

2015 ICSC Florida Retail Report





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5 reasons Florida retail development has reopened for business

1 SIDELINES TO SCAFFOLDING

New retail development is picking up considerably from Orlando to Miami. Vacancy rates have hit an ultra-low 3.3 percent in Miami and 6.5 percent in Orlando, and major deliveries of new supply are coming. But it's no longer a case of "if you build it, they will come." Retail is following rooftops and waiting for the people to arrive first, which is why Brickell and Downtown Miami markets will experience the majority of the new construction. Some of the projects finally moving dirt have been on the sidelines for 10 to 15 years.

2 HAVE A SENSE OF PLACE OR GO HOME

Retailers and developers want people to spend time at centers—not just shopping, but having an experience. You're no longer seeing cookie-cutter shopping centers with only stores, but restaurants, theaters and other non-shopping activities. Two major luxury Miami development projects underway that capture the essence of "experience" are Brickell CityCentre and Miami Design District.

3 IT'S ALL ABOUT URBAN

All around the United States, the concept of walkable, urban living has exploded in popularity. In Florida, this has expanded outside the urban core, as people don't mind parking their cars and walking to a live-work-play experience. The concept works because 86 percent of Millennials expect to live in metro areas at least until they're 33, then it's off to suburbia.

4 RETAILERS' BIG RESHAPING

Retailers are starting to adapt their store formats for ever-popular town centers. For instance, Forever 21, a traditional mall tenant, has come up with a new concept called Forever 21 Red, which has a lifestyle component and focuses more on the family—the ideal target of town centers—than just the teens-through-30 set. Retailers, like Target, are also shrinking their store format and opening street front locations, averaging approximately 20,000 square feet. The retailer plans to open eight of its Target Express stores this year.

5 THE SMALLER, THE BETTER

Publicly traded retailers are beginning to shrink their store sizes again to drive up sales per square foot, motivated by hungry Wall Street investors. Even though retailers' offerings remain the same, they're seen as more successful if per square foot numbers are higher. Retailers across the spectrum from Office Depot to Walmart are finding ways to maximize profits and minimize overhead.



5 reasons restaurants are gobbling up space in Florida

1 WHAT RECESSION?

While the recession was in full swing, consumers cut back on buying big-ticket items like cars and houses. But dining out remained an affordable treat, and even throughout the downturn, restaurant spending increased—and continues to grow to this day. In 1992, Americans spent approximately \$163 dollars at grocery stores for every \$100 they spent at restaurants. Americans now spend more money at restaurants than they do at grocery stores.

2 THE H&M DINING EXPERIENCE

JLL is seeing the most growth and innovation of new concepts in restaurants through creative new outlets in fast fashion retailers like H&M and Zara. The new concepts are complementing what already exists in the market and are attracted to Florida's strong population, job, income and tourism growth. Department stores and apparel retailers are joining the gastronomist club. Retailers, including Nordstrom, Saks and Tommy Bahama realize that the recipe to keeping consumers in-store and spending is to offer them an epicurean escape. And the results back up the premise: Tommy Bahama's restaurant-retail stores earn twice as much revenue per square foot as those without the dining component.

3 THE BURRITO AND PANINI EXPLOSION

There has been demand from both Millennials and Baby Boomers for more urban and lifestyle centers, which act as de facto downtowns for suburban and secondary markets. These centers meet the needs not just for live, work and play, but their energy and activity is an experience within itself—and food is part of that, as restaurants are the key tenants. Fast-food brands grew their store count by 1.5 percent in 2014, but fast-casual restaurants like Chipotle and Panera Bread out punched their weight with nearly 5 times as many new stores.

4 PRIME STEAK VYING FOR PRIME STAKE

Fine-dining restaurant chains are expected to grow their store count 3.2 percent compared to a more modest 1.7 percent for the entire restaurant category. High-end Florida eateries like Capital Grille, Ocean Prime and Bonefish continue to expand at a rapid rate as they follow the market's dynamic and growing population. But they have very specific needs: end-cap, high-visibility or patio spaces, which are limited in number and have driven rents incredibly high. JLL expects more high-end and luxury concepts to debut in this cycle.

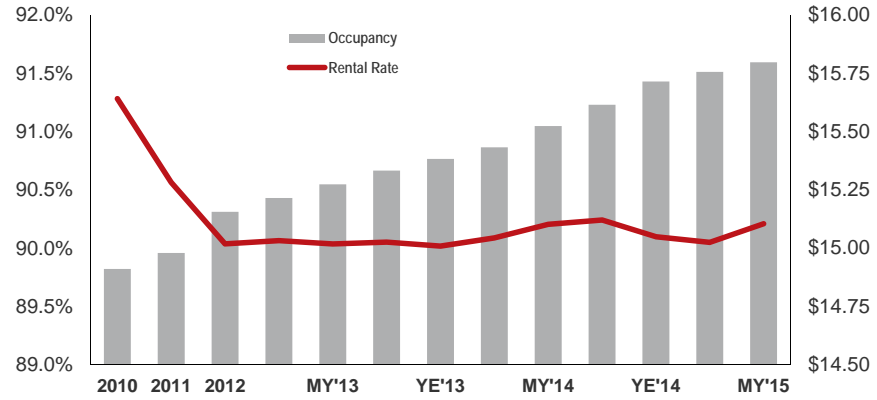
5 DEVELOPERS BACK TO THE DRAWING BOARD

Given the uptick in demand from high-end and luxury concepts and lack of space to accommodate them, developers are changing the layouts of their centers to include more end-caps, patio and cluster spaces to house these restaurants. In markets where new development opportunities are limited, landlords are finding ways to repurpose underutilized space or carve retail out on the first floors of office towers.



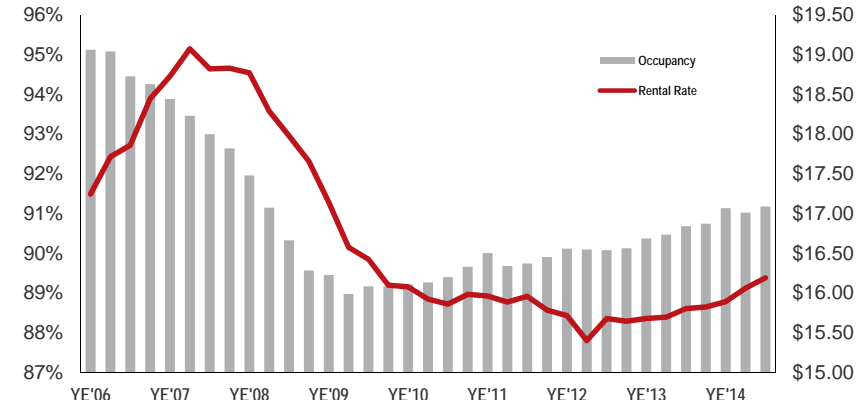
Nationwide Fundamentals

U.S. rent and occupancy



Historic Power and Shopping Center Data From CoStar Property and JLL Research

Florida rent and occupancy



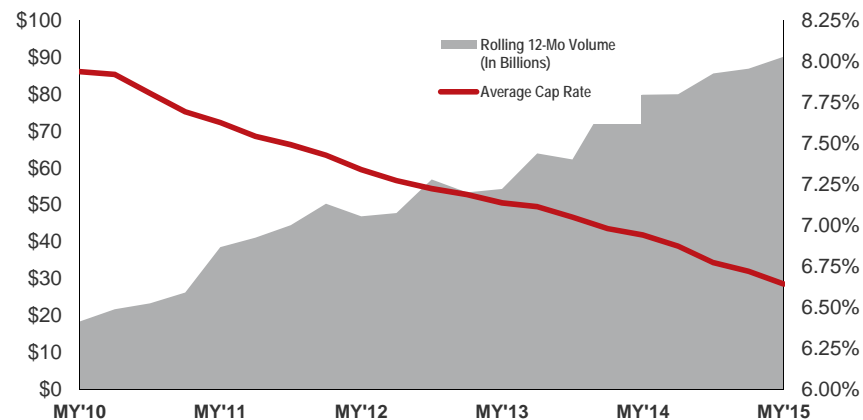
Historic Power and Shopping Center Data From CoStar Property and JLL Research

