interest rates is driving investment in retail. Additionally, the frothy multi-family market is driving investors to other property types looking for appropriate yields, which is benefiting the retail investment market. The decline in the Neighborhood

OUTLOOK FOR INVESTMENT - RETAIL



Center outlook is due to the cap rate compression for grocery-anchored centers in prime markets, which are producing cap rates close to the previous peak. The outlook should continue to be positive over the remaining part of the year as long as the economy of Florida continues improving. Respondents caution, however, that

CURRENT CAP RATES - RETAIL

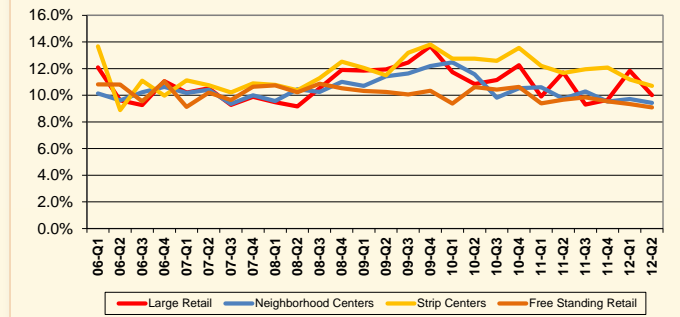


the November elections along with the fiscal cliff scenario may have an adverse impact.

CAP RATES

Cap rates remained relatively stable across retail segments this quarter. Large Retail and Strip Center cap rates continued to decline this quarter, reaching 7.3% and 8.7%, respectively. Neighborhood Center cap rates remained stable at 7.6% and Free Standing cap rates increase slightly to 8%. Expectations are for cap rates to remain relatively stable as the economy continues to grow slowly in Florida and consumer confidence remains upbeat. However, uncertainty with respect to the November elections and the fiscal cliff debate in Congress could have a substantial impact on cap rates next year.

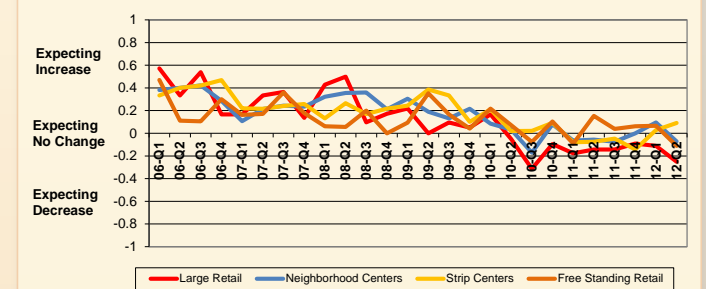
REQUIRED YIELDS - RETAIL



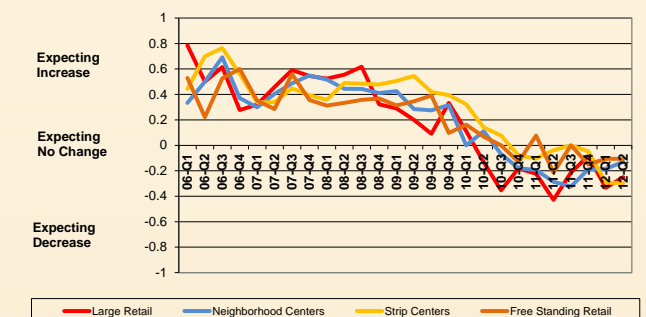
YIELDS

Required yields declined this quarter for all retail property types, as increased competition for investment and improving fundamentals change the risk profile of the retail sector. Free Standing retail continues to have the lowest required yields at 9%, followed closely by Neighborhood Centers (9.4%), Large Retail (10%), and Strip Centers (10.7%). Respondents indicate that yields should remain relatively stable over the next year. However, they continue to be cautious about their expectations in light of the political environment.

EXPECTED CHANGES IN REQUIRED YIELDS - RETAIL



EXPECTED CHANGES IN CAP RATES - RETAIL



USF: Florida on Track - Or Not

THE ROAD TO RECOVERY

By Ronald Rutherford, Ph. D.
Professor, Lykes Chairholder
USF College of Business



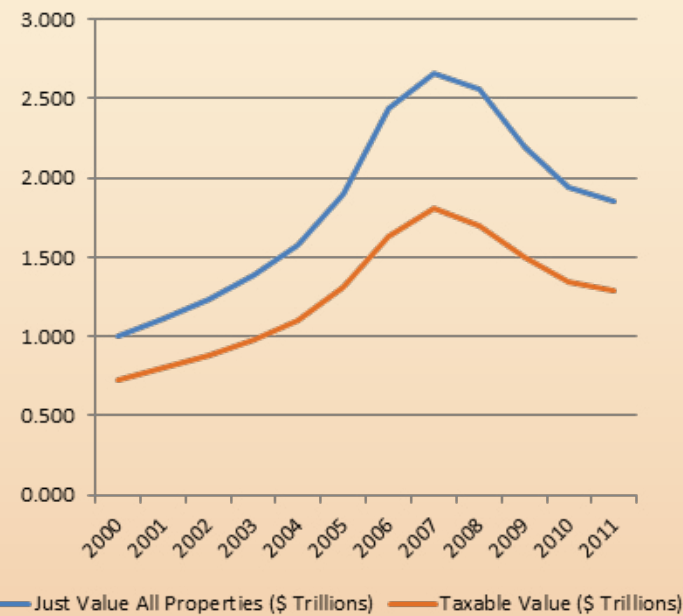
The question of whether Florida is on track for a recovery is not clear. We appear to be at the bottom of one of the worst recessions in decades with the current trend suggesting improvement, but it also appears that we are on track for a slow recovery that will stretch out over several more years.

SYNOPSIS OF FLORIDA PRICE AND VOLUME, 2002-2012

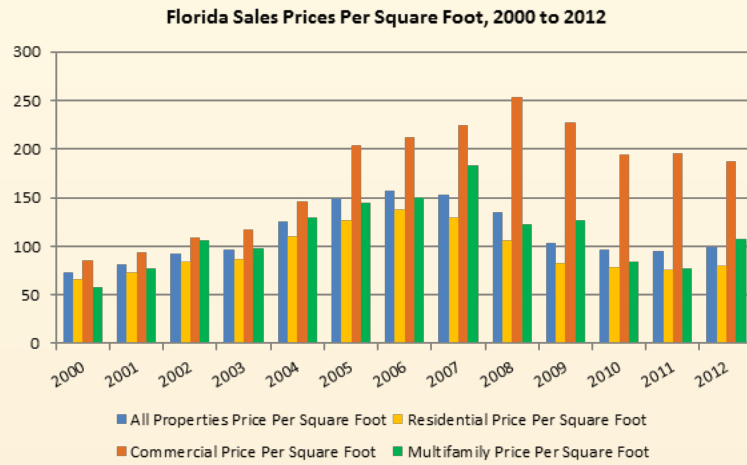
Florida sale prices per square foot are, on average, at 2003 levels. Commercial sale prices per square foot have held steady at approximately 2005 prices while residential price per square foot is at approximately 2002 price levels. Tax justified values are holding steady at 2005 levels, which suggests that justified values are too high given the sales price information. Florida sales volume for real property has recovered from the 2008-2009 bottom, but, based on the Florida Department of Revenue Sales Count Report, sales volume remains at levels not seen since the 1980s. This brief overview suggests that the optimists among us may be slightly too optimistic. Though the good news is that sales volume is increasing and prices appear to have stabilized with a slight upward trend from the bottom in 2008 through 2010.

IT'S THE ECONOMY!

Florida Just Value and Taxable Value 2000-2011

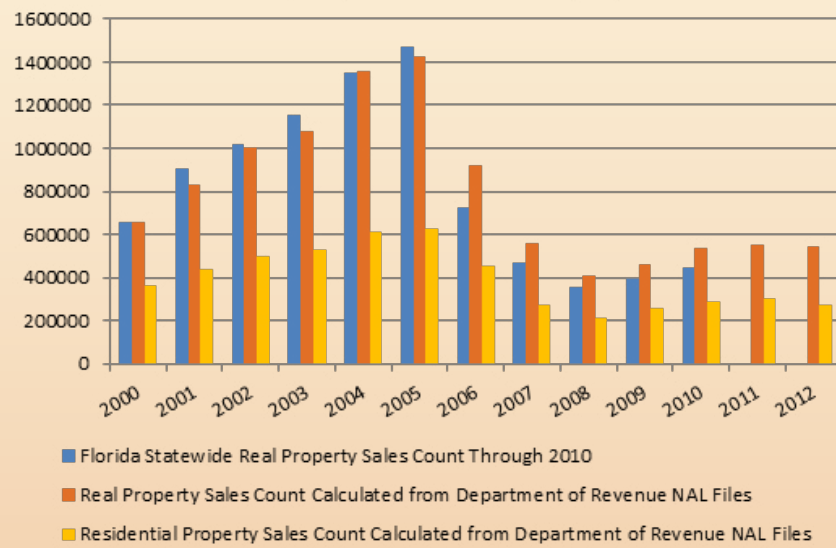


Source: Florida Property Tax Oversight, Research & Analysis

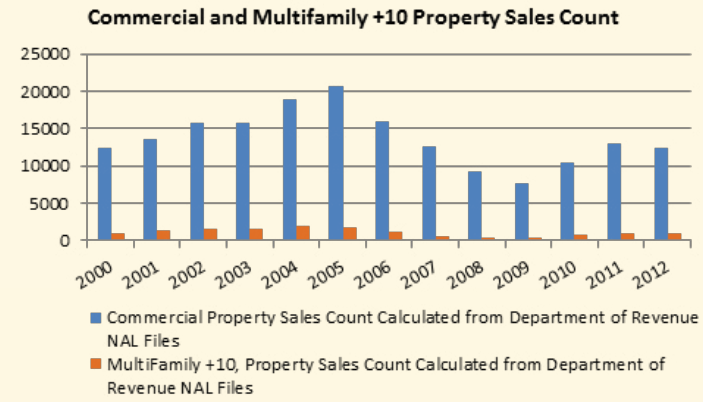


Source: Florida Department of Revenue NAL Files, data is through April 2012

Florida Statewide Sales Count All Property and Residential Property



Source: Florida Department of Revenue NAL Files, data is through April 2012
2012 Sales Count is an extrapolation of the first four months of 2012.



A headline in Peter Linneman's summer 2012 edition of The Linneman Letter appears to sum up both the Florida economy and the current U.S. economy: "Welcome to the Confused." The economy in Florida appears to have strengthened. Population growth and employment are recovering from the worst recession since the great depression. The Florida Legislature Office of Economic and Demographic Research estimates that recent annual growth in per capita personal income increased by 3.5 percent in Florida compared to a national average of 4.3 percent; overall income grew by 4.7 percent compared to a national average of 5.1 percent.

Florida unemployment remains high at approximately 8.7 percent, but this figure would be closer to 10 percent if those who dropped out of the labor force were included. The population seeking jobs is growing by about 32,000 people per year, and given our loss of about 749,000 jobs since the peak of the economy, almost 1 million new jobs will need to be added to have the same percent employed as we had at the peak. While jobs are scarce today, the ratio of taying workers to retired individuals is expected to decline from its current value of 3-to-1 to 2-to-1 by 2030. This suggests that the pool of workers will decrease while worker shortages increase over the next 16 years. This trend almost guarantees that the unemployment rate will decrease over time.

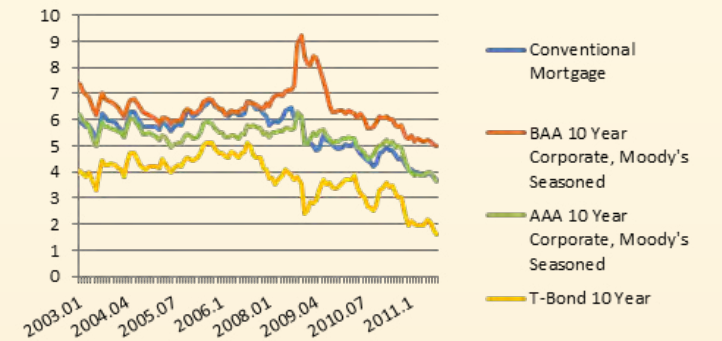
In terms of job growth, construction is where most of the jobs were lost. New construction levels in 2011 are at approximately 1997 levels. Until Florida sees an improvement in new construction, we are not likely to see a major improvement in job growth or the unemployment rate. When this is going to happen is a major question. Interest rates are at historic lows and yet demand for new construction is at levels not seen since 1996-1997.

We appear to be in good shape with regards to perceived risk in the debt market. Note that in 2005 Conventional Mortgage rates, which typically follow the AAA 10-Year Corporate rate, had increased to BAA 10-Year Corporate levels indicating excess risk in the mortgage markets. They

mirrored the BAA rate until approximately December 2007, and then returned to historical norms paralleling the AAA-10 Year Corporate Bond.

