

2011 ECONOMIC IMPACT
OF SHOPPING CENTERS



**International Council
of Shopping Centers**

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HISTORY OF SHOPPING CENTERS

1920s Shopping centers have existed in some form for more than 1,000 years as ancient market squares, bazaars and seaport commercial districts. The modern shopping center, which includes everything from small suburban strip centers to the million-square-foot superregional malls had its genesis in the 1920s.

The concept of developing a shopping district away from a downtown is generally attributed to J. C. Nichols of Kansas City, Mo. His Country Club Plaza, which opened in 1922, was constructed as the business district for a large-scale residential development. It featured unified architecture, paved and lighted parking lots, and was managed and operated as a single unit.

In the later half of the 1920s, as automobiles began to clog the central business districts of large cities, small strip centers were built on the outskirts. The centers were usually anchored by a supermarket and a drug store, supplemented by other convenience-type shops. The typical design was a straight line of stores with space for parking in front, such as the Grandview Avenue Shopping Center in Columbus, Ohio, which opened in 1928, included 30 shops and parking for 400 cars.

Many experts consider Highland Park Shopping Village in Dallas, Texas developed by Hugh Prather in 1931, to be the first planned shopping center. Like Country Club Plaza, its stores were built with a unified image and managed under the control of a single owner, but Highland Park occupied a single site and was not bisected by public streets. And, its storefronts faced inward, away from the streets—a revolutionary design.

1930s-1940s In the 1930s and 1940s, Sears Roebuck & Co. and Montgomery Ward set up large freestanding stores, with on-site parking, away from the centers of big cities. Nighttime shopping was inaugurated at Town & Country Shopping Center in Columbus, Ohio, when developer Don Casto hired Grandma Carver (a woman who dived from a 90-foot perch into a 4-foot pool of flaming water), to perform her act in the lighted parking lot, bringing shopping center promotion to a new level.

1950s The early 1950s marked the opening of the first two shopping centers anchored by full-line branches of downtown department stores. Northgate in Seattle, Wash., (two strip centers face-to-face with a pedestrian walkway in between) opened in 1950, and Shoppers World in Framingham, Mass. (the first two-level center), debuted the following year. The concept was improved upon in 1954 when Northland Center in Detroit, Mich., used a “cluster layout” with a single department store at the center and a ring of stores around it. The parking lot completely surrounded the center. In 1956, Southdale Center in Edina, Minn., outside of Minneapolis, opened as the first fully enclosed mall with a two-level design. It had central air-conditioning and heating, a comfortable common area and, more importantly, it had two competitive department stores as anchors. Southdale is considered by most industry professionals to be the first modern regional mall.

1960s By 1964 there were 7,600 shopping centers in the United States. Suburban development and population growth after World War II created the need for more housing and more convenient retail shopping. Most of the centers built in the 1950s and 1960s were strip centers serving new housing developments.

1970s By 1972 the number of shopping centers had doubled to 13,174. Regional malls like Southdale and The Galleria in Houston, Texas, had become a fixture in many larger markets, and Americans began to enjoy the convenience and pleasure of mall shopping. During the 1970s, a number of new formats and shopping center types evolved.

In 1976 The Rouse Co. (acquired by General Growth Properties in 2004) developed Faneuil Hall Marketplace in Boston, Mass., which was the first of the “festival marketplaces” built in the United States. The project, which revived a troubled downtown market, was centered on food and retail specialty items. Similar projects were built in Baltimore, Md., New York, N.Y., and Miami, Fla., and have been emulated in a number of urban areas.

The Bicentennial year also marked the debut of the country’s first urban vertical mall, Water Tower Place, which opened on Michigan Avenue in Chicago, Ill. To many experts, Water Tower Place with its stores, hotel, offices, condominiums and parking garage, remains the preeminent mixed-use project in the United States. With the opening of Water Tower Place and Faneuil Hall, the shopping center industry had returned to its urban roots.

1980s The 1980s saw an unparalleled period of growth in the shopping center industry, with more than 16,000 centers built between 1980 and 1990. This was also the period when superregional centers (malls larger than 800,000 square feet) became increasingly popular with shoppers. In 1990, a Gallup poll found that people shopped most frequently at superregional malls and neighborhood centers. Americans average four trips to the mall per month.

Between 1989 and 1993, new shopping center development dropped nearly 70 percent, from 1,510 construction starts in 1989 to 451 starts in 1993. The sharp decline in new center starts was attributed to the Savings and Loan crisis, which helped precipitate a severe credit crunch. While overbuilding occurred among small centers in some regions of the United States, shopping centers remained the most attractive and best-performing real estate category for investors during this difficult period.

1990s Factory outlet centers were one of the fastest-growing segments of the shopping center industry in the 1990s. In 1990, there were 183 outlet centers. Today, there are more than 225 outlet centers in the United States. Outlet malls are tenanted by manufacturers selling their own goods at discounted prices. Some large projects combine outlet stores with traditional off-price stores like Marshalls. One such project, Sawgrass Mills in Sunrise, Fla., is more than 2 million square feet and features outlets, discounters and retail clearance stores.