Statewide Fundamentals

Across the United States, rents have been stable since 2012 with overall growth. During this same time, occupancy has steadily climbed more than 1.5% while Florida has seen a slight growth in rents driven primarily by the South Florida markets, the occupancy growth has matched the broader country

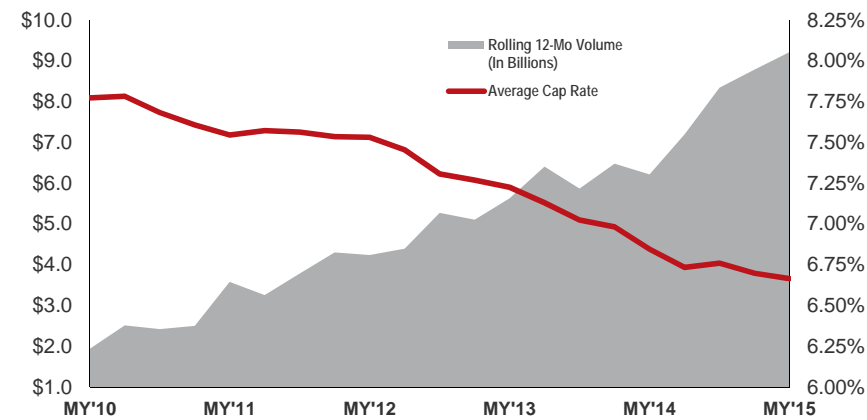
Both Florida and the rest of the country have seen a dramatic increase in sale volume since 2010. Cap rates have dropped over 100 bps and are being pushed lower by aggressive buyers of core properties.

U.S. capital markets activity



Historic Sales Data From Real Capital Analytics and JLL Research

Florida capital markets activity



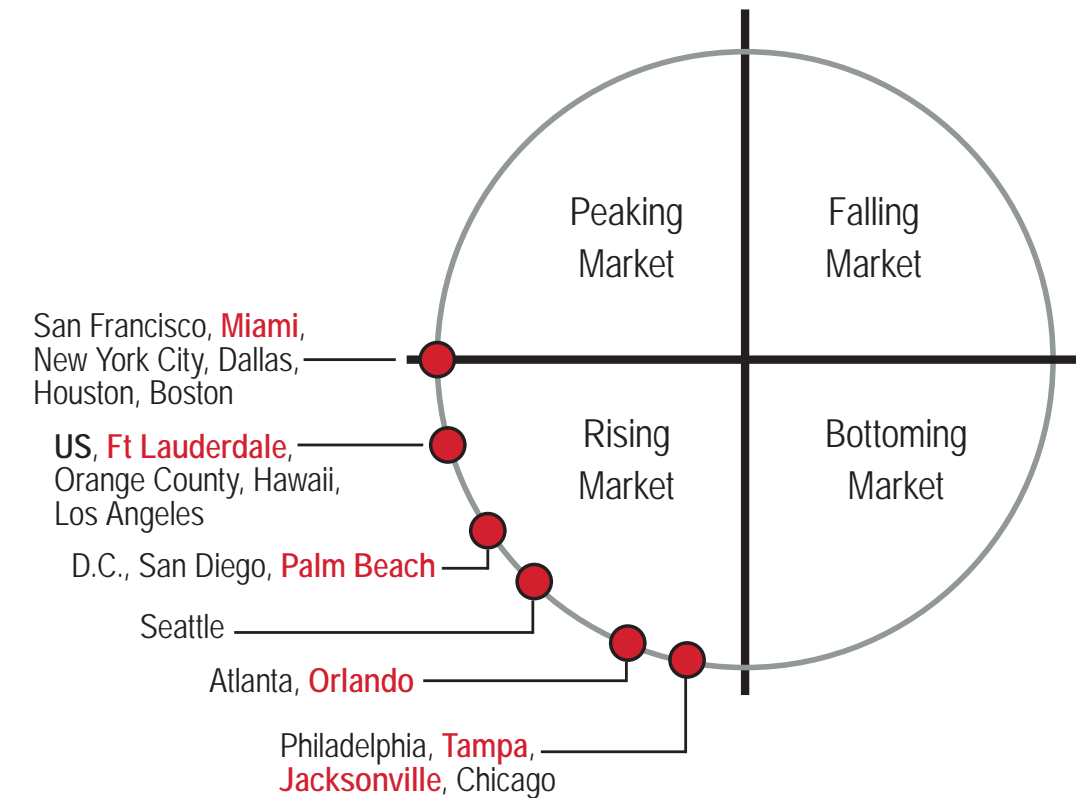
Historic Sales Data From Real Capital Analytics and JLL Research

Most of the country is in full recovery with a handful of core, urban markets just beginning to peak.

However, many of the markets in Florida continue to lag along with other markets with large volumes of suburban product.



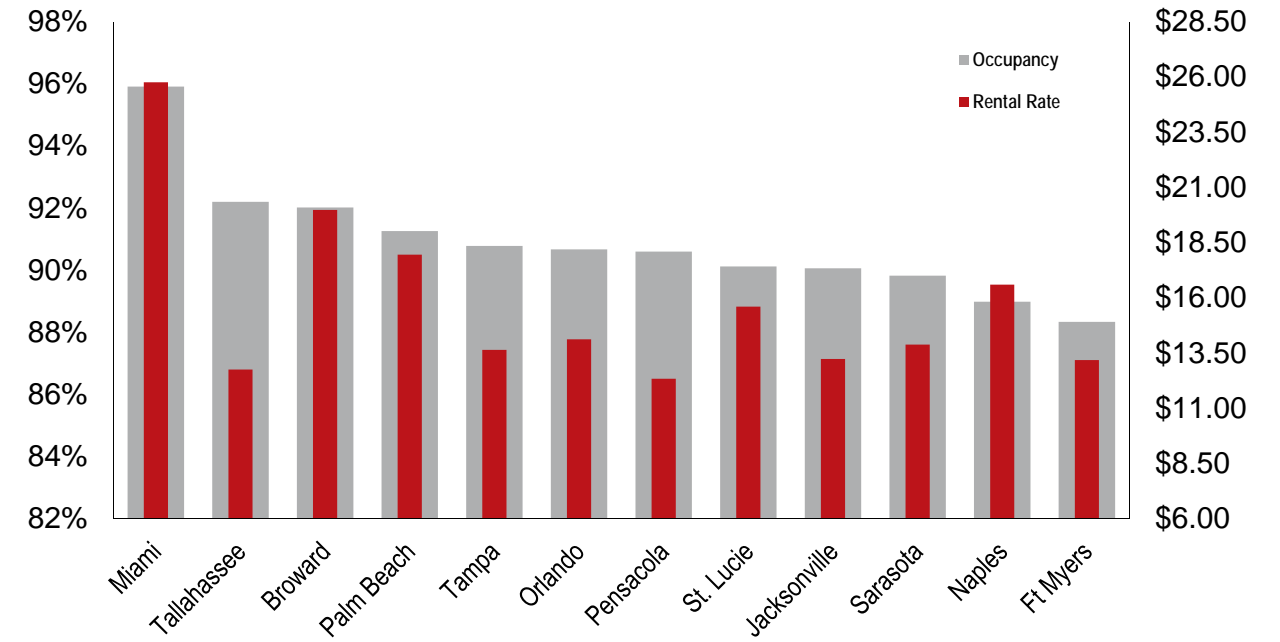
Retail property clock



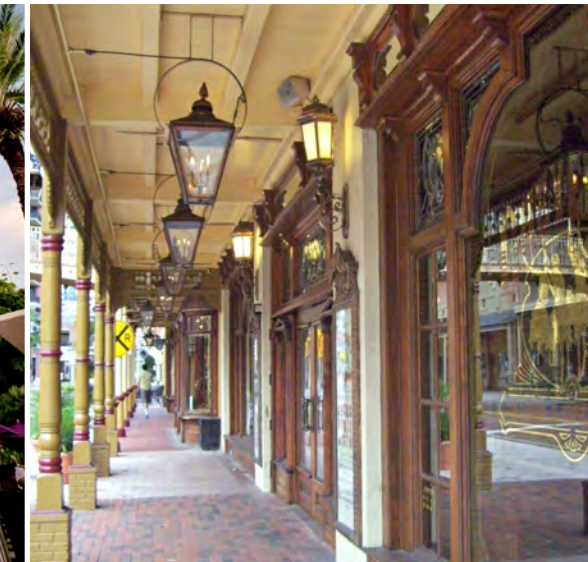
Florida market comparison

South Florida's density has driven retailer demand, pushing rental rates to the highest in the state.