The uncertainty in the timing of the recovery or the next recession is keeping a number of players on the sideline while others have adopted a more optimistic position. The result is that we have no clear direction for the economy; it could lapse into recession if the European situation worsens or if we go over the "fiscal cliff." Other issues weighing on the economy are the extremely large federal budget deficits and the outstanding United States federal debt of nearly \$16 trillion. Additionally, at some point, the U.S. Federal Reserve must reverse the \$2 trillion increase in the

Monthly Yield, 2003-06.2012



Source: www.federalreserve.gov/releases/H15/

monetary base that was added during the last few years to prevent a complete meltdown of the financial markets. On the other hand, if Europe stabilizes or the U.S. avoids the "fiscal cliff," there is hope for continued moderate growth.

In these confusing times, I believe Gazit Founder and Chairman Chaim Katzman's advice in a conversation with Peter Linneman is worth repeating. Katzman states,

"Now I would tell you something else. In real estate, a recession or a downturn is not an 'if,' it is a 'when.' This is a cyclical business by design. Any CEO who tells you, 'Look, it caught me by surprise' should not be the CEO of a real estate company. You need to be ready for a recession every day of the week. You need to have your leverage at such a level that you can cruise through a two-year or three-year period of difficulties comfortably with a combination of long-term debt and available lines of credit that are not in addition to your long-term debt but a shock absorber to fill the gaps in times where the capital markets are wide open for refinancing."

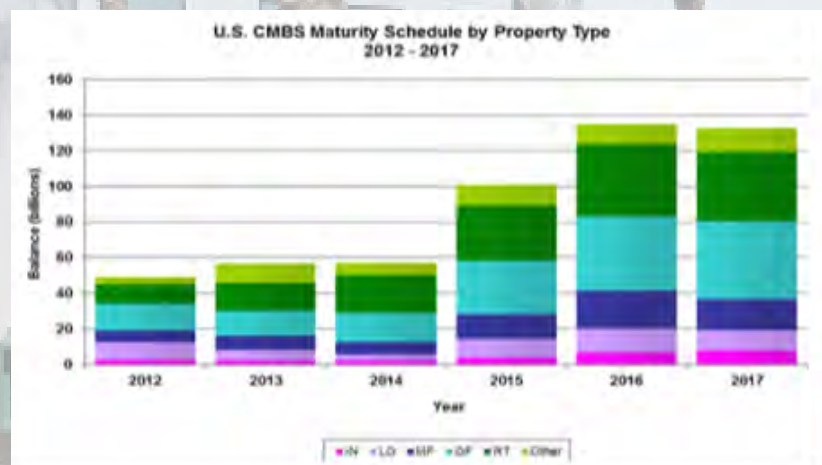
Capital Markets - National Perspective

By KC Conway, MAI, CRE
EMD Real Estate Market Analytics
Colliers International

What is the "SPF" (strategic property finance formula) for your retail assets exposed to the harmful "UV" (uncertainty and volatility) capital markets rays?

The market is so fixated on yield and a return-on-capital that it is overlooking how it will get a return-of-capital. Investors are pricing a return on debt capital of 3 times the yield on the 10-year Treasury (or 4.25% - 4.5%), and then they are forgetting about return of your capital. Investors are making up the exit strategy and cap rate yet nobody appears to be paying any attention to the return of capital piece of the equation.

"Kick the debt down the road" is in full bloom to get through the CMBS debt refi boom in 2nd half 2012 and 2013. If you are a borrower, there may never be a better time to access the securitization market. Forget that you are upside down on value, Mezz debt to the rescue 2.0. 1st half 2012 has seen retail dominate the non-agency securitization market. As of June 30, the CMBS market had originated 19 new issuances totaling \$16 billion (excludes the 39 MF Agency deals totaling another \$24 billion), and two-thirds of the assets involved were retail centers. This new 2012 issuance has been dominated by retail-heavy securitizations, such as the \$1.4 billion single-asset Ala Moana Mall in Honolulu in April with a Sears anchor in the mix; the \$1.1 billion Wells Fargo 80-property securitization in May with a 57% retail concentration - and 41% of the assets located in distressed CA and GA markets; or the \$625 million Grand Canal Shoppes luxury retail securitization located in Las Vegas with more hair on it than an arctic polar bear in January at an interest rate below 4.25% with an interest only and "holy-bleep" Mezz-debt structure.



Source: TREPP

What is driving this retail securitization activity?

The volume of retail real estate facing the refi maturity wall (second only to office) is part of the answer;

And the demand for retail offering 3-4 times the yield on a 10-Year Treasury that fits most of the following criteria is the other half of the answer:

- Core MSA, like a Miami
- Barrier-to-entry market or submarket with little threat of new supply eroding occupancy and rent recovery
- Market-dominant-anchor tenant(s), like a Publix grocery store
- Predominance of national retailers with the capital to expand, renovate and keep stores fully stocked, such as a WalMart, Walgreens, Costco, Home Depot and Yum Brands (all with CY 2012 CapEx budgets in excess of \$1.0 billion)
- Ownership with property management expertise and liquidity to fund re-tenanting costs when vacancies develop

With that recipe in hand, retail continues to attract more than its fair share of debt and equity capital.

Government Relations Update

By Kane Morris-Webster, CCIM - Colliers International
ICSC Florida Government Relations Chair
kmw@colliers.com



The current ICSC priorities in Florida include internet sales tax fairness and taxation on tenant improvements.

ICSC STATE LEGISLATIVE UPDATE

Tenant Improvements Sales Tax - ICSC continues to work with other commercial property organizations to oppose a Florida Department of Revenue rule language proposal that seeks to impose the state's sales tax on tenant improvements. The ICSC Florida Government Relations Committee testified late last year and again in May at workshops in opposition to the proposed rule. The department-generated proposal was characterized as double taxation because the state already applies the sales tax to the improvement materials, property tax on the improved property, and a 6% sales tax on all commercial leases. ICSC has joined with NAIOP, CCIM, BOMA, FGCR and submitted language that would be acceptable to our industry. There are two hearings in August (8th and 14th) then the final adoption of any rule changes on August 21st.

ICSC FEDERAL LEGISLATIVE UPDATE

The current ICSC priorities at the Federal Level include Internet sales tax fairness, the proposed FASB changes to lease accounting standards and voicing industry support for the American Community Survey and Economic Survey, a US Census program that is the successor to the Long Form. Additionally, we are tracking legislative and regulatory developments related to a variety of other key areas including tax extenders and tax reform, Dodd-Frank implementation, and storm water regulations.

SALES TAX FAIRNESS

- Collectively, in 2012 states are losing approximately \$23 billion of sales tax revenue.
- For 2012, Florida's unpaid sales taxes due to e-commerce transactions are estimated at \$803.8 million.
- Online sales are growing four times faster than sales made at brick-and-mortar establishments.
- According to the U.S. Census Bureau, online sales grew 16.1% during 2011. Overall retail sales grew 4.7% during 2011.

POSITION:

ICSC strongly supports efforts to find a federal solution for uniform sales tax collection. There are currently two similar legislative proposals leading the way - the Marketplace Equity Act (HR 3179) and the Marketplace

Fairness Act (S. 1832). By passing this legislation Congress could level the playing field for community-based retailers, provide needed funds for state and local governments, and lessen the regulatory burden placed on retailers across the country. Internet retailers should not receive a tax advantage at the expense of traditional retailers and state and local governments. The Federal bills would permit states to require retailers to collect sales taxes from purchasers regardless of whether the purchase takes place on Main Street, at shopping centers, via mail order or over the Internet. Retailers should be able to compete on attributes such as price and customer service, not government-imposed sales taxes.

CURRENT ACTIVITY:

A House Judiciary Committee held a hearing on the 24th of July and we hope it will lead to a subsequent markup by the Committee, a critical step during which the language will be refined. The Senate Finance Committee held a hearing on state and local tax issues where the Marketplace Fairness Act was supported by various tax experts. Recent polling data shows that 86% of consumers feel it would be easier to pay sales taxes on online purchases at the point of purchase than at the end of the year on their tax forms.

SUMMARY:

ICSC continues to work toward advancing the Marketplace Fairness Act and the Marketplace Equity Act through their respective chambers. As you may know, ICSC has made a major investment to move this issue forward. We are very pleased with the traction we are seeing and continue to push this issue forward at all levels. Note: www.21stCenturyretail.org has background about the issue, economic impact data, the latest news about sales tax fairness, tips on reaching out to Congress and a blog from industry leaders.

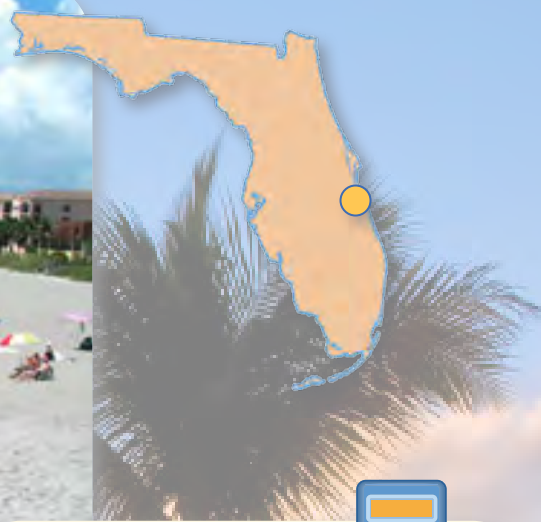
INVITATION TO PARTICIPATE IN THE GOVERNMENT RELATIONS COMMITTEE

The ICSC Florida Government Relations Committees advocates on behalf of the retail real estate industry in Tallahassee and Washington, DC. The Committee is responsible for the public policy agendas for the shopping center industry in Florida, and all ICSC members are welcome to participate. Please contact me for more information.

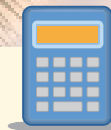
Kane Morris-Webster, CCIM - Colliers International
ICSC Florida Government Relations Chair
kmw@colliers.com

Data from "State and Local Government Sales Tax Revenue Losses from Electronic Commerce" by Dr. Donald Bruce and Dr. William Fox, Center for Business and Economic Research, University of Tennessee, April 2009.

POPULATION: 543,566



By the Numbers



- \$11.60 Average Rental Rate
- 87.1% Occupancy
- 9.0% Unemployment
- 12.8 Million SF of Shopping Centers

Market Overview

Viera, a master planned community in the central coastal region of Brevard County, is experiencing the highest level of demand from tenants and buyers in the region. The trade area is new, with new schools, a government office, and The Avenues – a strong regional open-air center. The area also has a new hospital, churches, and other amenities and restaurants such as Chipotle, Total Wine, Chase bank, McDonalds, Space Coast Credit Union, and Tires Plus. Publix also completed a new center in the trade area within the last year.

There are a few trade areas in Palm Bay and Melbourne that are also experiencing strong demand from buyers and tenants. Hammock Landing has a number of new restaurants, including Longhorn, Buffalo Wild Wings, and Krystal. They have also submitted a plan for Gander Mountain, an outdoors store, as part of phase two. Brevard County is seeing a fair number of tenants taking advantage of the market and expanding, as well as interest from strong capital investors.

Another driving force is that the retail community has begun to realize that Brevard County is resilient and not dependent on NASA to thrive. The County is routinely gaining new employers that are space-related, along with manufacturing companies that are choosing Brevard due to the lifestyle and the cost of living. Examples of this include Utah Rocket & Aerospace Tech Company relocating to Brevard, Legendary Bertram Yacht Manufacturing relocating to Brevard, Embraer adding a new engineering and technology facility in Melbourne, and Harris Corporation investing \$100,000,000 in Brevard.

NOTE* Population Source for All Markets: US Census for July 1, 2011
 "By the Numbers" Source for All Markets: CoStar, US Bureau of Labor Statistics

Market Makers

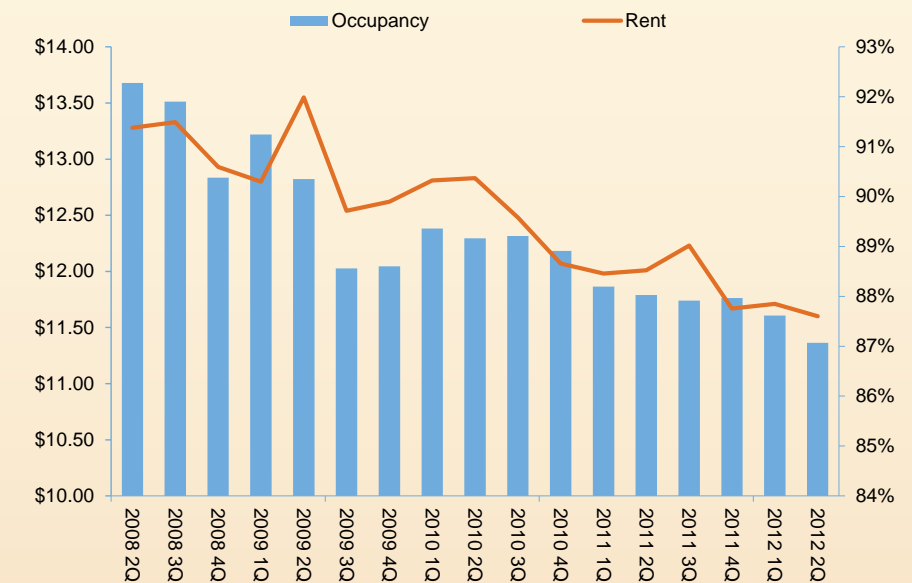


- Hammock Landing (West Melbourne)** - Pollo Tropical is looking to open its first Brevard County location. The stand-alone location would be between Discount Auto and the AT&T store. No timetable has been given.
- Just south of The Avenue Viera (Viera)** - Total Wine plans to open its first 20,000 SF store in Brevard County along Lake Andrew Dr, just south of The Avenue Viera retail center, by the first half of 2013.
- Crossroads Marketplace (Titusville)** - Hibbett Sporting Goods will be opening this summer at the Crossroads Marketplace, with a typical floor plan of about 5,000 SF.