By 1992, the prevailing trend in the shopping center industry had become remodeling and expansion of existing projects. In 1992, these renovations outstripped new construction with 571 additions and alterations reported. A greater focus on professional management and marketing became the hallmark of the shopping center industry.

The year 1993 was marked by the transition of several privately held, family-run shopping center development companies (Simon, Taubman, etc.) into publicly traded real estate investment trusts (REITs). The access to Wall Street capital provided a financial jolt to an industry that still had not fully recovered from the credit crunch.

One of the retail formats that became increasingly popular in the 1990s was the power center, which is loosely defined as a center between 250,000 and 600,000 square feet, with approximately 75 percent to 90 percent of its space occupied by category specific or destination anchor stores. Power centers are often located near regional and superregional malls. San Francisco-based Terranomics is credited with pioneering the concept at 280 Metro Center in Colma, Calif. In 1993, 16 power centers opened in the United States, compared with only four superregional malls.

In 1995, with the construction of the Mall of America in Bloomington, Minn., entertainment quickly became an industry buzzword as technological advances allowed shopping center developments to foster the same magical experiences that were once only seen in national amusement parks such as Disney World. The Mall of America, currently one of the largest malls in the U.S., includes a seven-acre amusement park, nightclubs, restaurants, and covers 4.2 million square feet (with about half that total devoted to retailing). The center has been heralded as a bellwether for its innovative mixture of entertainment and retailing. The forerunner to Mall of America, and the largest mall in North America, is West Edmonton Mall in Alberta, Canada, which encompasses 5.5 million square feet.

Since the start of the entertainment wave, retailers have focused on keeping their presentations exciting and shopping center owners have striven to obtain tenant mixes that draw traffic from the widest audience possible. Under one roof or in an outdoor retail format, consumers enjoy children's playscapes, virtual reality games, live shows, movies in multiplex cinemas, a variety of food in either the food court or theme restaurants, carousel rides, visually stunning merchandising techniques, robotic animal displays, and interactive demonstrations.

Many shopping centers are also focused on added service-oriented tenants, which offer today's busy consumer an opportunity to complete weekly errands or to engage in a variety of other activities. Among the many services found in today's malls are churches, schools, postal branches, municipal offices, libraries, and museums.

As the 1990s drew to a close, Internet retailing was heralded as the wave of the future and a threat to the stability of the shopping center industry. In July of 1998, Time Magazine predicted the demise of the shopping mall. In bold type, Time's cover advised its readers to, "Kiss Your Mall Good-Bye: Online Shopping is Cheaper, Quicker and Better." While the cover was purely sensational, the tone was clear — the shopping center industry was under attack, yet again, from an alternative shopping format. Several years earlier similar claims were made about the impact home television shopping would have on the industry. In fact, the cover of BusinessWeek magazine in July of 1993 read, "Retailing Will Never Be the Same: The Home Shopping Revolution."

Unlike home television shopping, Internet retailing quickly captured the attention of the public, the media and Wall Street as companies rushed to develop websites that would sell directly to consumers. In the euphoria it mattered little that many of these Internet companies had little or no retail experience. Fearing the cannibalization of store sales, brick-and-mortar retailers at first were hesitant to sell directly to the public via the Internet.

However, when it became apparent that they had some clear advantages over pure Internet retailers (brand name recognition, distribution facilities, supplier relationships, ability to accept returns at stores, etc.) brick-and-mortar retailers launched their own websites. These advantages quickly paid off for brick-and-mortar retailers.

Brick-and-mortar retailers discovered that in addition to buying online, their consumers were using the Internet as a research vehicle. Consumers were logging on to retailers' websites to search for goods and services, and, armed with product information, were making purchases at stores. Thus the Internet has transformed a large and growing number of retailers into "multi-channel" retailers with all sales channels (stores, web, and catalog) working as one to help retailers maximize the value of their brands.

Understanding that there is great synergy between the Internet and brick-and-mortar stores, shopping center owners have created their own websites and are working with their retail tenants to create distribution channels to satisfy the consumer, whether the consumer decides to shop at a shopping center, on the Internet or both. Most shopping center websites have maps and directions to the center, a list of tenants and a calendar of events.

2000-2010

Many hurdles were faced during this decade which shook up the shopping center industry and ultimately created a "new normal." The economic downfall hit during the end of this decade and had a strong impact on the way future business would be conducted. By 2010 there was an all time high of 107,773 shopping centers in the United States. Due to the downturn in the economy, sales took a hit and shopping center development saw little to no activity during the latter half of the decade. Signs of improvement have been surfacing and a new era of the shopping center industry is starting to occur. Instead of building new centers owners are redeveloping the centers they already have making them more appealing and driving consumers back into malls.