Outside of Miami and Southwest Florida, most of the state is in a near state of equilibrium as the rents have risen slowly due to lagging vacancy.



Historic Power and Shopping Center Data From CoStar Property and JLL Research

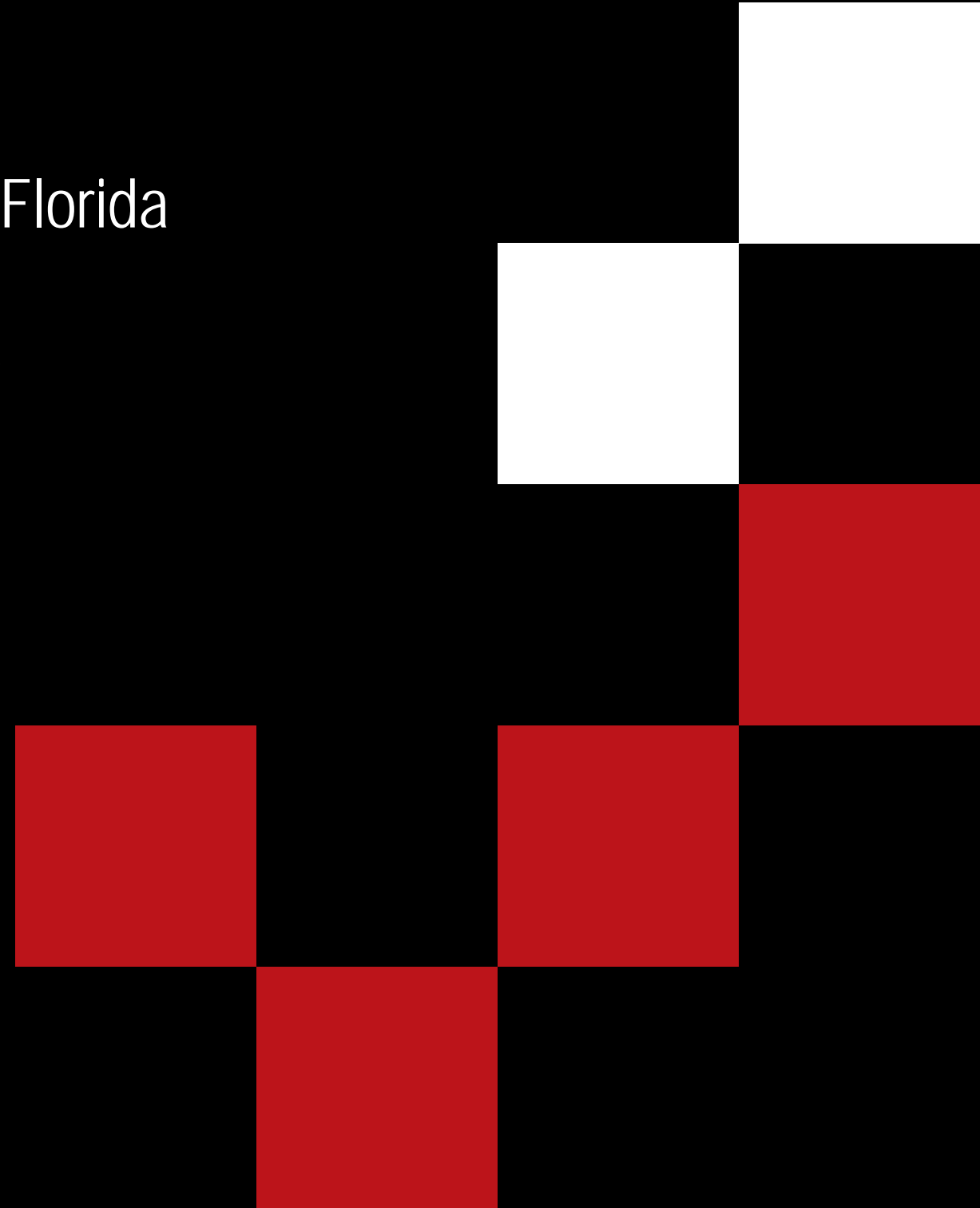


Historic Sales Data From Retail Capital Analytics and JLL Research



North Florida

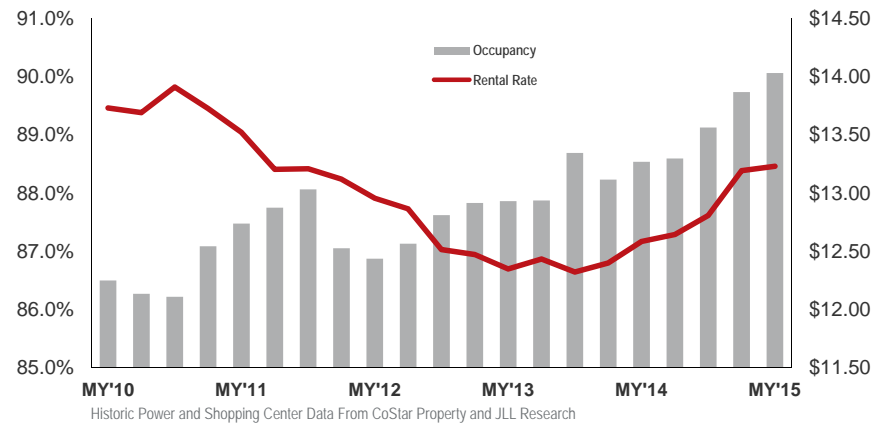
- Jacksonville
- Tallahassee
- Panhandle



Jacksonville

Jacksonville has experienced yet another year-over-year period of strong employment growth at 3.2 percent. Overall, Jacksonville's unemployment rate sits at 5.6 percent, down 120 basis points from this time last year, and slightly below that of the State. Year-over-year, leisure and hospitality has paced employment gains at 10.0 percent. Retail trade has also seen strong gains, with payrolls increasing 7.1 percent during that time. Additionally, investment activity is strengthening as it has more than doubled since 2013 while Jacksonville continues to recover from the downturn.