HOME OF KENNEDY SPACE CENTER

Historical Occupancy and Rent

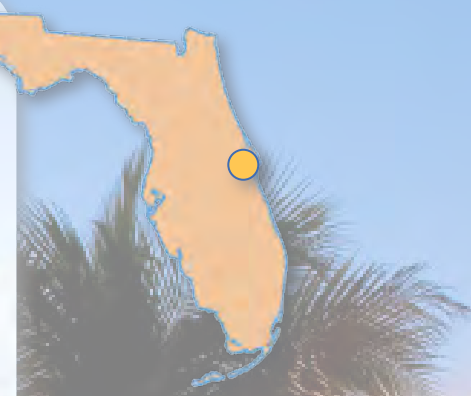


Source: Power Center & Shopping Center Statistics from CoStar Property Report

RETAIL LEASING DATA		Occupancy			Rental Rate		
Submarket	Inventory	YE '11	YE '12	Change	YE '11	YE '12	Change
Melbourne	4,250,235	88.1%	87.7%	-0.4%	11.28	10.88	-3.7%
Merritt Island	1,919,676	88.0%	85.6%	-2.8%	7.65	7.95	3.8%
Palm Bay	1,368,811	90.5%	89.9%	-0.6%	12	11.91	-0.8%
Rockledge	740,009	53.1%	50.4%	-5.5%	15.19	12.84	-18.3%
Titusville	1,348,870	86.6%	88.1%	1.8%	11.15	12	7.1%

POPULATION: 496,575

POPULATION: 560,168



Market Overview

By the Numbers

\$12.74 Average Rental Rate

90.9% Occupancy

8.7% Unemployment

Daytona Beach continues to drive tourism, drawing nearly 9 million visitors in 2011 and continuing retail growth through 2012.

In May, Ocean Walk Shoppes welcomed Paragon Ocean Walk 10, a 54,000-square-foot, 10-screen movie theater. This project lies in the heart of Daytona Beach's proposed "E-Zone" development, which will include additional hotels, shops, and restaurants as well as a multi-million dollar renovation of the Daytona Beach Pier, which just welcomed a new 25,000-square-foot Joe's Crab Shack in June.

International Speedway Boulevard is also thriving as a retail corridor, seeing declining vacancy rates, stabilized rental rates, and a new BJ's Restaurant and Brewhouse, Applebee's, and Buffalo Wild Wings.

Deltona's retail activity is also on the rise, fueled by local residential and medical development.

Several dollar store concepts have opened, filling the niche of the local, neighborhood general store and gaining widespread acceptance within communities. Deltona recently celebrated the opening of the EPIC Theatre, a 51,000-square-foot, 12-screen movie theatre at Deltona Town Center, an open-air shopping complex.

The City has been aggressive in business solicitation and business retention/expansion, with over twenty-three new business openings so far in 2012.

Market Makers

- **The Trails Shopping Center (Ormond)** - Went to auction for a court-ordered foreclosure in March.
- **RaceTrac (Deltona)** - RaceTrac looks to open new 6,000 SF prototype store consisting of 4,000 SF retail and grocery space, 22 gas pumps, and up to 30 employees.
- **International Speedway (Daytona Beach)** - Mango Sun Café signed a lease for restaurant space across from the Daytona International Speedway. No opening date set as of July.
- **Northgate Shopping Center (Deland)** - After nearly a \$1M investment, Publix reopened in June after a plane crash destroyed part of the roof in April.
- **Office Depot Shopping Center (Daytona Beach)** - Beds Plus signed a 5,050 SF lease at \$14.00/NNN in April.

Expert Insight

"Daytona's market will continue to stabilize in the near-term. The real long-term movement in vacancy and contract rental rates will occur if Daytona's job outlook improves, which will drive residential growth and more consumer spending beyond tourism and the major events that occur at Daytona International Speedway." *Whitaker Leonhardt, Crossman & Company*

Market Overview

For the third quarter in a row, retail in this market has experienced positive absorption of space. The strongest submarkets for retailers in Gainesville are Butler Plaza and the surrounding smaller centers along Archer Road, and directly across from the University of Florida to the north.

Urban Outfitters, Collegiate Apparel, Jersey Mike's, Denny's, Dominos and Wing House are all actively looking here, and the retail market is seeing the most activity among restaurants in Class-A locations.

Although the current economy poses challenges for the local commercial real estate market, the area is poised to recover when the national market recovers. A movement backed by the City of Gainesville, the University of Florida, Shands and local developers has helped Gainesville put itself on the map for innovation industries, which will bring more jobs, thus more homes, and retail will follow.

In Ocala, active businesses are focusing on marketing, remerchandising, remodeling, expanding, recruiting and taking advantage of deflated costs and weakened competition. Struggling businesses are repositioning or closing non-performing locations, downsizing existing locations, remerchandising, discounting and revising marketing strategies.

By the Numbers

\$11.25 Average Rental Rate

91% Occupancy

8.7% Unemployment - Ocala

6.7% Unemployment - Gainesville

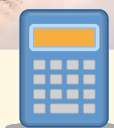
Market Makers

- **Sport Clips Haircuts (Gainesville)** - Sport Clips Haircuts opened its first store in Gainesville at 890 Dawsonville Highway.
- **Oaks Square Plaza (Gainesville)** - DSW, Designer Shoe Warehouse, opened its first location near the Oaks Mall.
- **Springhills and SanteFe Village (Gainesville)** - Development by PREIT. After several setbacks, plans are in motion again for the mixed use developments which could bring up to 2,000,000 sf of retail and office space.
- **College Plaza** - Lifetime Properties (David Hass) will be opening College Plaza, a 15,000 SF property developed in an outparcel of Home Depot. The property will be delivered 100% leased.

POPULATION: 2,171,360



By the Numbers



\$14.80 Average Rental Rate

90.60% Occupancy

8.3% Unemployment

83.5 Million SF of Shopping Centers

Market Makers

- The Grove at Islesworth (Islesworth)** - Travistock Group, 200,000 SF shopping center UC; L.A. Fitness signed 20 year, 45,000 SF deal
- Market at Southside (S Orlando)** - Compton Properties Remodeling of the 250,000 SF shopping center to be completed in 2012; 48,000 SF Wal-Mart Neighborhood Center coming in Q1 2013.
- University Shoppes (UCF Area)** - American Campus Communities Inc.; Approval to re-develop the 25 year old, 102,432 SF shopping center near UCF, adding student housing beds with up to 67,084 SF ground-floor commercial space. Set to break ground Q1 2013.
- Lake Nona Town Center (Lake Nona)** - Travistock 1 million square feet of upscale open-air shopping. First phase will include restaurants and a hotel, construction scheduled for fall 2012.
- 55 West Retail (Downtown Orlando)** - TA Associates Realty; Build-out of vacant space for two new tenants, and a third replacing a previous tenant, to fill the 75,000 SF of retail on the first and second level.
- Lake Nona Plaza (Lake Nona)** - Travistock 54,000 SF anchored Publix, projected to open by the end of 2012; 25,000 SF of retail and restaurant space.
- Partin Village (Kissimmee)** - 45,600 SF Publix opened in July.

- City Center Place Ocoee (Ocoee)** - Park Development Corp; Planned 200,000 SF of retail, restaurants, office and medical, plus a hotel and convention center.
- Current at Lee Vista (Orlando Airport Area)** - Diversified Realty, Developer looks to remove previously planned hotel, and add 2,500 seat movie theater; Target still expected to anchor with a 1 85,334 SF SuperTarget.
- Central FL Parkway/I-Drive (S Orlando)** - Wawa to debut its first local store in July, with four additional ribbon cuttings in the following month.

Expert Insight

“UCF expansions and Lake Nona growth (Nemours Hospital and associated medical facilities), both will lead to a higher paid work force.”

Bill Smith, Real Property Specialists, Inc.

NOTE* Population Source for All Markets: US Census for July 1, 2011

“By the Numbers” Source for All Markets: CoStar, US Bureau of Labor Statistics

Orlando Market Overview

Tourism in the Orlando market has continued its record-breaking pace, pushing up tourist tax collections and fueling the need for new retail and entertainment options in the area.

Almost 100,000 square feet of new product was added over the past year, the most since late 2009. About 240,000 square feet was absorbed, lowering the vacancy rate in the tourist area to 6.5% from 7.8% one year ago.

Value retail – such as Dollar General and Family Dollar – fast-casual dining, and convenience and gas retailers like Racetrac, Wawa and 7-11, are very active.

Demand continues in the competitive Restaurant Row area of Sand Lake, where restaurants serve the strong and growing convention center/tourist areas and solid nearby local resident base.

In downtown Orlando, re-tenanting is underway on Church Street, as restaurants address current demand generated by the influx of downtown workers, residents and Amway Center visitors. The outlook for Orlando’s core is even more promising as the Performing Arts Center, Creative Village and SunRail come online.

The University of Central Florida area is seeing vacancy being absorbed and low but stabilizing rental rates. Discount retailers, fast-casual restaurants and auto service/parts stores are active, serving the daytime and student populations in that submarket.

Development activity has started and more is forecasted for 2013. This will begin to occur as developers and retailers address market opportunities generated by new and expanding employment centers – specifically Medical City in the Lake Nona area, Florida Hospital and Orlando Health campuses bordering downtown, and the Orlando International Airport.

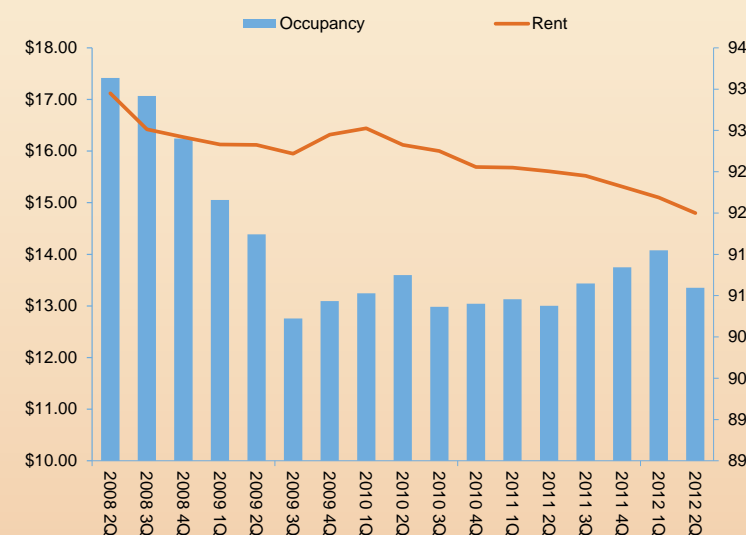
Expert Insight



“Downtown Orlando seems to be getting it’s feet back on the ground – we feel there will be some club and restaurant work for us there in the next 2 or 3 years. Higher education is looking for new ways to earn money; if developers and universities can get together, we feel there may be some retail growth on campus, particularly if there is already a large population of students on campus in need of retail.”