Green initiatives have made their way into the retail real estate industry. Developers and mall owners have taken steps to create sustainable centers by implementing "greener" methods into everyday practices. From the land that the centers are built on to the materials used when remodeling or building a new center, to putting energy saving solar panels on roofs, green methods can be found in many of today's shopping centers. In this process of going "green" a favorable situation has occurred, malls are now more eco-friendly while operating more cost efficiently for the owners. Sustainability is a trend that will likely stick around for the coming years.

Although this decade had its moments of ups and downs, the shopping center industry proved its strength and flexibility that it can withstand even the toughest of times.



“DID YOU KNOW?” FACTS SHEET

DID YOU KNOW?

- There are 107,823 shopping centers in the United States. The vast majority of shopping centers (98.6%) are open-air centers.
- California has the most shopping centers –14,096.
- Wyoming has the least – 62.
- In 2010, there were 259 more shopping centers operating in the United States than in 2009.
- There are approximately 1,437 enclosed malls in the United States as of May 12, 2011.
- Currently, the average enclosed mall contains 952,603 square feet of total floor space.
- There are about 418 lifestyle centers currently operating in the United States.
- In 2010, Shopping center-inclined sales accounted for \$2.29 trillion.
- Shopping center-inclined sales generated \$137.4 billion in state sales tax revenue in 2010.
- Shopping center-related employment totaled 12.1 million jobs in 2010.
- Supermarkets are the most common anchor in open-air centers.
- Apparel and accessories stores account for 53.8% of all non-anchor mall space.
- Southdale Center in Edina, Minn., opened in 1956 as the first fully enclosed mall in the United States. It had a two-level design and two competitive department stores as anchors. Today, Southdale Center is a 1,399,000 million square foot, super regional shopping center and contains over 120 retailers.
- The last enclosed mall that was built was in 2009, Crystals at CityCenter in Las Vegas, Nevada.
- Wal-Mart was the highest grossing retailer in 2010 earning \$405.0 billion in sales.



U.S. SHOPPING CENTER DEFINITIONS

Type of Shopping Center	Concept	Center Count	Aggregate GLA (Sq. Ft.)	% Share of Industry GLA	Average Size (Sq. Ft.)	Typical GLA Range (Sq. Ft.)	Acres	# of Anchors	% Anchor GLA	Typical Number of Tenants	Typical Type of Anchors	Trade Area Size
Malls												
Regional	General merchandise or fashion-oriented offerings. Typically, enclosed with inward-facing stores connected by a common walkway. Parking surrounds the outside perimeter.	791	455,799,184	6.2%	576,232	400,000-800,000	40-100	2+	50-70%	40-80 stores	Full-line or junior department store, mass merchant, discount department store and/or fashion apparel store	5-15 miles
Super Regional	Similar in concept to regional malls, but offering more variety and assortment.	641	776,911,016	10.6%	1,212,030	800,000+	60-120	3+	50-70%	NA	Full-line or junior department store, mass merchant, discount department store and/or fashion apparel store	5-25 miles
Open-Air Centers												
Strip/ Convenience	Attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the store fronts, but a strip center does not have enclosed walkways linking the stores. A strip center may be configured in a straight line, or have an "L" or "U" shape. A convenience center is among the smallest of the centers, whose tenants provide a narrow mix of goods and personal services to a very limited trade area.	61,064	835,613,987	11.4%	13,684	< 30,000	<3	Either anchorless or with one small convenience store anchor.	NA	NA	Convenience store, such as a mini-mart.	<1 mile

U.S. SHOPPING CENTER DEFINITIONS

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Neighborhood	Convenience oriented	31,828	2,320,538,401	31.8%	72,909	30,000-150,000	3-5	1+	30-50%	5-20 stores	Supermarket	3 miles
Community	General merchandise or convenience-oriented offerings. Wider range of apparel and other soft goods offerings than neighborhood centers. The center is usually configured in a straight line as a strip, or may be laid out in an L or U shape, depending on the site and design.	9,284	1,816,059,152	24.9%	195,612	100,000-350,000	10-40	2+	40-60%	15-40 stores	Discount store, supermarket, drug, large-specialty discount (toys, books, electronics, home improvement/furnishings or sporting goods, etc.)	3-6 miles
Lifestyle	Upscale national-chain specialty stores with dining and entertainment in an outdoor setting.	416	136,638,965	1.9%	328,459	150,000-500,000	10-40	0-2	0-50%	NA	Large format upscale specialty	8-12 miles
Power Center	Category-dominant anchors, including discount department stores, off-price stores, wholesale clubs, with only a few small tenants.	2,084	839,536,061	11.5%	402,848	250,000-600,000	25-80	3+	70-90%	NA	"Category killers," such as home improvement, discount department, warehouse club and off-price stores	5-10 miles
Theme/Festival	Leisure, tourist, retail and service oriented offerings with entertainment as a unifying theme. Often located in urban areas, they may be adapted from older—sometimes historic—buildings and can be part of a mixed-use project.	255	33,932,028	0.5%	133,067	80,000-250,000	5-20	Unspecified	NA	NA	Restaurants, entertainment	25-75 miles
Outlet	Manufacturers' and retailers' outlet stores selling brand-name goods at a discount.	326	73,723,566	1.0%	226,146	50,000-400,000	10-50	NA	NA	NA	Manufacturers' and retailers' outlets	25-75 miles
Special Purpose												
Airport Retail	Consolidation of retail stores located within a commercial airport	63	14,740,850	0.2%	233,982	75,000-250,000	NA	NA	NA	NA	No anchors; retail includes specialty retail and restaurants	NA
Total Industry												
Total Industry	Mall + Open-Air + Special Purpose	106,752	7,303,493,210	100.0%	68,416							