Rent and occupancy

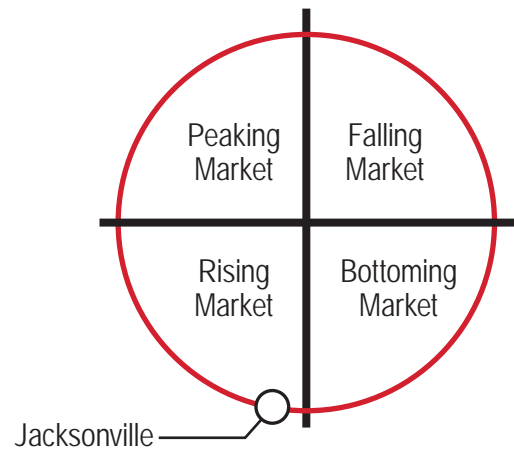


Submarket activity

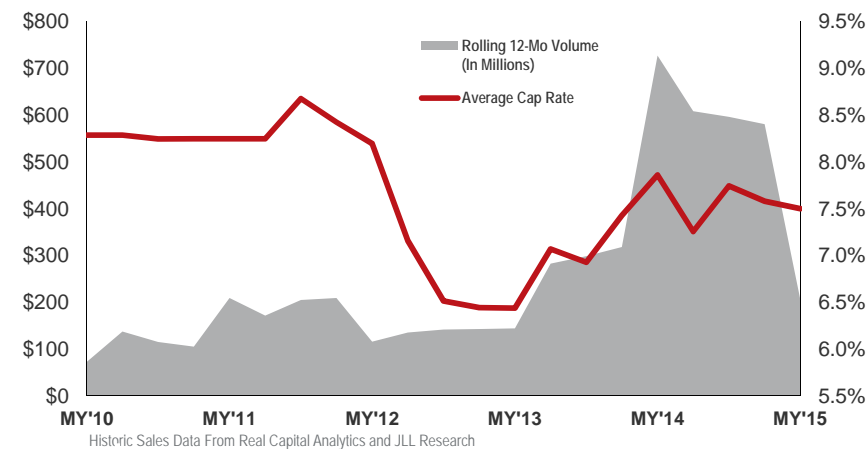
Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Arlington	2,908,827	87.5%	87.8%	0.3%	\$10.27	\$10.20	-0.7%
Baker County	512,940	91.4%	92.0%	0.6%	\$9.44	\$10.26	8.7%
Beaches	3,375,297	89.1%	91.9%	2.8%	\$14.73	\$14.36	-2.5%
Butler / Baymeadows	2,149,802	91.3%	92.2%	0.9%	\$13.99	\$14.68	4.9%
Downtown Northbank	1,133,991	82.2%	82.4%	0.3%	\$7.11	\$7.82	10.0%
Downtown Southbank	64,031	88.2%	88.3%	0.1%	\$25.00	\$25.00	0.0%
Mandarin	3,518,141	94.5%	93.0%	-1.5%	\$16.84	\$16.96	0.7%
Nassau County	2,319,986	85.9%	86.9%	1.0%	\$15.05	\$15.18	0.8%
Northeast Jacksonville	2,210,792	88.2%	87.8%	-0.3%	\$16.74	\$16.53	-1.3%
Northwest Jacksonville	1,595,351	83.5%	82.8%	-0.7%	\$8.49	\$9.31	9.7%
Orange Park / Clay County	5,497,464	89.3%	90.1%	0.8%	\$12.63	\$12.60	-0.2%
Riverside	6,265,848	90.6%	91.3%	0.7%	\$13.61	\$13.81	1.4%
San Marco	1,018,027	80.0%	82.4%	2.4%	\$10.40	\$10.60	1.9%
Southside	7,949,151	88.5%	90.5%	2.1%	\$13.19	\$13.46	2.1%
St Johns County	3,454,952	93.7%	94.0%	0.3%	\$13.53	\$14.75	9.0%
Jacksonville Market Total	43,974,600	89.1%	90.1%	0.9%	\$12.81	\$13.23	3.2%

Power Center & Shopping Center Market Statistics From CoStar Property

Retail market clock



Capital markets activity



Average Occupancy
 ↑ 0.9%
90.1%

From The Peak
-4.5%
 4Q '06

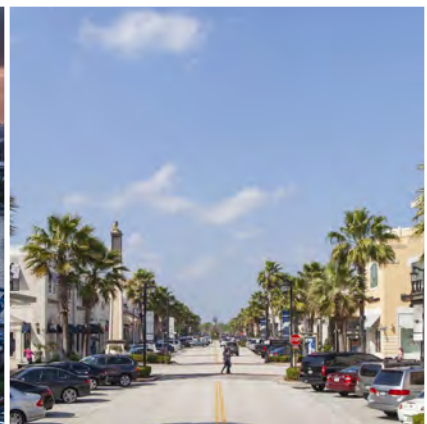
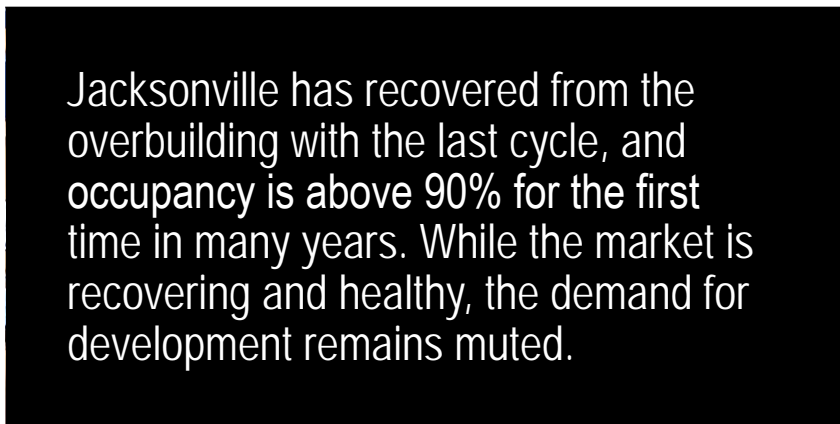
From The Crash
+3.4%
 4Q '10

Asking Rental Rate
 ↑ 3.2%
\$13.23

From The Peak
-\$2.53
 1Q '09

From The Crash
+\$0.91
 4Q '13

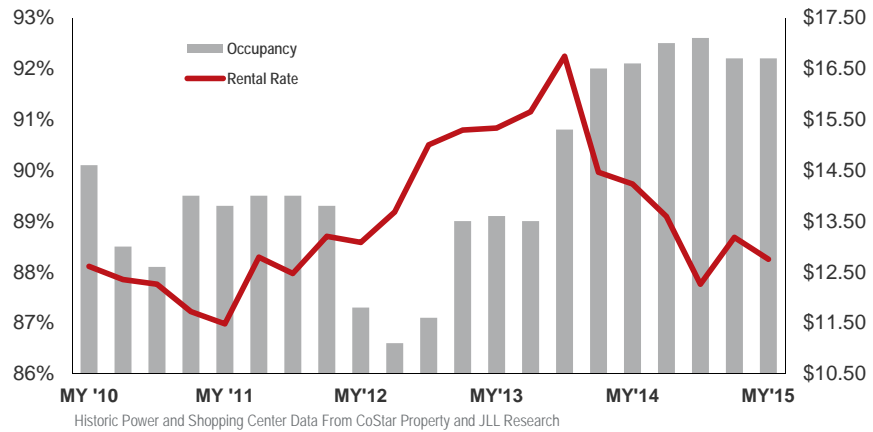
Jacksonville has recovered from the overbuilding with the last cycle, and occupancy is above 90% for the first time in many years. While the market is recovering and healthy, the demand for development remains muted.



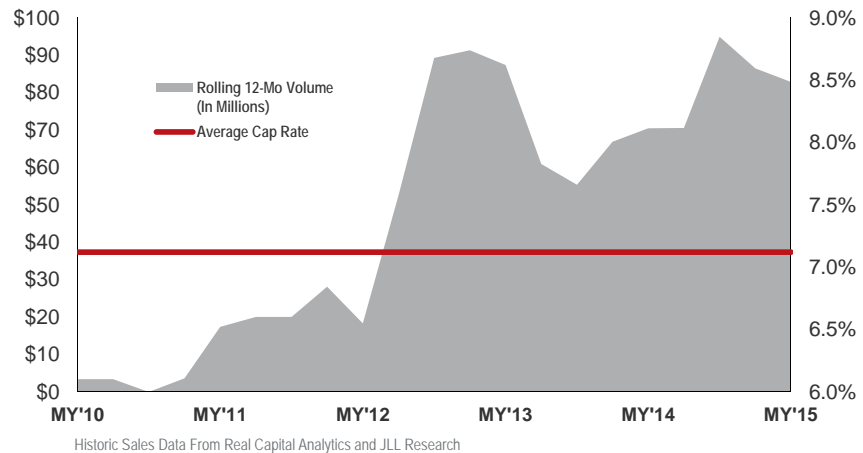
Tallahassee

Tallahassee's economy continues to grow, driven primarily by the stability from the high percentage of government and university-related employment. However, in the past year, the market has added 3,800 private-sector jobs, which bodes well for the overall growth and strength of the market. Retail space has remained well occupied in the market, and at 92.2% it is the highest in the state outside of Miami. Rents appear to have leveled out after taking a big hit over the past 2 years. The market has seen new product added in mixed-use projects near the university, which are driving a new class of retailers in the market and shifting traditional shopping patterns.