Lonnie Peterson, Cuhaci and Peterson - Architects, Engineers and Planners

Historical Occupancy and Rent



Source: Power Center & Shopping Center Statistics from CoStar Property Report



ORLANDO PREMIUM OUTLET MALL

POPULATION: 68,768

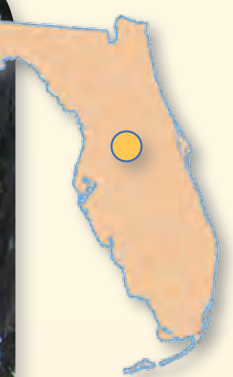
RETAIL LEASING DATA Submarket	Inventory	Occupancy			Rental Rate		
		YE '11	YE '12	Change	YE '11	YE '12	Change
436 Corridor	5,640,025	94.5%	94.3%	-0.3%	16.57	17.27	4.1%
Altamonte/Douglas	3,281,037	94.2%	94.4%	0.1%	13.45	14.92	9.9%
Brevard County	12,795,973	88.0%	87.0%	-1.1%	11.68	11.6	-0.7%
Casselberry	4,093,331	91.5%	89.6%	-2.1%	17.85	16.34	-9.2%
Downtown	240,631	47.6%	47.6%	0.0%	n/a	n/a	
Kissimmee	3,652,149	93.3%	93.2%	-0.1%	15.7	13.22	-18.8%
Lake County	6,196,153	90.2%	89.4%	-0.9%	14.63	13.36	-9.5%
Lake Mary	1,841,122	92.5%	94.3%	2.0%	16.84	16.83	-0.1%
Lee Rd	387,443	85.8%	87.6%	2.0%	15.24	14.98	-1.7%
Longwood	755,296	91.1%	91.1%	0.0%	10.75	10.77	0.2%
Maitland Center	1,369,276	94.0%	95.3%	1.4%	19.21	16.42	-17.0%
Maitland	587,634	81.7%	81.7%	0.0%	15.12	14.97	-1.0%
Metro West	1,033,780	87.5%	88.1%	0.8%	15.95	16.67	4.3%
North Outlier	2,240,139	90.7%	91.6%	1.0%	15.64	10.97	-42.6%
Orlando Airport	195,000	95.9%	97.6%	1.8%	n/a	n/a	
Orlando Central Park	6,179,594	92.3%	92.3%	0.0%	12.28	12.81	4.1%
Sanford	2,715,811	92.7%	92.9%	0.2%	17.29	17.42	0.7%
South Orange	1,033,248	90.5%	91.0%	0.5%	15.2	13.83	-9.9%
South Outlier	7,668,144	94.4%	94.1%	-0.3%	20.01	18.14	-10.3%
St Cloud	819,373	93.7%	92.6%	-1.2%	12.05	11.74	-2.6%
Tourist Corridor	8,358,495	91.9%	92.8%	1.0%	18.88	19.23	1.8%
University Research	190,711	88.9%	90.2%	1.4%	17.68	19.36	8.7%
University	281,612	94.4%	96.0%	1.7%	19.77	21.98	10.1%
West Colonial	6,582,648	84.4%	82.5%	-2.3%	13.97	14.03	0.4%
West Outlier	1,364,017	89.3%	89.7%	0.5%	13.86	17.66	21.5%
West University	2,678,887	89.3%	89.8%	0.5%	18.43	17.75	-3.8%
Winter Park	1,345,142	96.0%	95.9%	0.0%	19.51	17.97	-8.6%

Source: Power Center & Shopping Center Statistics from CoStar Property Report

Expert Insight

“Tourist visitation in the Orlando area has continued its record breaking pace, pushing up tourist tax collections and fueling the need for new retail and entertainment options in the area. Almost 100,000 square feet of new product was added over the past year, the most since late 2009. About 240,000 square feet was absorbed, lowering the vacancy rate in the tourist area to 6.5% from the 7.8% noted one year ago.”

David R. Darsey, Real Estate Research Consultants, Inc.



By the Numbers



\$20.80 Average Rental Rate

96.9% Occupancy

8.2% Unemployment

Market Overview

The Villages, a popular retirement community, increased its population by 29 percent between 2007 and 2010, making it one of America's fastest-growing small towns, according to *Forbes* magazine*. The town has a goal to reach 110,00 residents by 2016, a number that appears very attainable as the baby-boomer generation gets older.

The Villages retail market is also growing. Brownwood Paddock Square, the third and final planned town square, is being promoted as “the newest urban downtown” and a “third location where entertainment, dining and shopping draw consumers from the regional market.”

The other two town squares include Market Square at Lake Sumter Landing, with over 550,000 square feet of restaurants, retail and office space, and Spanish Springs Town Square with 375,455 square feet of retail and hotel space.

Other shopping centers, such as Spanish Plaines and Mulberry Grove Plaza, are both anchored by Publix and have more than 92,000 square feet of space. By 2017, The Villages is expected to have almost 3 million square feet of retail.

* Beth Greenfield, *Forbes* online magazine - “America's Fastest Growing Small Towns”, published January 2012.

Market Makers



- **The Tire Choice & Total Car Care (The Villages)** - Tire Choice & Total Car Care opened a new store in June at 280 Colony Blvd, their third store located in The Villages.
- **Brownwood Town Square (The Villages)** - Phase one construction continues for the 102 acre, rustic Florida Cattle themed development site at Buena Vista Blvd and SR 44. This will include the 41 foot-tall, 53,000 SF Barnstorm Theater.



By the Numbers

\$12.18 Average Rental Rate

87.9% Occupancy

8.0% Unemployment

39.7 Million SF of Shopping Centers

Market Overview

Jacksonville's vacancy rates in commercial property markets are stabilizing as the economy recovers. The outlook for Class A and well-located Class B properties continues to improve while Class C properties struggle with a long recovery. Class A expands with aggressive rates and quick absorption while Class B is stable with relatively flat lease rates in 2012.

Regional centers with appropriate anchor tenants are experiencing the highest tenant interest, including the world-famous St. Johns Town Center, anchored by Dillard's, Target, Old Navy and J.Crew in the Southeast quadrant and River City Marketplace, anchored by Wal-Mart Superstore, Lowe's and Gander Mountain on the north side of town. Dick's Sporting Goods and Marshalls are currently under construction in Phase Two of the River City Marketplace's Parkway Shoppes, along with REI at The Markets of Town Center.

Jacksonville's grocery-anchored retail centers lead the pack in absorption and as prime investment choices. This is apparent by how quickly the vacancy created by Jacksonville's Food Lions closing has been absorbed by new grocers, including Wal-Mart Neighborhood Market and Save-A-Lot Grocery Store.

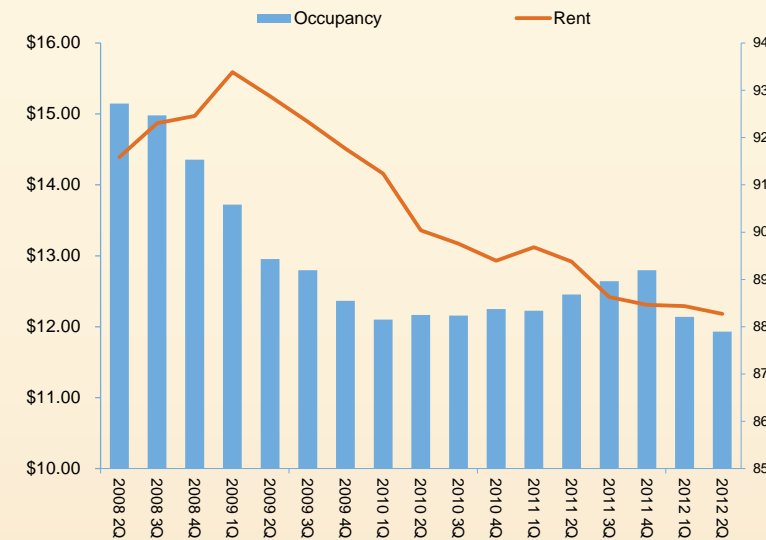
Restaurant and outparcel activity are generating the most market activity with recent additions, including Brio Tuscan Grille, BJ's Restaurant and Brewhouse, First Coast Energy, 7-Eleven, Starbucks and various banks.

The Jacksonville retail market is strong, but traditional retailers must realize shoppers have become a very disciplined group as the number of dinners out is reduced to once weekly or monthly and shopping and entertainment are being combined into one trip.



THE LANDINGS, RIVERFRONT RETAIL CENTER

Historical Occupancy and Rent



Source: Power Center & Shopping Center Statistics from CoStar Property Report

RETAIL LEASING DATA	Inventory	Occupancy			Rental Rate		
		YE '11	YE '12	Change	YE '11	YE '12	Change
Arlington	3,596,475	84.0%	83.2%	-0.9%	11.99	12.24	2.0%
Baker County	412,828	100.0%	80.5%	-24.3%	10.04	8.6	-16.7%
Beaches	2,609,064	86.2%	85.1%	-1.3%	15.66	16.13	2.9%
Butler / Baymeadows	3,108,675	92.0%	92.0%	0.0%	13.85	11.44	-21.1%
Downtown Northbank	1,273,818	87.2%	84.4%	-3.3%	8.04	8.04	0.0%
Mandarin	3,051,225	90.6%	89.1%	-1.6%	14.72	15.51	5.1%
Nassau County	1,581,691	92.4%	85.7%	-7.9%	12.24	12.84	4.7%
Northeast Jacksonville	1,587,992	92.1%	92.7%	0.6%	11.49	11.48	-0.1%
Northwest Jacksonville	1,260,029	82.2%	82.5%	0.5%	6.53	7.69	15.1%
Orange Park/Clay County	5,092,910	89.8%	88.1%	-1.9%	12.11	11.75	-3.1%
Riverside	4,975,827	91.4%	90.7%	-0.8%	12.70	12.72	0.2%
San Marco	632,476	65.4%	68.3%	4.2%	13.09	11.95	-9.5%
Southside	7,356,540	89.0%	88.4%	-0.7%	12.79	12.11	-5.6%
St Johns County	3,195,079	94.5%	92.4%	-2.3%	14.76	14.61	-1.0%

Source: Power Center & Shopping Center Statistics from CoStar Property Report

Market Makers



- The Tire Choice & Total Car Care (The Villages)** - Villages of Amelia (Yulee) - 134,399 SF Sleiman Enterprises community shopping center phase 1 opened in 1st quarter 2012, anchored by Publix, Kohl's, TJ Maxx, and Ross Dress for Less.
- Avenues Walk (Jacksonville)** - 372,000 SF Power Center by Kimco located at I-95 & US-1. Currently in development with existing phase 1 anchors Haverty's & hhgregg. Project is shadow anchored by Wal-Mart.
- Parkway Shops (Jacksonville)** - 350,000 SF shopping center by Ramco-Gershenson located at I-4 & Duval Road. Phase 1 is currently under construction and will be anchored by Dick's Sporting Goods and Marshalls. Projected opening June 2013.

Expert Insight

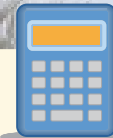
"The great news is that a lot of the vacancy that was created by the closing of the Food Lions in Jacksonville will be absorbed by the influx of new grocers....Wal-Mart Neighborhood Grocer and Save-a-Lot."

Geneva Henderson
Lat Purser & Associates

POPULATION: 170,000



By the Numbers



\$9.99 Average Rental Rate

89.4% Occupancy

7.8% Unemployment

Market Overview

The tourism market in Panama City has been strong, though the overall market is on a path to rebound once the second home market returns.

Pier Park on Panama City Beach has experienced the strongest tenant demand, and there is a steady trend of tenants opting to relocate to the beach sub-market.

Pier Park North is actively leasing – with a Dick's Sporting Goods, Bed Bath & Beyond and Rooms To Go all planned for the new center.

Despite the strong pull from the beach, the Panama City Mall continues to do well.

Panama City is predicted to be soft for the foreseeable future while the Beach will continue to grow.

Market Makers



- Pier Park North (Panama City Beach)** - A 400,000 SF shopping center is to be built across from the Simon Properties Pier Park Development, called Pier Park North. Projected opening is 2013, with 7-15 anchor stores.

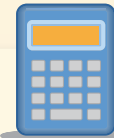
NOTE* Population Source for All Markets: US Census for July 1, 2011

"By the Numbers" Source for All Markets: CoStar, US Bureau of Labor Statistics

POPULATION: 448,991



By the Numbers



\$11.99 Average Rental Rate

88.77% Occupancy

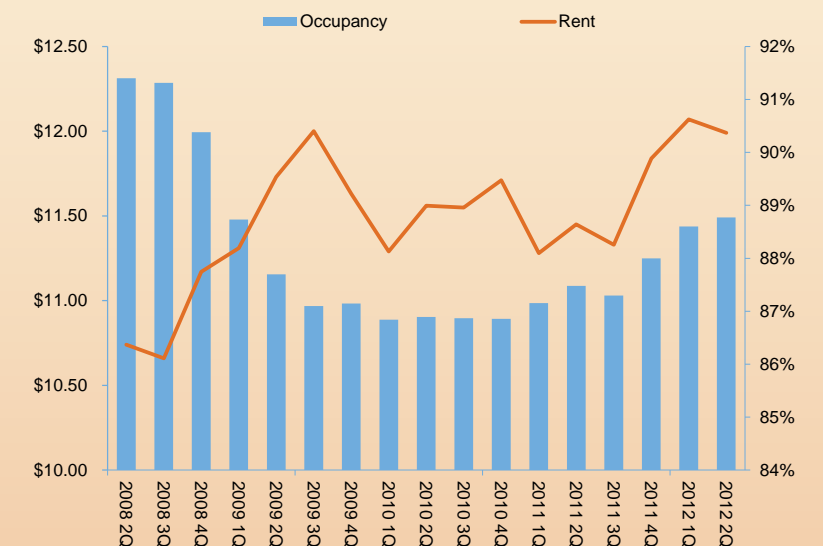
7.9% Unemployment

Market Makers



- Cordova Commons (Pensacola)** - Fresh Market and Marshalls will anchor an 80,000 SF renovation at the Cordova Commons on Airport Blvd.
- Pensacola Beach Marina (Pensacola Beach)** - Innerlight, a local surf and skate shop, purchased the Pensacola Beach and Marina in February of 2012 for \$2.8M.

Historical Occupancy and Rent

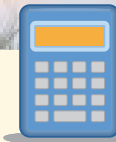


Source: Power Center & Shopping Center Statistics from CoStar Property Report

POPULATION: 370,379



By the Numbers



\$12.30 Average Rental Rate

91.19% Occupancy

6.7% Unemployment

8.2 Million SF of Shopping Centers

Market Overview

Tallahassee remains stable, supported by almost 70,000 students from three different universities, as well as a highly educated government-related workforce.