THE SHOPPING CENTER INDUSTRY—NATIONAL IMPACT

THE SHOPPING CENTER INDUSTRY NATIONAL IMPACT

Economic Impact:

Shopping centers have become an integral part of the economic and social fabric of their communities. In 2010 shopping center-inclined sales were estimated at \$2.29 trillion, showing consistency with the previous year. In 2010 state sales tax revenue from shopping center-inclined sales generated \$137.4 billion, up from the \$118.1 billion collected in 2009.

Shopping Center- Inclined Sales, 1999-2009

2000- \$1.69 trillion
2001- \$1.75 trillion
2002- \$1.81 trillion
2003- \$1.88 trillion
2004- \$2.0 trillion
2005- \$2.11 trillion
2006- \$2.20 trillion
2007- \$2.26 trillion
2008- \$2.27 trillion
2009- \$2.22 trillion

Shopping Center- Related Employment, 2000-2009

2000-12.7 million
2001-12.7 million
2002-12.5 million
2003-12.4 million
2004-12.5 million
2005-12.7 million
2006- 12.8 million
2007-13.0 million
2008-12.8 million
2009- 12.2 million

Shopping-center related employment accounted for 12,100,000 jobs in 2010, nearly 9.3 percent of the country's workforce. This figure is however down from 12,800,000 jobs at its peak in 2008. As of May 12, 2011 there are 107,823 shopping centers, up from 107,773 the previous year, containing 7.3 billion square feet of gross leasable area (GLA) in the U.S. At the end of 2010 there were 106,617 shopping centers, up from 101,729 the previous year, containing 7.1 billion square feet of gross leasable area (GLA) in the U.S.

Geographic Distribution:








California, Texas and Florida continue to outperform other states in shopping center gross leasable area (GLA). Combined, they account for 29.3 percent of the total GLA. In 2010, California leads the nation in GLA, with 866.9 million square feet or 12 percent of the total United States,

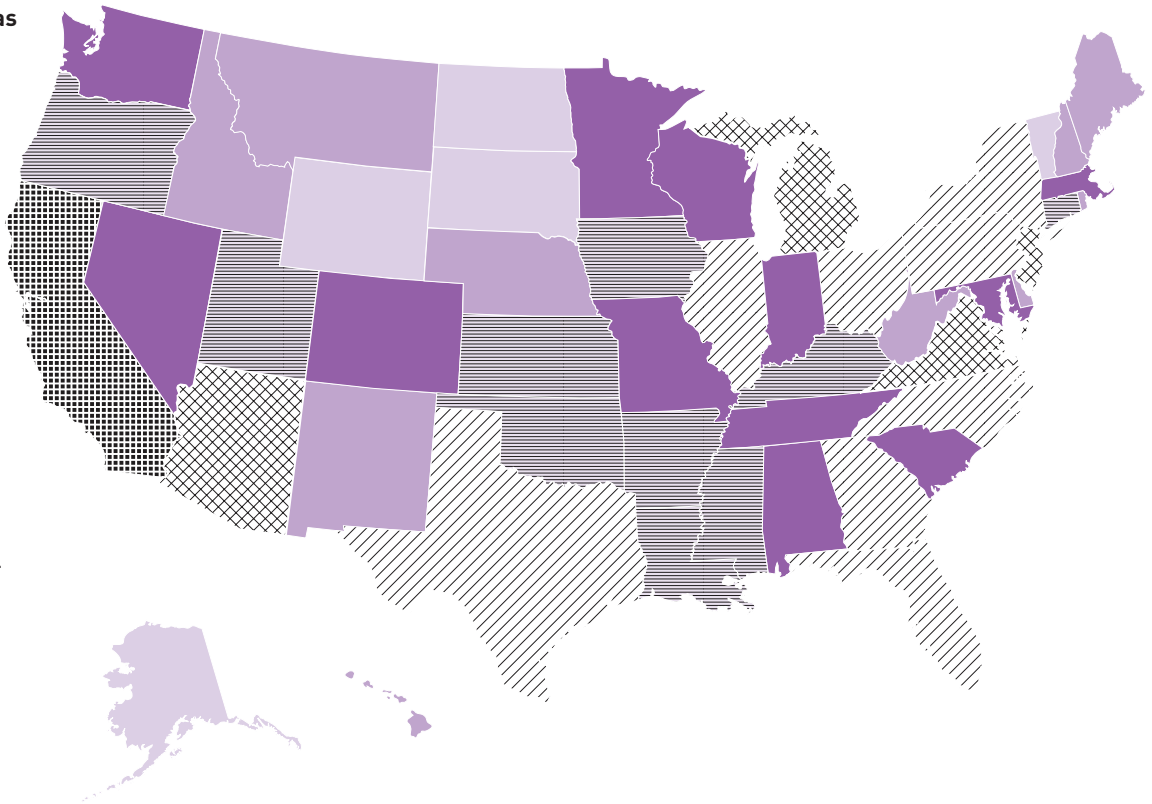
up from 865.7 million in 2010. Texas centers have 689.4 million square feet, from 687.8 million square feet in 2009, and Florida has 586.3 million square feet, up from 584.3 million in 2009. The next largest concentrations are in Ohio, Illinois, New York, and Georgia which all together have 16 percent of the total GLA. These seven states