Rent and occupancy



Capital markets activity



Submarket activity

Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Downtown Tallahassee	113,844	93.3%	93.3%	0.0%	\$18.00	\$18.00	0.0%
East Tallahassee	1,388,070	94.6%	91.9%	-2.7%	\$13.90	\$17.97	29.3%
Gadsden County	306,641	79.7%	78.1%	-1.5%	\$6.84	\$6.67	-2.6%
Jefferson County	118,074	94.1%	95.7%	1.6%	-	\$9.50	-
NE Tallahassee	599,794	98.9%	98.0%	-0.9%	\$23.52	\$20.05	-14.8%
Northeast Leon County	1,977,309	93.8%	93.2%	-0.6%	\$12.94	\$14.89	15.0%
Northwest Leon County	395,594	86.8%	87.5%	0.7%	\$8.18	\$8.11	-0.9%
NW Tallahassee	362,692	95.7%	92.9%	-2.8%	\$10.96	\$10.96	0.0%
SE Tallahassee	472,110	88.7%	88.7%	0.0%	\$9.76	\$9.77	0.1%
Southeast Leon County	863,336	91.6%	90.6%	-1.0%	\$12.66	\$10.32	-18.4%
Southwest Leon County	124,279	81.7%	80.3%	-1.4%	\$12.86	\$12.64	-1.7%
SW Tallahassee	41,160	95.1%	95.1%	0.0%	-	-	-
Wakulla County	155,166	92.3%	92.9%	0.6%	\$15.00	\$14.84	-1.1%
West Tallahassee	1,083,141	93.6%	96.0%	2.4%	\$17.85	\$16.40	-8.1%
Tallahassee Market Total	8,001,210	92.6%	92.2%	-0.4%	\$12.26	\$12.75	3.8%

Power Center & Shopping Center Market Statistics From CoStar Property

Average Occupancy
 ↓ 0.4%
92.2%

From The Peak
-1.0%
 2Q '08

From The Crash
+5.6%
 3Q '12

Asking Rental Rate
 ↑ 3.8%
\$12.75

From The Peak
-\$1.10
 4Q '09

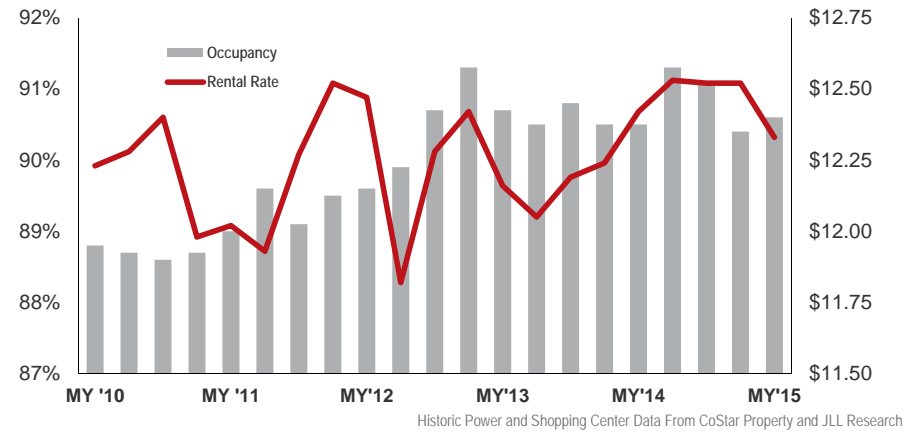
From The Crash
+\$0.84
 2Q '11

Tallahassee has been one of the least stable markets over the past two years. While their occupancy levels are very strong, rents have continued to shift to near-recession numbers.



Panhandle

Rent and occupancy



Submarket activity

Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Avalon Beach / Milton	1,368,917	96.8%	91.9%	-4.9%	\$6.06	\$11.78	94.47%
Central Pensacola / S Brent	1,031,921	95.4%	88.0%	-7.4%	\$10.33	\$9.00	-12.87%
Downtown Pensacola	9,800	-	-	-	\$16.05	-	-
Ensley/ N Brent	923,048	98.2%	84.2%	-14.0%	\$9.08	\$13.35	47.10%
Ferry Pass / N Pensacola	2,421,770	96.6%	93.0%	-3.6%	\$15.63	\$15.14	-3.13%
Gonzalez / SW Santa Rosa	687,431	97.0%	82.0%	-14.9%	\$45.00	\$12.53	-72.16%
Gulf Breeze	363,015	100.0%	89.4%	-10.6%	\$25.00	\$18.36	-26.55%
Myrtle Grove / Bellview	190,679	98.6%	92.8%	-5.8%	\$13.51	\$8.23	-39.08%
Navarre	1,097,693	97.8%	91.4%	-6.4%	\$17.87	\$13.34	-25.33%
Pensacola Beach	47,862	-	-	-	-	-	-
Perdido	227,795	-	-	-	-	\$20.83	-
SE Santa Rosa County	42,709	-	-	-	-	-	-
Upper Escambia County	224,131	-	-	-	\$7.83	-	-
Upper Santa Rosa County	50,000	-	-	-	-	-	-
Warrington	325,720	97.6%	92.6%	-5.0%	\$11.75	\$10.87	-7.52%
West Pensacola	873,561	95.9%	95.5%	-0.3%	\$6.49	\$9.22	42.10%
Pensacola Market Total	9,886,052	91.1%	90.6%	-0.5%	\$12.52	\$12.33	-1.5%

Shopping Center Market Statistics From CoStar Property

Average Occupancy



0.5%

90.6%

From The Peak

-2.6%
2Q '08

From The Crash

+2.3%
3Q '09

Asking Rental Rate



1.5%

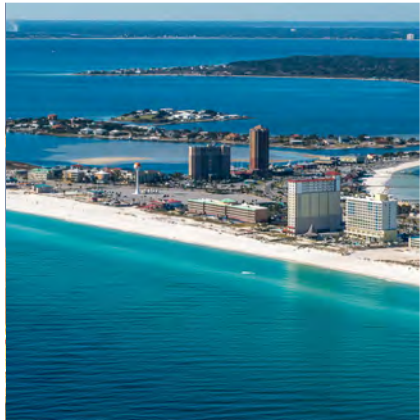
\$12.33

From The Peak

-\$3.37
2Q '08

From The Crash

+\$0.51
3Q '12



Tourism is driving growth in retail in the Panhandle.