Retail activity continues to increase, particularly among restaurants, as does interest in tenants taking second-generation space. Demand particularly remains strong in and around campus areas, with 1,000+ multifamily bedrooms either under construction or planned.

Well-located properties with good access and visibility will continue to be absorbed in short periods of time among landlords and developers. Rates are strong in most of the new deals, and the market is starting to see an increase in in-fill development and re-development.

The city continues to attract high-tech industries due to the knowledgeable workforce and relatively young professional population, which will ultimately impact retail activity.



TALLAHASSEE SKYLINE

Market Makers



- Mahan Village (Tallahassee)** - Development by Watkins Retail Group and New Horizons Retail; development continues on the 160,000 SF retail/commercial shopping center, which is to be anchored by Publix Super Market and Academy Sports. Delivery date is projected for the 3rd quarter of 2012.
- Catalyst (Florida State University)** - Chance Partners and The Carlyle Group; Ground breaking has begun on the 3,500 SF of ground floor retail and 130-unit student housing project near FSU. Completion date is scheduled for 2013.
- College Town (Tallahassee near FSU)** - Ground breaking began on the loft-style living district between Gaines St. and S. Madison St. The first phase will host nearly 55,000 SF of dining and entertainment spaces, with venues such as America's Backyard, Samba Cantina, and The Original Brooklyn Water Pizza & Pasta Co. slated to arrive in 2013.

Expert Insight



"The northeast (strongest demographics) and southeast (around the Governors Square Mall) have been the strongest retail markets and have generated the strongest tenant interest."

Francis Rentz
SouthLand Commercial

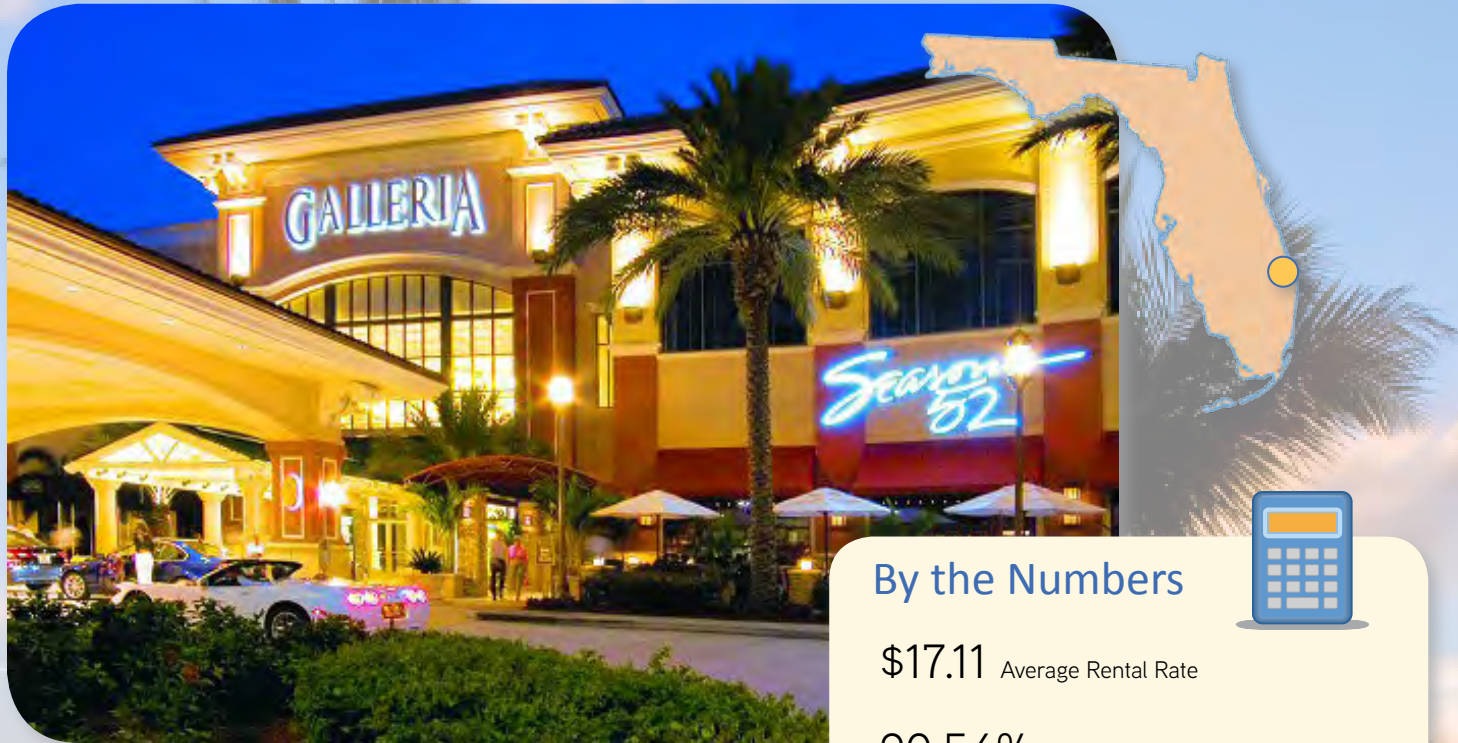


FLORIDA STATE UNIVERSITY

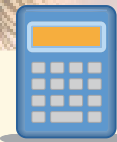
RETAIL LEASING DATA	Inventory	Occupancy			Rental Rate		
		YE '11	YE '12	Change	YE '11	YE '12	Change
Submarket							
East Tallahassee	2,118,129	94.4%	90.0%	-4.8%	8.16	8.74	6.6%
Gadsden County	266,289	80.9%	80.9%	0.0%	4.93	4.93	0.0%
NE Tallahassee	407,226	97.4%	97.4%	0.0%	12.67	12.88	1.6%
Northeast Leon County	1,469,098	90.9%	87.2%	-4.2%	17.77	17.45	-1.8%
Northwest Leon County	265,702	77.2%	76.8%	-0.5%	7.93	8.05	1.5%
NW Tallahassee	1,765,786	97.5%	97.3%	-0.1%	16.00	16.00	0.0%
SE Tallahassee	372,357	86.5%	86.5%	0.0%	9.11	9.63	5.4%
Southeast Leon County	622,648	94.5%	94.9%	0.4%	13.28	12.88	-3.1%
Southwest Leon County	99,086	75.9%	73.2%	-3.7%	9.00	9.00	0.0%
West Tallahassee	859,130	92.6%	93.2%	0.7%	13.00	13.00	0.0%

Source: Power Center & Shopping Center Statistics from CoStar Property Report

POPULATION: 1,780,172



By the Numbers



\$17.11 Average Rental Rate

90.54% Occupancy

7.3% Unemployment

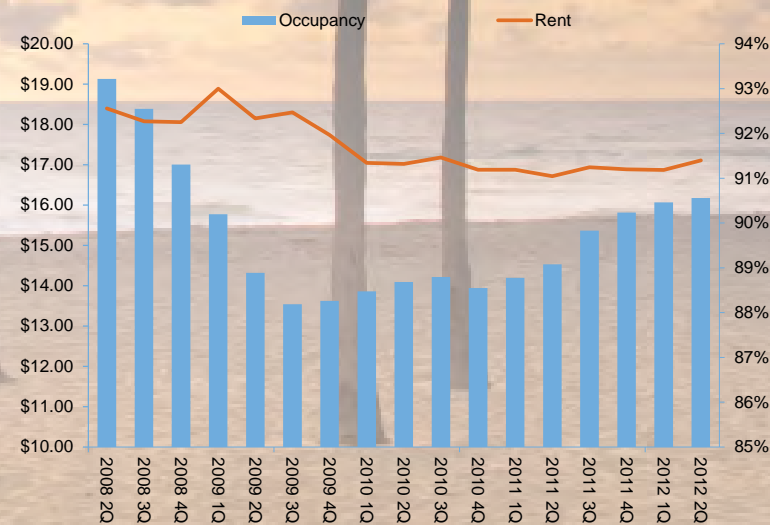
54.4 Million SF of Shopping Centers

Market Makers



- **Royal Eagle Plaza (Coral Springs)** - Renovation underway for Sports Authority to replace former Kmart.
- **Las Olas Riverfront (Ft Lauderdale)** - \$1M makeover began on the 280,000 SF center.
- **Riverfront (Ft Lauderdale)** - Cymbal Development; Cabi New River site purchased for \$11.5M, with plans for a \$135M mixed-use development.
- **Pompano Beach Publix** - Reopens after renovating and expanding in 2011. The 54,000 SF Publix will include a four-story garage.
- **Sunshine Plaza (Tamarac)** - 27,720 Marshalls now open.

Historical Occupancy and Rent



Source: Power Center & Shopping Center Statistics from CoStar Property Report

Market Overview

Broward has continued to struggle through this recession. It seems rents have stabilized and vacancy has decreased slightly. There has been very little new development to speak of, with the supply of vacant space still needing to be absorbed.

With rates in an affordable range, it has been a great time to attract retailers to existing space. Many are taking advantage of low rates and expanding. Most developers and investors are looking to buy existing product because it still remains available below replacement cost. If the center is in the right location, then improving the property seems to make the most sense.

Broward is seeing some increased activity due to Miami's decreasing supply. Tenants in Miami are considering the rest of South Florida for expansion. Broward will come more and more into focus from a tenant prospective due to the rates available, especially compared to rates in Miami (Dade).

Expert Insight



"Rents in Broward County have stabilized and leasing activity has picked up."

Gloria Fernandez, Senior Vice President
Finance and Acquisitions
Ross Realty Investments



CORAL SPRINGS SHOPPING CENTER

RETAIL LEASING DATA Submarket	Inventory	Occupancy			Rental Rate		
		YE '11	YE '12	Change	YE '11	YE '12	Change
Commercial Blvd	1,177,923	97.0%	97.3%	0.3%	13.55	13	-4.2%
Cypress Creek	1,125,410	88.4%	89.9%	1.7%	12.84	13.47	4.7%
Downtown Ft Lauderdale	2,142,176	88.1%	88.1%	0.0%	24.2	25.51	5.1%
Ft Lauderdale	5,002,519	87.6%	88.2%	0.8%	13.99	13.29	-5.3%
Hallandale	1,963,038	92.0%	92.5%	0.5%	15.96	18.35	13.0%
Hollywood	5,610,714	93.0%	93.8%	0.9%	17.4	17.68	1.6%
NW Broward/Coral Springs	6,638,038	87.7%	88.0%	0.4%	16.51	16.66	0.9%
Outlying Broward County	1,859,788	94.1%	93.4%	-0.7%	20.43	20.77	1.6%
Plantation	8,695,787	83.8%	84.3%	0.6%	15.55	15.45	-0.6%
Pompano Beach	7,807,283	90.9%	91.1%	0.2%	17.03	17.26	1.3%
Sawgrass Park	3,463,769	98.9%	98.2%	-0.7%	20.01	24.34	17.8%
Southwest Broward	8,998,034	93.0%	93.0%	0.1%	20.71	20.57	-0.7%

Source: Power Center & Shopping Center Statistics from CoStar Property Report

Palm Beach

POPULATION: 1,335,187



By the Numbers

\$16.61 Average Rental Rate

89.92% Occupancy

8.6% Unemployment

42.3 Million SF of Shopping Centers

Market Overview

The market in Palm Beach is increasingly more positive. This is noticeable all around as there's more deals happening on the leasing side, we are seeing sales transactions again, and financing is available. In the first half of 2012, four retail centers sold totaling more than \$150 million, a sign that investors' appetites have returned to the market. Three of the four deals traded for higher than the seller's original purchase price.

The activity has not turned around to pre-recession levels, though it is showing signs of recovery and heading in the right direction. The high vacancy rates have pushed down lease rates, helping tenants commit to longer lease terms at affordable rents. Vacancy and rent currently remains stable and is expected to for the remaining of 2012.

With Miami's supply diminishing and rents rising, Palm Beach will become more into focus from a tenant's prospective. Tenants currently in Dade County may begin to consider the rest of South Florida. Though rents have bottomed out in Palm Beach, it is still a tenant's market.