contain 45.3 percent of the total U.S. shopping center GLA. In contrast, the sparsely populated states of Wyoming, South Dakota, Alaska, Vermont, North Dakota, and Montana are home to less than 1.0 percent of the total shopping center GLA.

California, Florida and Texas still lead nation in gross leasable area.

Shopping Center Gross Leasable Area by State (2005)—Amount of GLA

-  5 to 10 million sq. ft.
-  11 to 40 million sq. ft.
-  41 to 95 million sq. ft.
-  96 to 165 million sq. ft.
-  66 to 250 million sq. ft.
-  251 to 750 million sq. ft.
-  750 + million sq. ft.





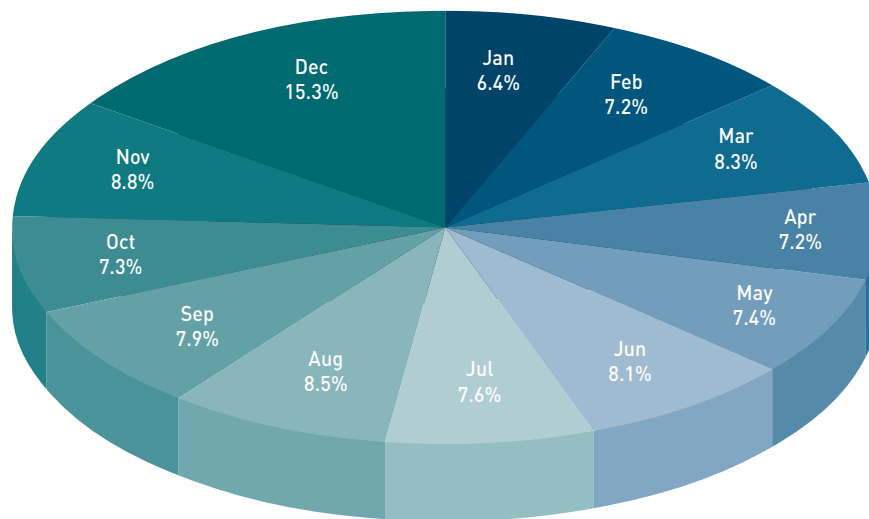
RANKING OF STATES BY GROSS LEASABLE AREA (GLA)

RANKING OF STATES BY GROSS LEASABLE AREA (GLA)

1. California- 866.9 million sq. ft.
2. Texas- 689.4 million sq. ft.
3. Florida- 586.3 million sq. ft.
4. Ohio- 312.7 million sq. ft.
5. Illinois 290.6 million sq. ft.
6. New York- 287.5 million sq. ft.
7. Georgia 279.7 million sq. ft.
8. Pennsylvania- 279.1 million sq. ft.
9. North Carolina 267.4 million sq. ft.
10. Virginia- 236.5 million sq. ft.
11. Michigan- 218.5 million sq. ft.
12. Arizona- 203.7 million sq. ft.
13. New Jersey- 191.4 million sq. ft.
14. Maryland- 163.4 million sq. ft.
15. Tennessee- 162.2 million sq. ft.
16. Indiana- 158.3 million sq. ft.
17. Colorado- 144.4 million sq. ft.
18. Washington- 138.5 million sq. ft.
19. Missouri- 138.4 million sq. ft.
20. South Carolina- 128.5 million sq. ft.
21. Massachusetts-128.3 million sq. ft.
22. Alabama- 106.6 million sq. ft.
23. Minnesota- 100.4 million sq. ft.
24. Nevada- 99.4 million sq. ft.
25. Wisconsin- 95.8 million sq. ft.
26. Kentucky- 89.7 million sq. ft.
27. Louisiana- 86.2 million sq. ft.
28. Connecticut- 85.6 million sq. ft.
29. Oklahoma- 82.0 million sq. ft.
30. Oregon- 72.4 million sq. ft.
31. Utah- 63.8 million sq. ft.
32. Kansas-59.7 million sq. ft.
33. Mississippi- 52.2 million sq. ft.
34. Iowa- 51.8 million sq. ft.
35. Arkansas- 46.8 million sq. ft.
36. New Mexico- 39.3 million sq. ft.
37. Nebraska- 37.7 million sq. ft.
38. West Virginia- 35.0 million sq. ft.
39. Idaho- 33.4 million sq. ft.
40. New Hampshire- 32.8 million sq. ft.
41. Hawaii- 28.1 million sq. ft.
42. Delaware- 26.1 million sq. ft.
43. Maine- 24.1 million sq. ft.
44. Rhode Island- 20.2 million sq. ft.
45. Montana- 13.6 million sq. ft.
46. Alaska- 10.6 million sq. ft.
47. North Dakota-9.7 million sq. ft.
48. Vermont- 8.6 million sq. ft.
49. South Dakota- 8.5 million sq. ft.
50. District of Columbia- 5.3 million sq. ft.
51. Wyoming- 4.8 million sq. ft.