From The Peak

-\$3.37
2Q '08

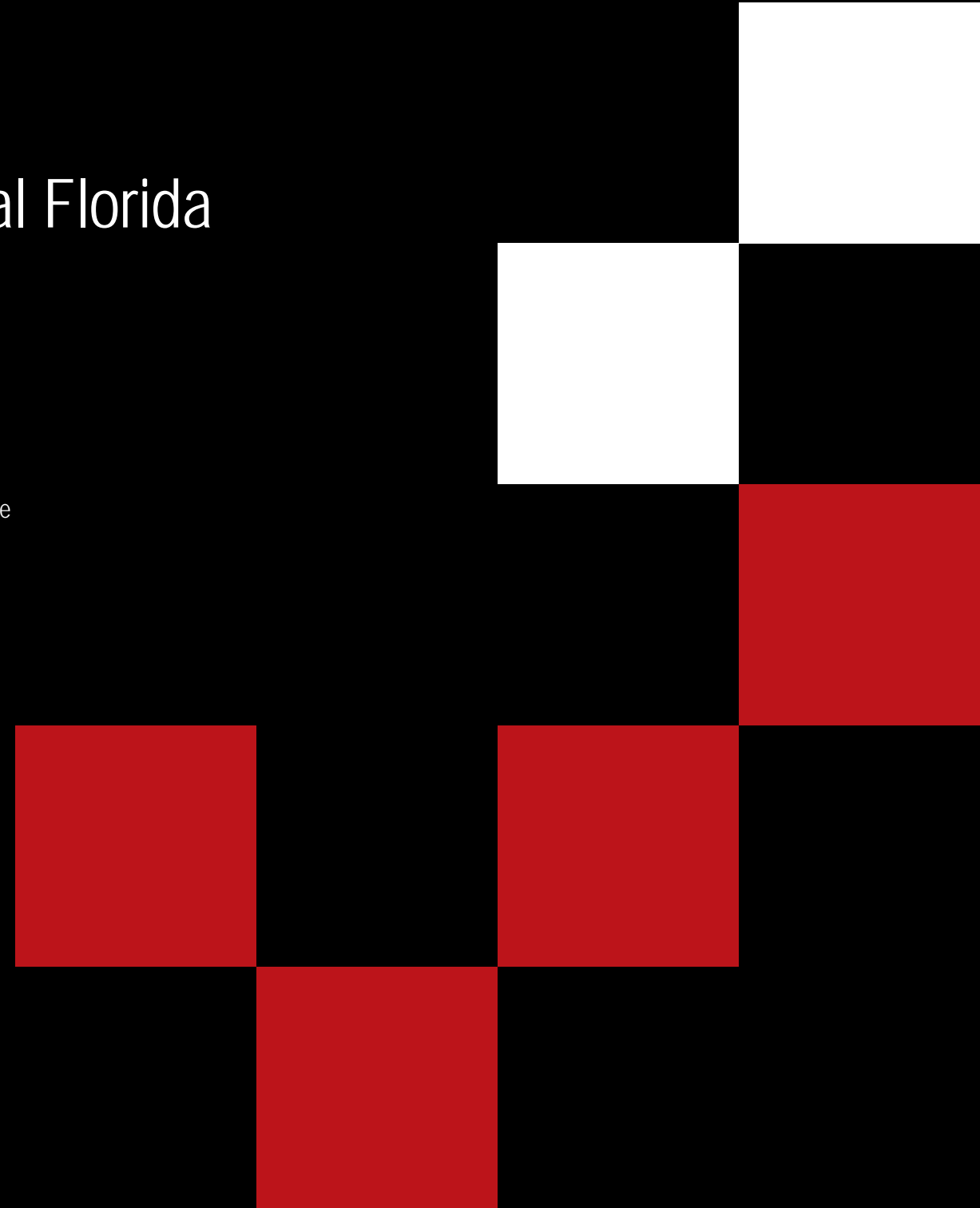
From The Crash

+\$0.51
3Q '12



Central Florida

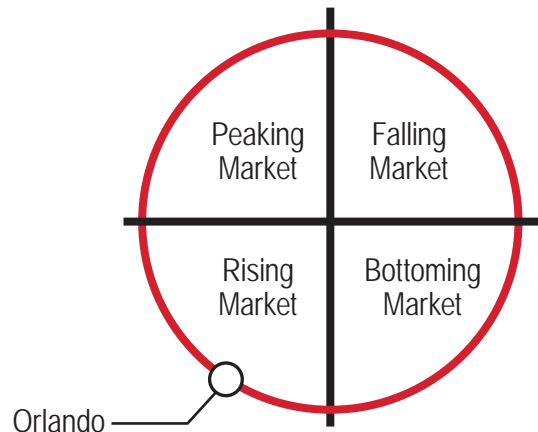
- Orlando
- Daytona
- Lakeland
- Port St. Lucie



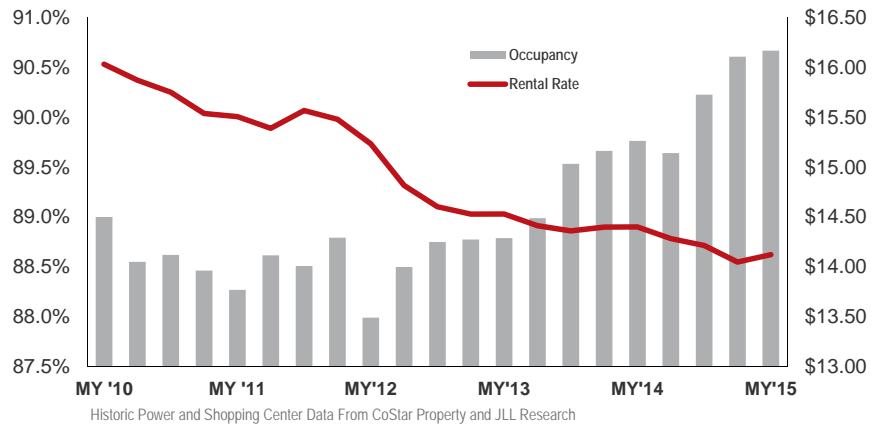
Orlando

Orlando's economic growth is one of the strongest statewide and was recently named the #1 market in the country for job creation by Forbes. Orlando consistently ranks highest in creating a strong business environment and employment growth; growing a robust 4.6 percent in the past year. Orlando's unemployment rate of 4.5 percent dropped 0.7 percentage points within the past 12 months. Additionally, as one of the pillar drivers of the local economy, tourism increased 3.9 percent year-over-year with over 64 million visitors. Combined with local income increases and advancements in consumer confidence, the local retail market has benefited from recent upsurges of consumer spending.

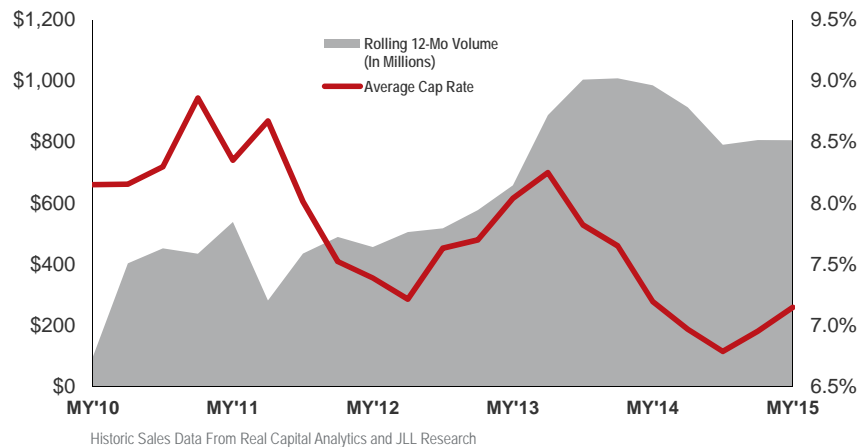
Retail market clock



Rent and occupancy



Capital markets activity



Submarket activity

Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
436 Corridor	4,743,812	94.6%	94.5%	-0.1%	\$16.07	\$15.00	-6.7%
Altamonte / Douglas	2,276,480	87.4%	86.7%	-0.8%	\$15.93	\$15.46	-2.9%
Apopka	1,558,838	-	95.8%	-	-	\$13.44	-
Casselberry	3,576,102	89.5%	89.9%	0.4%	\$14.01	\$15.61	11.4%
Downtown	12,121	-	-	-	-	-	-
Kissimmee	3,617,989	93.3%	94.2%	0.9%	\$17.90	\$18.20	1.7%
Lake Mary	2,244,131	92.0%	92.5%	0.5%	\$20.13	\$15.20	-24.5%
Lee Road	469,932	73.1%	73.2%	0.1%	\$10.14	\$10.92	7.7%
Longwood	965,761	89.0%	89.1%	0.1%	\$11.09	\$8.50	-23.3%
Maitland	685,314	95.3%	91.6%	-3.7%	\$14.96	\$14.22	-5.0%
Maitland Center	1,348,058	93.5%	93.8%	0.2%	\$16.44	\$16.11	-2.0%
Metro West	1,239,276	94.5%	96.0%	1.5%	\$16.65	\$17.72	6.4%
Orlando Airport	99,116	85.3%	94.9%	9.6%	\$21.76	\$21.76	0.0%
Orlando Central Park	3,361,681	89.1%	91.4%	2.3%	\$11.96	\$12.39	3.6%
Sanford	1,983,343	92.4%	92.7%	0.4%	\$14.15	\$12.56	-11.3%
South Orange	1,209,314	92.7%	95.2%	2.5%	\$14.76	\$16.39	11.0%
Tourist Corridor	5,964,602	90.2%	89.2%	-1.0%	\$18.15	\$18.78	3.5%
University	325,380	92.5%	84.8%	-7.7%	\$21.47	\$21.47	0.0%
University Research	256,620	83.4%	88.8%	5.4%	\$26.42	\$20.00	-24.3%
West Colonial	5,900,351	88.4%	91.4%	3.0%	\$11.82	\$10.65	-9.9%
West University	2,773,547	94.3%	93.8%	-0.5%	\$19.30	\$19.02	-1.4%
Winter Park	1,155,813	84.7%	86.2%	1.5%	\$17.86	\$17.95	0.5%
Orlando Market Total	45,767,581	90.2%	90.7%	0.4%	\$14.21	\$14.12	-0.6%