Expert Insight

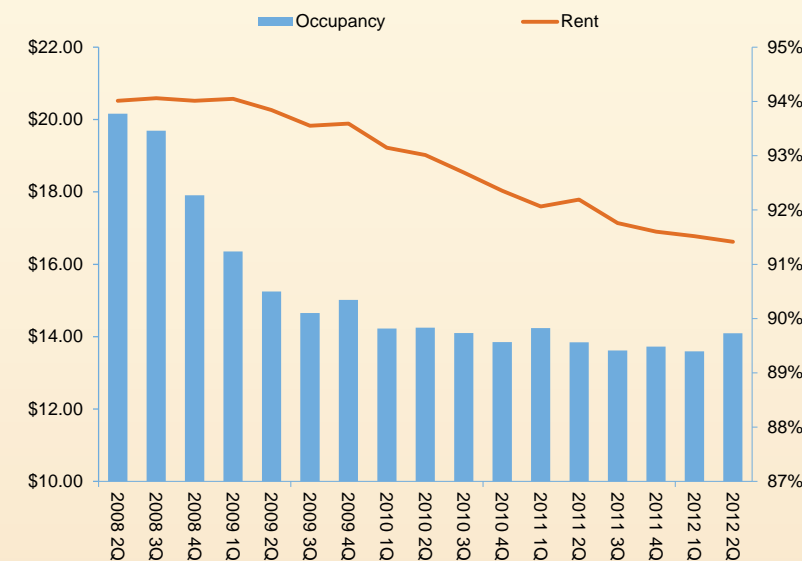
"People seem to be much more positive these days. The last few years have been tough, and I'm finally having fun again which is a positive note and means the money will come. The hard work and battles that we have fought through for the past few years are starting to pay off on our end. It's noticeable all around as there's more deals happening on the leasing side, we are seeing sales transact again, and financing is out there."

Bryan Cohen
Cohen Commercial Realty, Inc.



WORTH AVENUE SHOPPING DISTRICT

Historical Occupancy and Rent



Source: Power Center & Shopping Center Statistics from CoStar Property Report

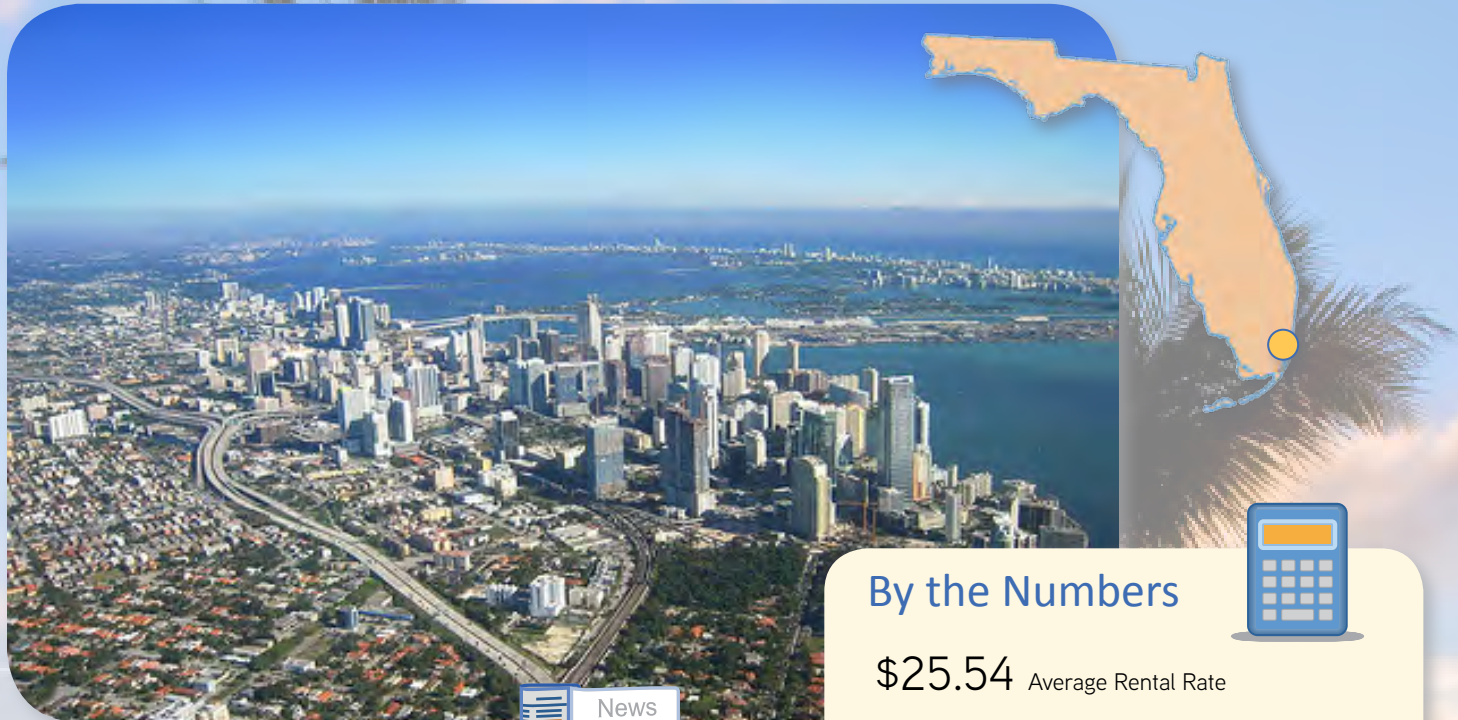
Submarket	Inventory	Occupancy			Rental Rate		
		YE '11	YE '12	Change	YE '11	YE '12	Change
Boca Raton	6,325,633	93.1%	93.8%	0.8%	22.34	22.27	-0.3%
Boynton/Lantana	6,479,024	86.9%	87.8%	1.0%	17.14	16.52	-3.8%
Delray Beach	3,455,140	88.3%	88.8%	0.5%	15.74	16.21	2.9%
Jupiter	2,312,652	93.1%	93.9%	0.8%	18.26	17.47	-4.5%
North Palm Beach	5,212,483	90.9%	91.9%	1.1%	14.74	14.37	-2.6%
Palm Beach	2,689,776	91.9%	93.1%	1.2%	19.74	18.86	-4.7%
Palm Springs/Lake Worth	1,018,184	89.4%	89.3%	-0.1%	12.09	12.22	1.1%
Royal Palm Beach/Wellington	5,473,814	93.5%	93.1%	-0.4%	16.72	16.44	-1.7%
West Palm Beach	9,418,591	85.2%	84.4%	-0.9%	15.59	15.34	-1.6%

Source: Power Center & Shopping Center Statistics from CoStar Property Report

Market Makers

- **Sunshine Square (Boynton Beach)** - 54,340 SF Publix opening in August 2012.
- **Town and Country Shopping Center (Lake Worth)** - First Publix Sabor opens in Palm Beach County, a 36,000 SF Publix with a Latin twist.
- **Village Commons (West Palm)** - \$4M rebuild set to be completed by the end of 2013, adding an additional 5,000 SF to the 40,000 SF building.
- **Town Center at Boca Raton (Boca Raton)** - Summer, 4,800 SF Fossil, 7,400 SF Brooks Brothers will open in mall's center court this summer.
- **Westwinds of Boca (Boca Raton)** - Ulta signs 10 year, 10,010 SF lease.
- **Boynton Lakes Plaza (Boynton Beach)** - Redevelopment, including new opening of 45,000 SF Publix in June.

POPULATION: 2,554,766



By the Numbers

\$25.54 Average Rental Rate

95.73% Occupancy

9.8% Unemployment

54.7 Million SF of Shopping Centers

Market Makers

- **Lincoln Road Mall (Miami Beach)** - New 29,000 SF two-story flagship Gap in the works. Construction set to start in early 2013.
- **Miller Heights Shopping Center (Miami)** - Sharp Properties; Million dollar face-lift renovation project expected to be completed by summer.
- **Fountainbleau Park Plaza (Miami-Dade County)** - Canyon-Johnson Urban Fund/WSG Development; Proposed 235,000 SF shopping center on 31 acres, anchored by Wal-Mart Super Center. Forecasted for completion in August 2013.
- **Vicenza Plaza (Hialeah)** - Courtelis Company; Wal-Mart Neighborhood Market anchored shopping center opening in 2012.
- **Biscayne Landing (North Miami)** - Boca Developers; 850,000 SF shopping center will be first phase of the 190 acre project, including Lowe's, Dick's Sporting Goods, City Furniture, Kohls, and Ross as anchor stores.
- **Miami's Design District (Downtown Miami)** - Craig Robins/Developer; planned \$312 million open-air project on 19 acres.
- **Cutler Bay Town Center (Cutler Bay)** - Lease signed for 21,223 SF DD's Discounts
- **Hialeah Plaza (Hialeah)** - 39,203 SF Publix opened in July.

Expert Insight

"The positive news in Dade, if you're a Landlord it's a Landlord market. We've seen average rents increase by as much as 30% in some areas such as Coral Gables, the Design District, Mid Town, Pinecrest that were negotiated in 2007 - 2008 for the same space today. The down side is that because of low occupancy rates in Dade it is getting tougher and tougher if you want to come in and do multiple units."

Rob Warstler
Colliers International South Florida

Market Overview

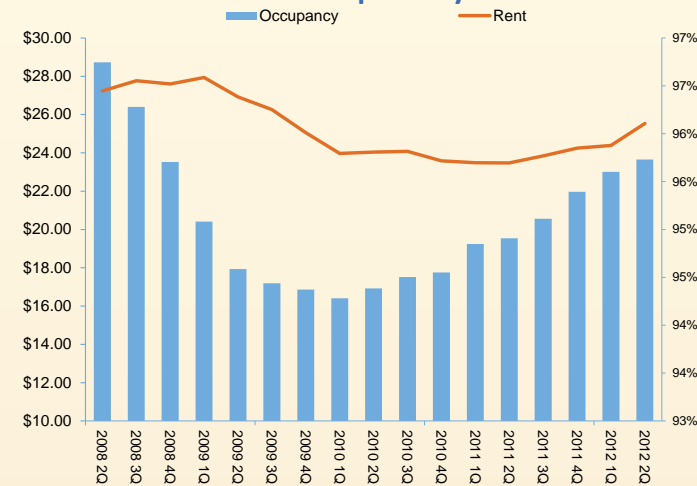
Dade County is a landlord's market. In areas such as Coral Gables, the Design District, Midtown and Pinecrest, average rents that were negotiated in 2007-2008 have increased by as much as 30% for the same space.

Kendall, Coral Gables, Downtown Miami/Brickell, Doral/ Hialeah and the North Miami/Aventura/Biscayne corridor submarkets continue to see steady population growth, strong residential density, and customers with steady employment and disposable income.

The area is seeing expansion by regional and national concepts, especially among the food industry - particularly yogurt and burger restaurants - and convenience stores.

Stable vacancy with rental rates trending up and continued net absorption is predicted, if there is no major economic trouble or negative news that causes a drop in employment and customer spending. On the investment side, cap rates will continue to fall as more and more foreign investment flows into the market.

Historical Occupancy and Rent



Source: Power Center & Shopping Center Statistics from CoStar Property Report



BAL HARBOUR SHOPS

RETAIL LEASING DATA	Inventory	Occupancy			Rental Rate		
		YE '11	YE '12	Change	YE '11	YE '12	Change
Aventura	5,214,968	98.8%	99.0%	0.2%	32.12	32.99	2.6%
Biscayne Corridor	230,076	64.0%	63.9%	0.0%	n/a	n/a	
Brickell	282,726	99.3%	100.0%	0.7%	45	70	35.7%
Coconut Grove	886,186	94.9%	95.4%	0.5%	28.32	28.7	1.3%
Coral Gables	1,128,061	96.7%	96.7%	0.0%	n/a	n/a	
Coral Way	468,485	93.0%	95.0%	2.2%	36.95	36.32	-1.7%
Downtown Miami	571,344	73.6%	74.3%	1.0%	22.5	22.5	0.0%
Kendall	11,375,992	95.5%	95.6%	0.1%	28.81	29.4	2.0%
Medley/Hialeah	5,194,758	96.0%	95.7%	-0.4%	22.36	22.62	1.1%
Miami Airport	8,675,815	94.9%	96.4%	1.5%	18.76	21.91	14.4%
Miami Beach	1,870,601	97.3%	97.8%	0.4%	80.39	87.26	7.9%
Miami Lakes	2,273,259	93.9%	94.1%	0.2%	19.44	19.97	2.7%
Miami-Dade Central County	1,419,325	90.1%	91.0%	1.0%	14.41	13.97	-3.1%
Miami	1,029,115	92.7%	92.7%	0.0%	13.64	13.94	2.2%
Northeast Dade	4,405,187	95.5%	95.4%	-0.2%	20.65	20.51	-0.7%
Outlying Miami-Dade County	181,524	86.0%	86.0%	0.0%	21.16	20.95	-1.0%
South Dade	6,330,555	94.8%	95.0%	0.2%	19.51	20.02	2.5%
West Miami	3,195,470	98.1%	98.4%	0.3%	25.81	26.46	2.5%

Source: Power Center & Shopping Center Statistics from CoStar Property Report

POPULATION: 645,835



By the Numbers

- \$13.00 Average Rental Rate
- 90.05% Occupancy
- 8.6% Unemployment
- 26.4 Million SF of Shopping Centers

Market Overview

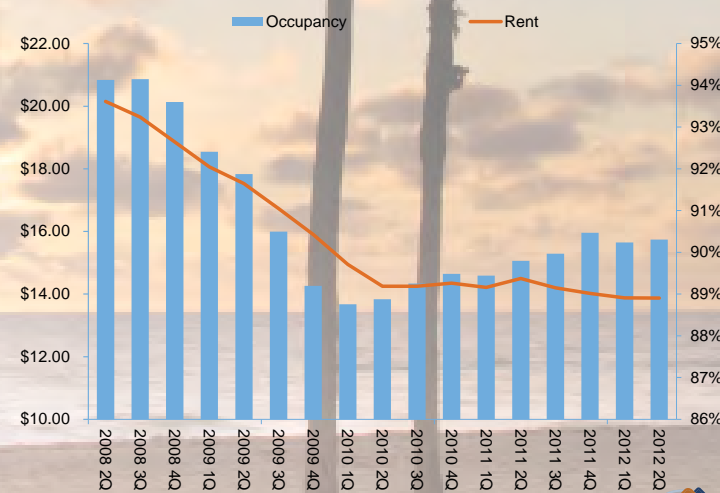
The existing Class A spaces have been absorbed by savvy retailers looking to improve their position in the market and lock themselves into favorable terms for as long as possible. The distressed assets are trading at significantly lower than replacement cost levels, a major factor stimulating the activity. Tenants are also looking at alternative space as an upgraded location.