2010 MONTHLY DISTRIBUTION OF NON ANCHOR TENANT SALES





UNITED STATES COUNTRY FACT SHEET

	2008	2009	2010	2011
RETAIL REAL ESTATE				
Number of Shopping Centers ¹	106,617	107,514	107,773	107,823
Minimum Size Shopping Center Included	No Minimum Size	No Minimum Size	No Minimum Size	No Minimum Size
Shopping Centers by Type (Number of Centers): ¹				
Super-Regional (800,000+ sq ft)	639	644	646	646
Regional (400,000 - 800,000 sq ft)	779	791	791	791
Community (100,000 - 350,000 sq ft)	9,211	9,293	9,317	9,324
Neighborhood (30,000 - 150,000 sq ft)	31,582	31,804	31,875	31,887
Power Center (250,000 - 600,000 sq ft)	2,027	2,070	2,079	2,083
Lifestyle (150,000 - 500,000 sq ft)	391	412	417	418
Theme/Festival (80,000 - 250,000 sq ft)	247	250	250	250
Outlet (50,000 - 400,000 sq ft)	319	323	325	325
Strip/Convenience (< 30,000 sq ft)	61,355	61,859	62,004	62,030
Airport Retail (75,000 - 250,000 sq ft)	67	68	69	69
Shopping Center GLA ¹	7,234,299,203 sq ft	7,307,603,702 sq ft	7,325,729,312 sq ft	7,330,063,735 sq ft
Shopping Centers by Type (Share of GLA): ¹				
Super-Regional (800,000+ sq ft)	11.1%	10.8%	10.6%	10.6%
Regional (400,000 - 800,000 sq ft)	6.1%	6.1%	6.1%	6.1%
Community (100,000 - 350,000 sq ft)	25.0%	24.9%	24.9%	24.8%
Neighborhood (30,000 - 150,000 sq ft)	32.7%	32.4%	32.2%	32.1%
Power Center (250,000 - 600,000 sq ft)	11.0%	11.3%	11.6%	11.7%
Lifestyle (150,000 - 500,000 sq ft)	1.5%	1.7%	1.8%	1.9%
Theme/Festival (80,000 - 250,000 sq ft)	0.5%	0.5%	0.5%	0.5%
Outlet (50,000 - 400,000 sq ft)	1.0%	1.0%	1.0%	1.0%
Strip/Convenience (< 30,000 sq ft)	11.1%	11.2%	11.2%	11.2%
Airport Retail (75,000 - 250,000 sq ft)	0.1%	0.1%	0.1%	0.1%
Shopping Center GLA as % of Total Retail Space	46.4%	46.7%	46.9%	46.9%
Total Shopping Center GLA per 100 Inhabitants	2,295 sq ft	2,326 sq ft	2,357 sq ft	2,380 sq ft
Number of Retail Establishments ²	N/A	N/A	N/A	N/A

UNITED STATES COUNTRY FACT SHEET

	2008	2009	2010	2011
SALES				
Total Retail Sales (in USD) ²	US\$4.41 tril.	US\$4.09 tril.	US\$4.36 tril.	N/A
Year-on-Year % Change in Retail Sales	-0.9%	-7.2%	6.4%	N/A
Total Retail Sales per Capita (in USD)	US\$14,626	US\$14,363	US\$13,253	N/A
Total Retail Sales % GDP ^{2,3}	31.7%	30.7%	29.0%	N/A
Shopping-Center Sales (in USD) ^{2,4,5}	US\$2.27 tril.	US\$2.22 tril.	US\$2.29 tril.	N/A
Year-on-Year % Change in Shopping-Center Sales	0.7%	-2.6%	3.4%	N/A
Shopping-Center Sales per Capita (in USD)	US\$7,423	US\$7,408	US\$7,176	N/A
Shopping-Center Sales % GDP	16.1%	15.8%	15.7%	N/A
EMPLOYMENT				
Total Retail Employees ⁶	15.3 mil.	14.5 mil.	14.4 mil.	14.3 mil.
Total Shopping-Center Employees ^{4,6,7}	12.8 mil.	12.2 mil.	12.1 mil.	N/A
Total Retail Employees as % Total Non-Farm Employees	11.2%	11.1%	11.1%	11.0%
Total Shopping-Center Employees as % Total Non-Farm Employees	9.3%	9.3%	9.3%	N/A
DEMOGRAPHICS				
Population ²	304,374,850	307,006,550	308,745,540	N/A
OTHER METRICS				
Total Annual Retail Payroll ²	N/A	N/A	N/A	N/A
Large Retailers' After-Tax Profits ²	US\$28.9 bil.	US\$56.2 bil.	US\$68.2 bil.	N/A