Power Center & Shopping Center Market Statistics From CoStar Property

Average Occupancy
 ↑ 0.4%
90.7%

From The Peak
-3.8%
 1Q '07

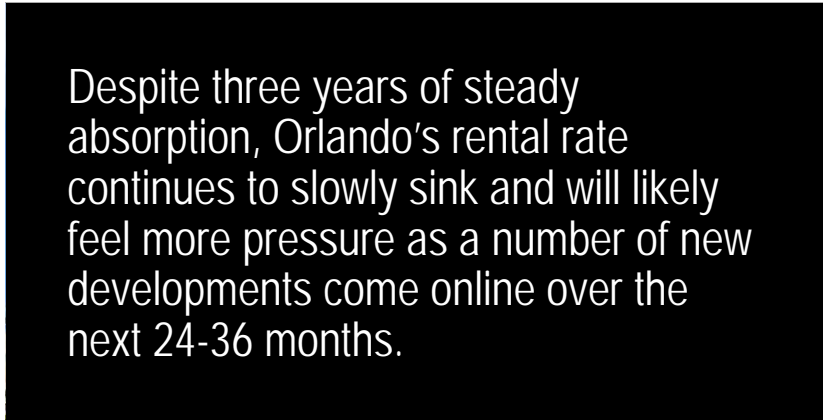
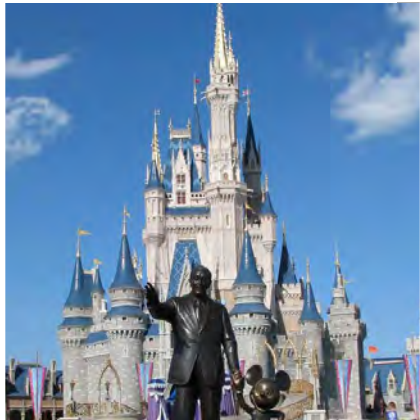
From The Crash
+2.7%
 2Q '12

Asking Rental Rate
 ↓ 0.6%
\$14.12

From The Peak
-\$4.45
 1Q '08

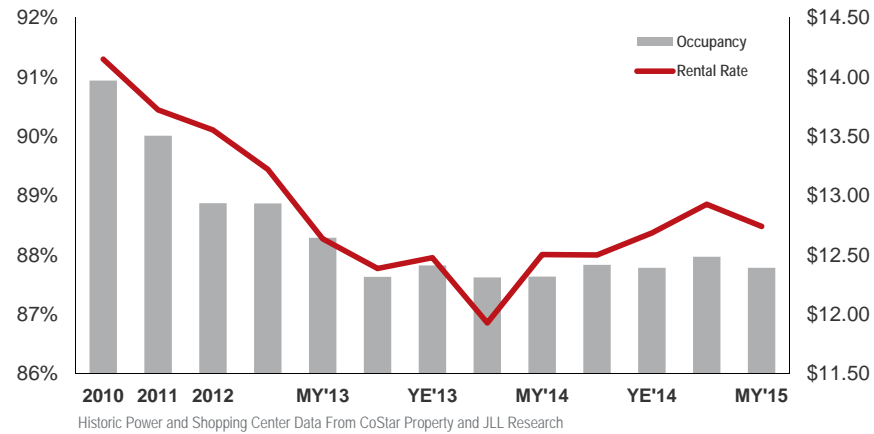
From The Crash
+\$0.07
 1Q '15

Despite three years of steady absorption, Orlando's rental rate continues to slowly sink and will likely feel more pressure as a number of new developments come online over the next 24-36 months.

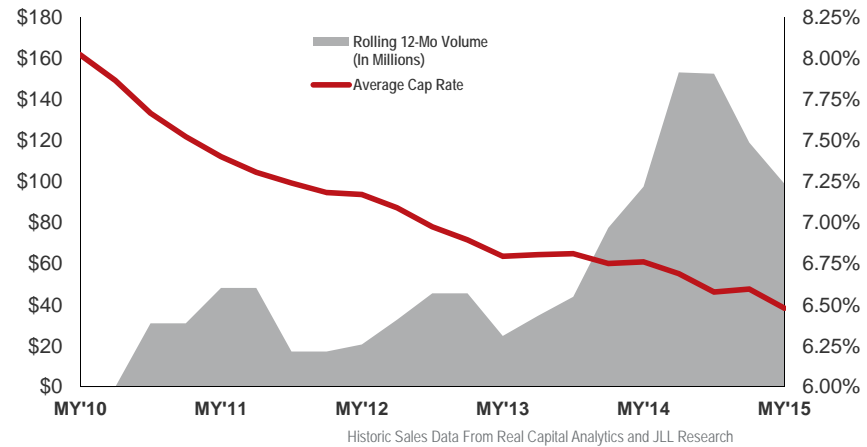


Daytona

Rent and occupancy



Capital markets activity



Submarket activity

Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Coastal Daytona Beach	549,558		84.3%		\$13.02		
De Land	1,295,145		82.3%		\$11.37		
Deltona	456,110		90.2%		\$14.24		
Downtown Daytona Beach	1,324,508		85.7%		\$9.41		
North Daytona Beach	939,512		93.7%		\$17.86		
NW Volusia County	1,870,219		91.1%		\$11.88		
Ormond Beach	1,921,148		90.8%		\$14.08		
SE Volusia County	6,878		100.0%		-		
South Beach Cities	2,313,275		85.1%		\$11.08		
South Daytona Beach	1,343,938		81.5%		\$9.74		
Daytona Market Total	12,020,291	87.8%	87.8%	0.0%	\$12.69	\$12.74	0.4%

Power Center & Shopping Center Market Statistics From CoStar Property

Average Occupancy

~~0.0%~~
87.8%

From The Peak
-4.7%
4Q '08

From The Crash
+1.8%
1Q '14

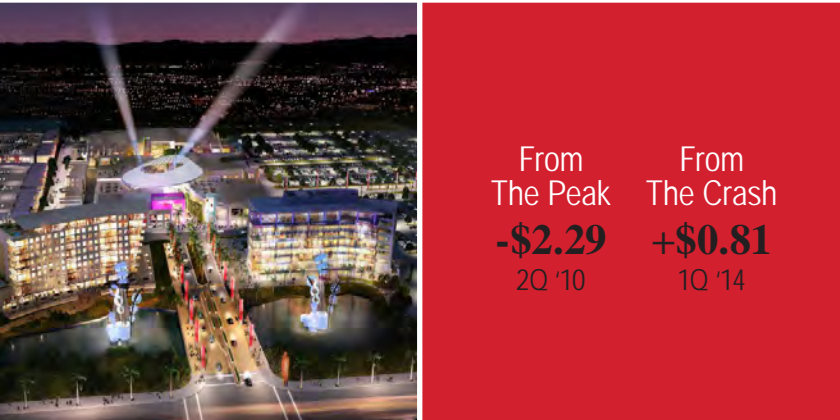
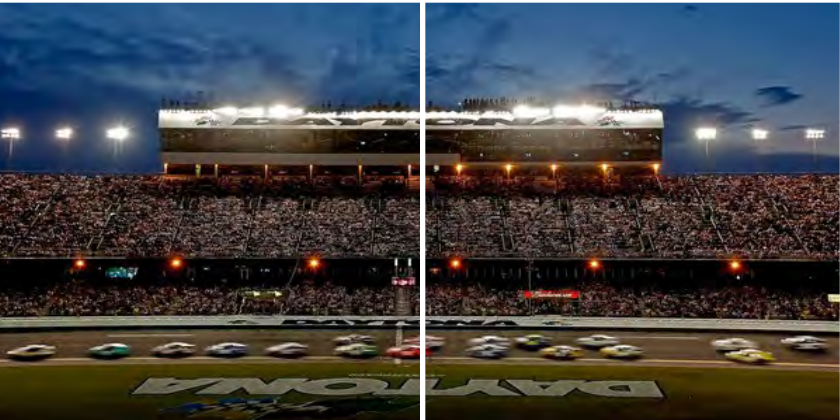
Asking Rental Rate

↑ 0.4%
\$12.74

From The Peak
-\$2.29
2Q '10

From The Crash
+\$0.81
1Q '14

The Daytona market remains strong, through older product and shifting consumer patterns produce headwinds for rent growth.