Dunkin' Donuts is pursuing new locations, and Tijuana Flats is undergoing a corporate expansion in Fort Myers. There are numerous new franchisees seeking locations while the rates are favorable.

A Boston Red Sox Spring Training facility opened in Fort Myers and a 220,000 SF V.A. Hospital was built in Cape Coral. Chico's is also expanding their corporate headquarters in Fort Myers.

National tenants are now actively exploring the market and are paying above market rates for choice locations. While construction has been stagnant, tourism numbers and consumer spending have been increasing. Tenant sales reports are now holding steady and many were trending upward in the first two quarters of 2012.

Historical Occupancy and Rent



Expert Insight

"Local users have seen the advantages of the depressed values and have seized the opportunity to lock themselves in at low rental rates for as long as possible. We are now seeing national tenants emerging to look for the long term deals at discounted rates." *Karen Johnson-Crowther, Colliers International Southwest Florida*

POPULATION: 328,134



By the Numbers

- \$16.81 Average Rental Rate
- 90.9% Occupancy
- 10.7% Unemployment
- 51.2 Million SF of Shopping Centers

Market Overview

The U.S. 41 corridor is hot in Naples, with the first Florida opening of Trader Joe's at the Granada Shops; the ground-up development of a 60,000 SF Robb and Stucky at US 41 and Fifth Avenue; and the redevelopment of Naples Plaza with an expanded Publix. A 35,484 SF mixed-use development is also under construction on Fifth Avenue South in Naples, and will include a Chico's, Boston Proper, Chase Bank, and an all-suite boutique hotel.

Buyer interest in strip centers is increasing, with the recent sale of The Prado in Bonita Springs (135,150 SF), Uptown Center in North Naples (74,000 SF), and Naples' waterfront specialty center, Village on Venetian Bay (106,612 SF).

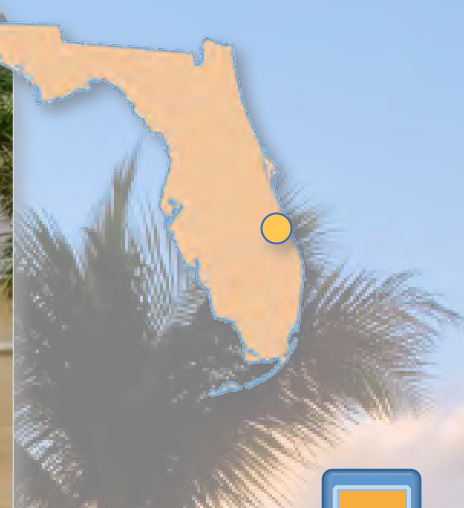
Active restaurant retailers include Chipotle, Jimmy Johns, Moe's, and the Darden family restaurants. L.A. Fitness, Advance Auto Parts, hhgregg, Party City, Pet Supermarket, Hobby Lobby, and T.J. Maxx have also recently been active in Southwest Florida.

The area is seeing improved hotel occupancy and a gradual re-start of home building activity, especially in Collier County. Vacancy rates have declined to single digits in Collier County and are approaching that level in Lee County, while rental rates have started to increase as quality space becomes scarce.

Market Makers

- Trader Joe's (Naples)** - 14,000 SF store opened in February, 2012.
- Miromar Outlet Mall (Estero)** - Several stores recently added: Bloomingdales, Michael Kors, Haggars Mens Wear, and Greg Norman's.
- Mercato (North Naples)** - The Counter, a custom burger joint where customers can build their own burgers, is coming to the Mercato, which is anchored by Whole Foods Market.

POPULATION: 427,874



By the Numbers



- \$14.92 Average Rental Rate
- 92.46% Occupancy
- 10.0% Unemployment
- 9.9 Million SF of Shopping Centers

Market Makers



- Pineapple Commons Shopping Center (Stuart)** - Ulta Beauty will open a 10,000 SF store in July, including a 950 SF full-service salon.
- Harbor Pointe (Vero Beach)** - Planned development including a 45,600 SF Publix and 26,000 SF of small shop space at the SE corner of US 1 and 53rd St.
- Sears/Albertson's (Port St. Lucie, Vero, Stewart)** - Sears store closings at 1363 NW St. Lucie West Blvd in Port St. Lucie and 3020 S. US 1 in Stewart. Albertson's closings at 900 SW Saint Lucie Blvd. in Port St. Lucie and 1750 US Highway 1 in Vero.
- Ocean East Mall (Martin County)** - Dollar Tree signed at 12,000 SF lease at the Ocean East Mall at \$19.00/NNN (est).

Market Overview

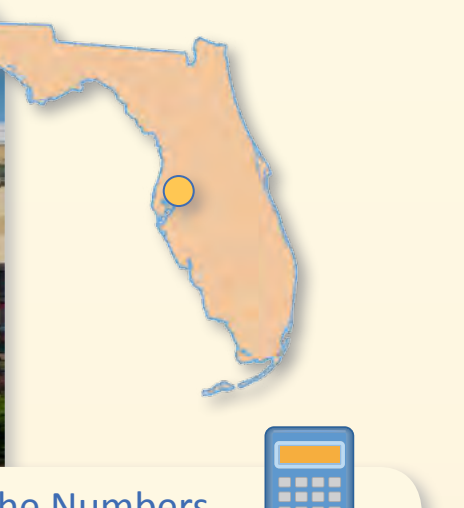
Martin and St. Lucie Counties are seeing a lot of activity in bank-owned inventory, and historically, when priced right the properties sell.

The strongest retail areas include St. Lucie West Blvd., Port St. Lucie Blvd., and the Jensen Beach/US1 corridor. Party City USA opened a new location in a Benderson Development in St. Lucie West, while Panera Bread and Goodwill Industries continue new site development. Planet Fitness also continues to expand in the area.

Martin County is constructing a new east-west corridor with the development of a second Palm City/Stuart bridge to the south of the existing Palm City Bridge. In St. Lucie County, Torrey Pines, Digital Domain, and the new Martin Memorial Hospital, continue to drive both residential and commercial real estate in the St. Lucie West market.

The area vacancy rates are expected to remain unchanged for at least the next six months – while consumerism remains low and consumers have a higher sense of awareness.

POPULATION: 612,867



By the Numbers



- \$11.48 Average Rental Rate
- 90.1% Occupancy
- 9.1% Unemployment

Market Overview

Polk is still a “tenant’s market” – supply exceeds demand. However, in certain locations, exclusive-use provisions negate the available vacant space and tenants are focusing on build-to-suit opportunities.

US 98 North of I-4 continues to be a strong submarket, as does Southwest Lakeland, where Lakeside Village added tenants and new restaurants. The Cypress Gardens corridor near LEGOLAND Florida is also very active with several new tenants.

Several national restaurant chains are seeking locations in this market, which is under-served by full-service restaurants. Convenience stores such as 7-Eleven and Wawa are also actively seeking sites, as are discount retailers.

A number of owners are facing difficulty in recapitalizing maturing loans; thus, expect more opportunities to acquire existing properties at prices well below replacement cost.

LEGOLAND Florida opened its water park addition in May, which was over six months ahead of plan. In addition, Sykes announced a new location in Lakeland, convenient to I-4, and will add 600 jobs to the market.

Market Makers



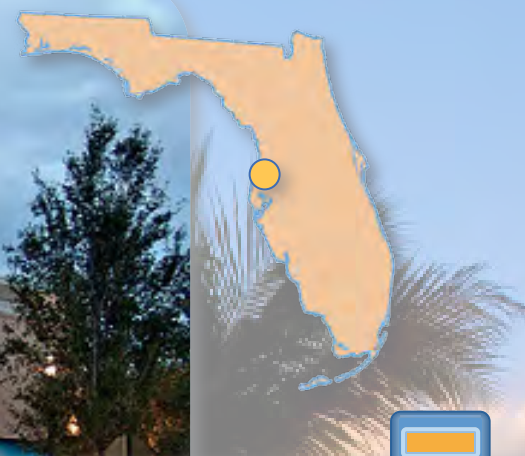
- Lakeland Park Center (Lakeland)** - 350,000 SF development by Ramco-Gershenson located at US-98 and Interstate 4. Tentative groundbreaking is planned for November 1, 2012. It will be anchored by Kohl's, PetSmart and Dick's Sporting Goods.
- The Landings** - Located at the intersection of US Hwy 17 and Cypress Gardens Boulevard on the former Cleveland Indians spring training fields.

Expert Insight

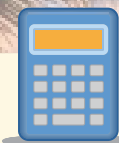


“ Long term we see employment growth due to the central location of Polk, ... midway between the Tampa and Orlando MSAs. The market also has compelling housing prices. Both of the foregoing will result in improved population growth, leading to increased demand for retail real estate.” *Gary Ralston, SSIM, CRE, SCLS, Coldwell Banker Commercial, Saunders Ralston Dantzer Realty*

POPULATION: 654,224



By the Numbers



\$12.92 Average Rental Rate

89.6% Occupancy

9.7% Unemployment

Market Overview

In Pasco and Hernando Counties, vacancy is decreasing. Rents in Class-A locations in A centers have rebounded to near previous highs, while rents in B and C locations have bottomed out and are increasing slowly.

In Pasco, the US-19 and Little Road corridor, US-19 between SR-54 and SR52, and Gulf View Square Mall submarkets are seeing the most activity and interest. Particularly active is fast-growing Wesley Chapel, where a new Walmart Supercenter with four outparcels is scheduled to open in 2013, and The Shops at Wiregrass Phase II featuring three boxes and four outparcels has been proposed.

In Hernando, the vacancy rate in Spring Hill Drive and US-19 has been reduced to 8.3%, due to new and expanding retailers.

Retailers active in this market include You Fit, Anytime Fitness, Planet Fitness, LA Boxing, Thornton's, Wawa O'Reilly's Auto Parts, Chase Bank, Dollar Stores, PDQ, Tijuana Flats, Wal-Mart and Wal-Mart Neighborhood Markets, and Save A Lot.

A significant amount of centers in the trade area have been sold as part of a portfolio. Developers will continue to focus on tenant-driven vs. speculative development. Cap rates will decrease as occupancy increases.

Market Makers

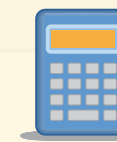


- **Mitchell Ranch Town Center (New Port Richey)** - Development by Echo Retail; Delivery planned for Spring 2015. 956,000 SF of retail space planned at the intersection of Little Rd & State Road 54.
- **Tampa Premium Outlets (Wesley Chapel)** - Development by Simon Property Group; 350,000 SF outlet center located at I-75 & State Road 56. Saks Fifth Avenue OFF 5th is the first confirmed tenant. Scheduled opening in 2014.
- **Walmart Plaza (Wesley Chapel)** - The Goodman Company; SR54 freestanding Walmart Supercenter with 4 outparcels. 2013 opening planned.
- **Shops at Wiregrass Phase II (Wesley Chapel)** - The Goodman Company 235,000 SF proposed with 3 boxes and 4 outparcels (Kohl's is rumored to be one of them) opening date not confirmed.

POPULATION: 708,161



By the Numbers



\$13.19 Average Rental Rate

88.58% Occupancy

8.4% Unemployment

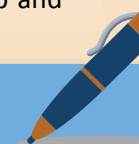
Market Overview

This market is seeing an increase in retail activity among restaurants, consignment stores and fitness. Vacancy is contracting, rental rates are stable and absorption is improving.

In Sarasota, Benderson Development, along with Taubman Centers, is starting construction of a new mall on University Parkway by I-75, which will feature more upscale and national retailers. Trader Joe's and Costco have also recently entered the market and are scheduled to open in late summer.

Landlords are seeing more activity but still have to be reasonable with rental rates in the immediate future. In the long-term, desirable centers will start to fill up and rents will increase.

Expert Insight



"Sarasota/Manatee counties benefit from Agro-tourist businesses, both of which have consistently improved over the past several years. The expansion of the Port of Manatee, and the expansion of Sarasota Memorial Hospital, and the development of the Mall at I-75 and University Parkway all have significant positive impact."