FIVE LARGEST SHOPPING CENTERS ⁸	TOTAL RETAIL GLA FISCAL YEAR 2010	WEBSITE
Mall of America (Minneapolis, MN) ⁹	4.2 mil. sq ft	www.mallofamerica.com
Woodfield Shopping Center (Schaumburg, IL)	2.7 mil. sq ft	www.shopwoodfield.com
South Coast Plaza (Costa Mesa, CA)	2.7 mil. sq ft	www.southcoastplaza.com
King of Prussia Mall (King of Prussia, PA) ¹⁰	2.6 mil. sq ft	www.kingofprussiamall.com
Millcreek Mall (Erie, PA)	2.6 mil. sq ft	www.millcreekmall.net

	TOTAL SALES FISCAL YEAR 2010			WEBSITE
	Domestic Sales	International Sales	Total Sales	
Wal-Mart	US\$304.9 bil.	US\$100.1 bil.	US\$405.0 bil.	www.walmart.com
Kroger	US\$76.7 bil.	-	US\$76.7 bil.	www.kroger.com
Target	US\$63.4 bil.	-	US\$71.3 bil.	www.target.com
Walgreen	US\$63.3 bil.	-	US\$72.4 bil.	www.walgreen.com
Home Depot	US\$59.2 bil.	US\$7.0 bil.	US\$66.2 bil.	www.homedepot.com

SHOPPING CENTER AND RETAIL TRADE ASSOCIATIONS

WEBSITE

International Council of Shopping Centers

www.icsc.org

National Retail Federation

www.nrf.org

Retail Industry Leaders Association

www.rila.org

Last Updated: May 12, 2011

1 Copyright CoStar Realty Information, Inc. (www.costar.com)

2 U.S. Census Bureau

3 U.S. Bureau of Economic Analysis

4 ICSC Research

5 Shopping center-inclined sales, based on U.S. Census Bureau data, measure sales likely to take place at shopping centers and include sales at general merchandise, apparel, furniture, electronic, and other GAFO; health and personal care; food and beverage; and building material, garden equipment and supplies stores."

6 U.S. Bureau of Labor Statistics

7 Shopping center-related employees, based on U.S. Census Bureau data, represent the number of jobs full- and part-time, in retail and real estate leasing activities associated with the shopping center industry.

8 <http://www.icsc.org/srch/rsrch/globalSCdir.php?section=rsrch>

9 Includes retail and entertainment square footage

10 Includes enclosed mall, strip centers and outparcels that are owned and operated as a single entity.

11 NRF Stores, SEC filings

12 Retail Traffic



2010 RETAIL SALES

SHOPPING CENTERS MAINTAIN ANNUAL PERFORMANCE

Shoppers have found their way back to the malls; retail sales numbers for 2010 regained their strength registering over \$2.29 trillion dollars in sales, an increase from \$2.2 trillion dollars in 2009.

Shopping center-related employment accounted for more than 12.1 million jobs for 2010, taking a hit from the 12.2 million jobs in 2009.

In 2010, there were 259 more shopping centers operating than in 2009. The total number of shopping centers increased in 2010 to 107,773, up from 107,514 in 2009.

Founded in 1957, ICSC is the premier global trade association of the shopping center industry. Its more than 55,000 members in over 90 countries include shopping center owners, developers, managers, marketing specialists, investors, retailers and brokers, as well as academics and public officials. As the global industry trade association, ICSC links with more than 25 national and regional shopping center councils throughout the world. For more information, visit www.icsc.org.



FACTS ABOUT ICSC

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ICSC's Major Services to Members Include:

Meetings & Conventions

- RECon: Annual Trade Exposition and Leasing Mall in Las Vegas, largest conference held by ICSC. (spring)
 - RECon Asia, RECon Latin America, and RECon MENA.
- Canadian Convention: Annual convention showcasing the latest trends in the Canadian retail real estate market. (fall)
- CenterBuild Conference: Annual conference focused on planning, development, design and construction of shopping centers and retail stores. (winter)
- U.S. Shopping Center Law Conference: Annual conference designed specifically for law professionals in the retail real estate industry. (fall)
- New York National Conference and Deal Making: Features two days of Deal Making, one-on-one industry mentoring sessions, professional development opportunities, informative sessions on current industry trends as well as Retailers Runaway. (winter)
- Florida Conference: The largest annual, networking, educational and Deal Making retail real estate event held in the state. This once-a-year opportunity provides fast-lane contact making with professionals from the Retail Real Estate Industry. (summer)
- Western Division Conference: Annual conference featuring new trends and opportunities in the West Coast retail real estate market. (fall)
- Retail Green Conference & Trade Exposition: Highlights start of the art green initiatives and showcases ways companies can implement "greener" practices in the retail real estate industry. (fall)
- Webinars: New online meeting format, participants can log in from around the world.
- Idea Exchanges: Features educational sessions covering topics specific to the retail real estate industry, as well as Deal Making where shopping center owners, developers, and managers can meet with retailers to create new business deals.
- Alliance Programs: Short program specifically designed to foster relationships between the public and private sectors to create growth for the local communities in which the program is held.
- Study Tours: On site tours providing a first hand experience where attendees can view architectural and design concepts.

Professional Education

Designations:

- CSM: Certified Shopping Center Manager
- CMD: Certified Marketing Director
- CLS: Certified Leasing Specialist
- CDP: Certified Development, Design & Construction
- SCSM/SCMD: Senior level designation for CSM and CMD

Publications & Newsletters:

Publications:

- **Shopping Centers Today (SCT):** ICSC's monthly magazine which covers all aspects of the retail real estate industry.
 - Shopping Centers Today Lationamerica: Specifically targeted for the Latin American retail real estate industry
- **International Outlet Journal:** Publication focused on the latest trends in outlet centers around the world.
- **Value Retail News:** Monthly magazine which features the most up to date information surrounding outlet centers.
- **Retail Law Strategist:** Quarterly electronic newsletter offering practical legal advice for shopping center professionals.

Research:

- **ICSC Chain Store Sales Trends:** A monthly report on the U.S. retail industry's sales performance based on ICSC compilation of publicly-available sales for retail chain stores. Industry sales aggregates are compiled for "comparable-store" or "same-store" sales and for total store sales.
- **Albert Sussman e-Library:** This is the access portal to the ICSC's retail real estate library. These searchable databases allow you look up topics in ICSC publications—including Shopping Centers Today, Research Review and the book Shopping Center Management—as well as about 3,000 popular and trade magazines and journals, and thousands of country and company reports.
- **eData:** The source for shopping center industry-related data produced or collected by the Research Department.
- **U.S. Mall Performance:** Provides sales and square footage tracking for non-anchor stores at more than 500 regional and super-regional malls.
- **Canadian Mall Performance:** Provides sales and square footage tracking for non-anchor stores at more than 110 regional and super-regional malls and for over 20 retail tenant categories.

- **Researcher:** Features the latest industry research trends with this monthly newsletter and is available in English, Spanish, and Portuguese.
- **Retail Property Insights:** ICSC's flagship research publication (formerly known as Research Review) provides state-of-the-art articles on the global retail real estate industry. Its mission is to be a must-read publication, not just for the professional researcher.
- **Retail Real Estate Business Conditions:** A weekly report on the trends in the economy and industry.
- **U.S. Shopping Center Executive Survey:** A confidential monthly survey that monitors shopping center executives' opinions about the current condition and future direction of five critical indicators of industry health and shopping center valuation: sales, traffic, rents, occupancy and capitalization rates.
- **Weekly U.S. Retail Chain Store Sales Snapshot:** Report based on the ICSC-Goldman Sachs weekly index, which measures nominal same-store or comparable-store sales excluding restaurant and vehicle demand.
- **Weekly Leading Indicator of U.S. Chain Store Sales** is a proprietary composite economic indicator for anticipating cyclical changes in retail chain store sales.

• **Special Studies:**

- Toward a Global Classification of Shopping Centers
- Toward a Global Classification of Shopping Centers (Chinese Translation)
- The Importance of the Shopping Centres to the European Economy
- Economic Impact of Shopping Center Development
- Econometric Modeling of Mall Transactions Prices
- The Economic Impact of Mexican Visitors Along the U.S.-Mexico Border: A Research Synthesis
- U.S. Shopping Center Classification
- The Facts on Regional Malls and What They Say about the Vitality of the Concept
- Global Shopping Center Benchmarks

Federal & State Government Relations:

- **HR 5943:** The Community Recovery and Enhancement Act: On July 29, 2010 in an attempt to forestall the looming equity crisis in commercial real estate, U.S. Rep. Shelley Berkley (D-NV) introduced H.R. 5943, the Community Recovery and Enhancement (CRE) Act of 2010, which provides short term tax incentives to jumpstart reinvestment in commercial real estate thereby stabilizing community banks as well as preventing additional foreclosures and job losses.
- **Carried Interest Tax:** ICSC has recently received reports that there may be additional efforts in the U.S. Senate to revive consideration of the carried interest tax increase. On September 16 Senator Max Baucus (MT-D) introduced a new version of the tax extenders bill, paid for with the carried interest tax increase, that he would like to move in the next couple of weeks. This provision would establish a more than 100% permanent tax increase on real estate partnerships.