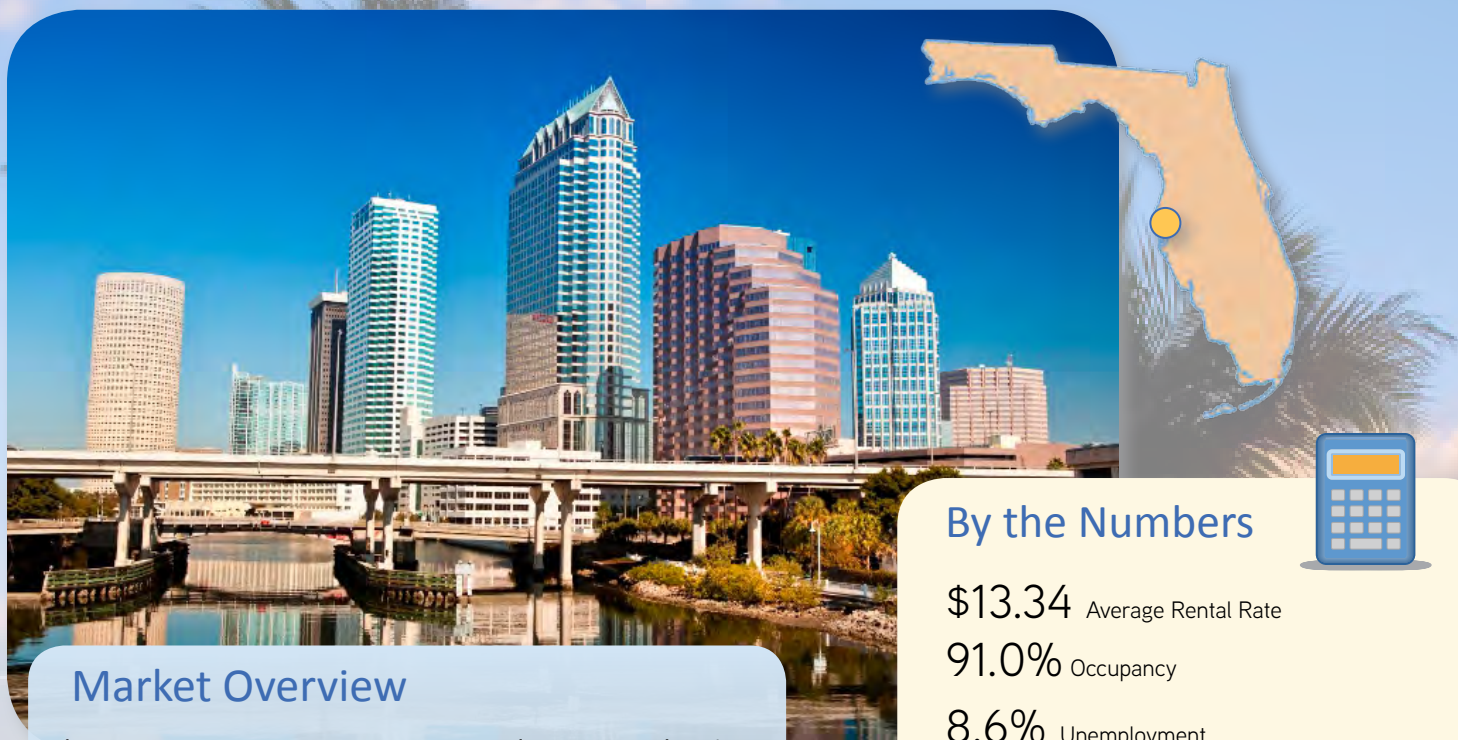
Paul Rutledge, Casto

Market Makers



- **University Town Center (Sarasota)** - Development by Taubman Centers Inc & Benderson Development; One of just two enclosed regional malls expected to be built in the U.S. in the next several years. The center will be anchored by Saks Fifth Avenue, Macy's and Dillard's, with a fourth anchor to be added at a later date. The \$315 million, two-story indoor shopping mall will house a total of 115 stores and six sit-down restaurants at University Parkway near Interstate 75.
- **Fresh Market (Bradenton)** - The 21,000 SF supermarket will anchor the Northwest Promenade ShoppingCenter, a Benderson Development property on the corner of 67th Street West and Manatee Avenue. Opening scheduled for late summer 2012.

POPULATION: 2,841,793



By the Numbers

- \$13.34 Average Rental Rate
- 91.0% Occupancy
- 8.6% Unemployment
- 98.5 Million SF of Shopping Centers

Market Overview

The Tampa Bay area is seeing increased commercial activity in strong residential markets with areas of above-average family income. These include Brandon, Carrollwood, Westchase, and Westshore.

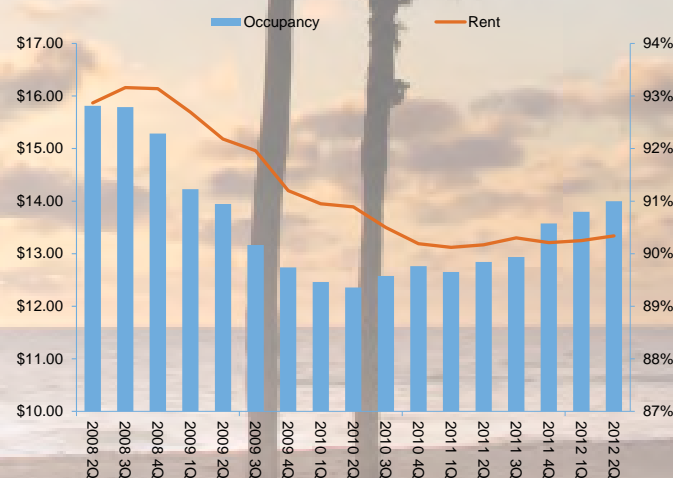
The rental market is most active among food and medical tenants. In regards to existing buildings, the corner spaces and those already built out for restaurant use are leasing much quicker.

Retailers aggressively looking in the area include some that already have multiple stores in Tampa Bay, such as Mattress One, Sprint, T-Mobile, Casual Male, Ulta, Gamestop, and Starbucks. Others actively looking are just beginning to enter the market, such as Corner Bakery Café, Hand and Stone, and Baja Fresh.

With very little new construction in the past few years, retailers that are expanding are absorbing the vacancies in the stronger centers, creating a stable retail environment. The weaker centers with weak anchors in secondary markets continue to remain at a disadvantage.

A fairly recent trend includes re-use of existing vacated retail space by the growing medical sector. An example includes a highly visible, high traffic location in Tampa that was vacated by Borders and retrofitted into a 27,500 SF Florida Orthopedic Institute.

Historical Occupancy and Rent



Expert Insight

“Most activity by tenants primarily in the food and medical categories. Spaces on corners and those already built out for restaurant use are leased more quickly.” - Cary Anderson, Regency Centers

Market Makers



- Ibis Walk (St. Petersburg)** - Development by Casto; The first phase of IBIS Walk, a planned mixed-use development, opened in 2012. The new 40,000 SF complex includes Tijuana Flats, Jersey Mikes, Dollar General, Supercuts and Eggstyle among its tenants. The entire \$75 million project will include office and multi-family residential space.
- Caladesi Shopping Center (Dunedin)** - A new 46,000 SF Publix is under construction on Curlew Road. Some existing retail space will be demolished and the remaining space will be reconfigured and remodeled.
- Largo Town Center (Largo)** - A new 120,000 SF Walmart store is planned at Roosevelt Blvd & US-19. The former Crossroads Mall property will also include a PSTA bus transfer station.
- Walmart Neighborhood Market (Pinellas Park)** - Is under construction at the corner of 66th Street and Park Blvd.
- Sam's Club (St. Petersburg)** - The city's first Sam's Club is under construction at 22nd Avenue and 34th Street. The \$8 million, 145,000 SF store is expected to open in 2013.
- Walmart (Tarpon Springs)** - Walmart is redeveloping a former Kmart site along US Hwy 19 and Tarpon Avenue. The 85,000 SF store's grand opening is August 15, 2012.
- Bay Pines (Seminole)** - Located at US Hwy 19 & Seminole Blvd. 60 acre infill site near the VA Hospital. A 330-unit apartment complex is under construction, an 85 unit townhome project is planned and 204,000 SF of retail entitlements approved.
- Former Baywalk Property (St. Petersburg)** - The property in downtown St. Petersburg which was recently acquired by Bill Edwards of the The Edwards Group is currently being razed. The team has added a retail superstar to the mix: Faith Hope Consolo, a New York retail expert who has reinvigorated well-known shopping hot spots.
- Southshore Commons (Riverview)** - Joint venture between Equity and Nationwide Realty; located at the intersection of I-75 and Big Bend Road. Current plans include 1,000,000 SF of retail space, which will be an open-air mixed use development featuring department stores, junior anchors, a movie theater, specialty shops and restaurants. Phase I is scheduled to open in Spring 2014.
- LA Fitness (Tampa)** - Ground up development is currently under construction at the corner of South Dale Mabry & Platt Street.

RETAIL LEASING DATA	Submarket	Inventory	Occupancy			Rental Rate		
			YE '11	YE '12	Change	YE '11	YE '12	Change
Bayside	2,408,735	95.5%	95.9%	0.4%	13.54	12.58	-7.6%	
Clearwater CBD	323,288	94.8%	94.3%	-0.5%	12.52	12.52	0.0%	
East Tampa	6,230,697	93.8%	95.1%	1.4%	14.17	14.01	-1.1%	
Eastern Outlying	3,016,499	85.5%	86.6%	1.3%	17.68	15.44	-14.5%	
Gateway	1,313,482	93.4%	92.8%	-0.6%	16.38	16.44	0.4%	
Hernando County	3,815,568	89.5%	89.1%	-0.5%	11.68	10.91	-7.1%	
Manatee Outlying	668,634	88.6%	87.6%	-1.1%	16.32	16.33	0.1%	
Manatee	8,025,933	87.7%	88.9%	1.3%	12.75	12.33	-3.4%	
Mid-Pinellas	5,080,401	87.7%	91.0%	3.6%	11.6	11.81	1.8%	
North Pinellas	7,155,805	92.0%	92.2%	0.3%	15.87	16.4	3.2%	
Northeast Tampa	5,510,240	92.9%	93.4%	0.5%	12.71	12.56	-1.2%	
Northwest Tampa	8,890,835	94.0%	94.2%	0.2%	14.31	14.9	4.0%	
Pasco County	10,084,227	88.3%	89.9%	1.7%	12.92	13.92	7.2%	
Polk County	11,966,724	90.8%	90.2%	-0.6%	12.29	11.48	-7.1%	
Sarasota Outlying	1,971,734	79.7%	82.7%	3.5%	10.79	10.87	0.7%	
Sarasota	8,174,637	90.1%	90.2%	0.0%	14.17	14.75	3.9%	
South Pinellas	6,716,592	92.2%	93.5%	1.5%	10.49	11.86	11.6%	
South Tampa	1,524,462	92.4%	91.8%	-0.6%	20.33	19.62	-3.6%	
Southeast Hillsborough	1,158,425	84.8%	85.6%	0.9%	13.11	12.97	-1.1%	
St Petersburg CBD	234,823	66.3%	66.3%	0.0%	7.0	7.0	0.0%	
Tampa CBD	290,520	62.6%	62.6%	0.0%	12.5	12.5	0.0%	
Westshore	3,943,579	95.6%	96.3%	0.7%	10.18	12.47	18.4%	

Source: Power Center & Shopping Center Statistics from CoStar Property Report



Expert Insight



“On the Buyer/Investor side – REITs and Funds, especially those with funds sourced through the private investor broker/dealer network, remain very active buyers of high quality, Class A grocery anchored and power centers and single tenant deals. Private investors remain active buyers of the smaller, bite-sized single tenant deals in their pursuit for yield, with cap rates near historic lows. Capital remains plentiful for buyers of distress assets, although pricing is based on existing cash flow, adjusted for current market rents.”

*Ted Starkey
Wells Fargo*

“There has been no shortage of buyers for core shopping centers in top demographic MSA’s within the state. That includes, but is not limited to, Miami, Orlando, Tampa, etc. Grocery anchored centers have been most heavily pursued (ie: Publix, Whole Foods, Fresh Market, etc). We are extremely bullish on Florida in both the short and long term. The recovery is already evident in many submarkets, particularly Southeast Florida, but we expect that trend to continue within other parts of the state. This has been aided by the housing recovery, job creation, and continued relocations to Florida based upon the lifestyle and increased affordability.”

*Ross Cooper
Kimco Realty Corporation*

“We’re doing a lot of business with retailers that have aggressive growth plans and a focus on getting deals done in a timely fashion. These are the companies who will transform the retail landscape by gaining market share, and in some cases, replacing their peers who seem to be treading water as the economy improves.”

*JJ Bujalski
Ramco-Gershenson, Inc.*

“Out of next 15 openings for Tijuana Flats, 8 of these will be new construction. A good sign that the retail market is headed in the right direction. The majority of the new construction opportunities we are finding are in South Florida. The current tenants that are expanding (especially restaurants) are looking for A+ sites and not willing to take secondary locations. I believe this is driving the rental rates up for the LL and will continue to keep developers motivated to build new centers. As a Tenant, we are willing to pay the appropriate rent for the best location possible.”

*Matthew Livingston
Tijuana Flats*



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