Lakeland

The Lakeland area has been on the same growth path as its larger siblings Orlando to the east and Tampa to the west and has shown significant growth over the previous year, with employment increasing 3.5 percent, lowering the unemployment rate to 5.7 percent. With the large distributions centers opening, Lakeland is an important recruiting area for companies and will drive growth as national groups locate here. A fast-expanding transport and logistics industry, anchored by the CSX terminal in Winter Haven, will power medium-term job gains. Longer term, fast population growth and proximity to Tampa and Orlando will favor the area as a transportation and logistics hub.

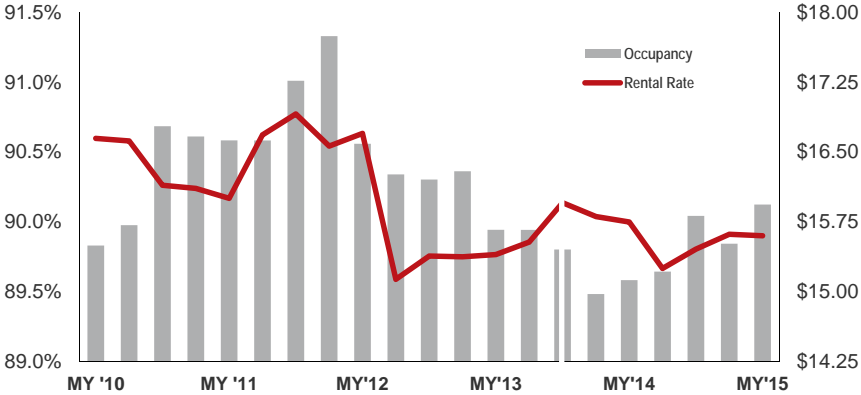
Submarket activity

Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Brevard County	13,047,336		86.1%		\$11.25		
Lake County	6,390,959		88.1%		\$13.90		
Osceola County Outlier	13,047,336		86.1%		\$11.25		
Polk County	11,899,223		89.6%		\$18.93		
SE Orange County Outlier	722,660		87.4%		\$10.13		
SW Orange County Outlier	7,416,718		91.4%		\$16.72		
West Seminold Outlier	1,510,951		93.5%		\$11.00		
Central Florida Market Total	54,035,183		88.1%		\$13.98		

Power Center & Shopping Center Market Statistics From CoStar Property

Port St. Lucie

Rent and occupancy



Submarket activity

Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Fort Pierce	1,650,402	90.5%	90.2%	-0.3%	\$11.77	\$11.38	-3.3%
Martin	2,245,778	87.8%	88.7%	0.8%	\$14.45	\$14.38	-0.5%
Martin Inland	52,206	-	-	-	-	\$25.00	-
Port St Lucie	4,973,993	90.5%	90.3%	-0.2%	\$15.40	\$15.53	0.8%
St Lucie Coastal	80,786	94.1%	94.1%	0.0%	\$16.00	\$16.00	0.0%
St Lucie Inland	2,564,953	93.4%	90.5%	-2.9%	\$19.98	\$19.94	-0.2%
St. Lucie Market Total	11,568,118	90.0%	90.1%	0.1%	\$15.46	\$15.60	0.9%

Power Center & Shopping Center Market Statistics From CoStar Property



Average
Occupancy
88.1%

Asking
Rental Rate
\$13.98



Average
Occupancy
+0.1%
90.1%

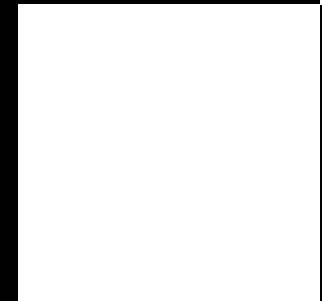
Asking
Rental Rate
↑ 0.9%
\$15.60





West Florida

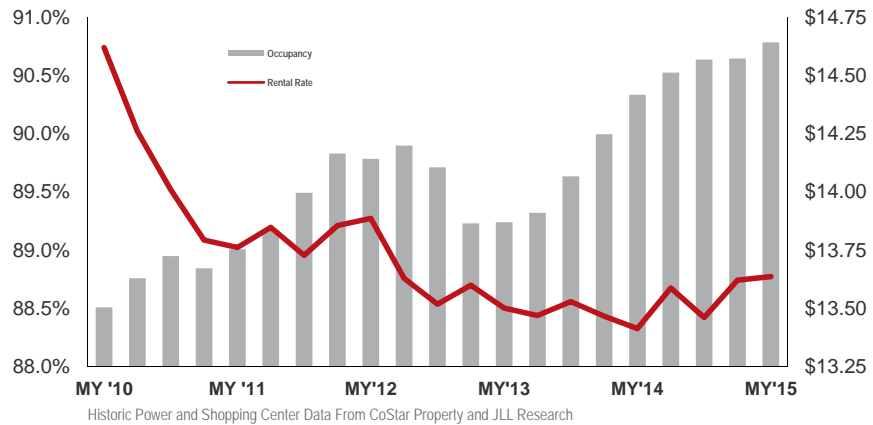
- Tampa / St. Petersburg
- Sarasota / Bradenton
- Fort Myers
- Naples



Tampa / St. Petersburg

Tampa is the second largest metro in Florida and 18th largest in the US. The metro maintains unemployment of 5.4 percent, 110 basis points lower than this time last year and 30 basis points lower than the state average. With the majority of employment growth coming from leisure and hospitality (10.4 percent growth) and transportation, warehousing, and utilities (4.2 percent growth) sectors, the area has experience strong year-over-year growth. The strengthening environment now employs more individuals than it did before the recession and maintains an average income 12.1 percent higher than the national average with an average annual income of \$57,202.

Rent and occupancy

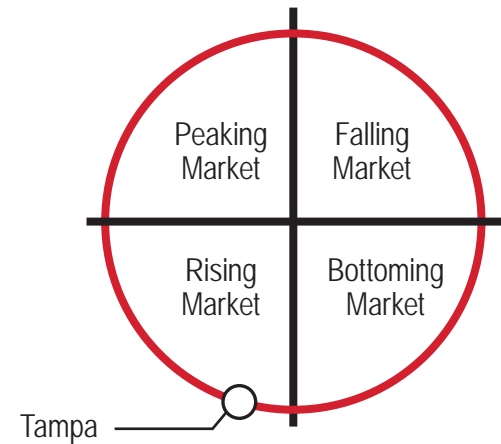


Submarket activity

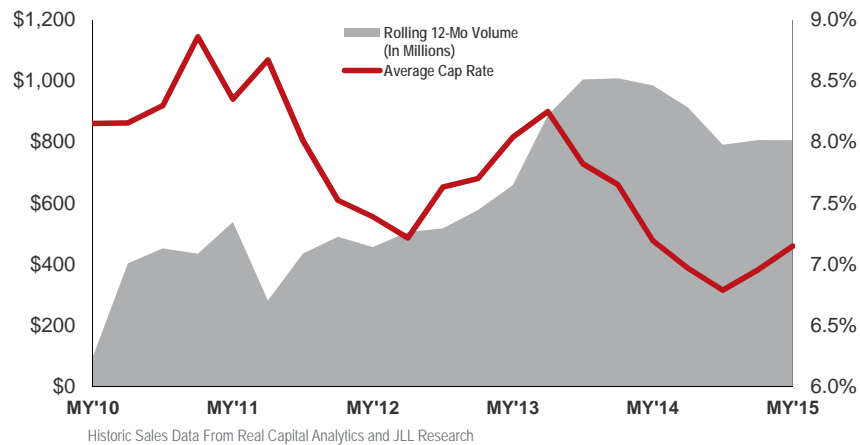
Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Bayside	1,201,550	95.7%	99.9%	4.2%	\$13.48	\$11.43	-15.2%
Clearwater CBD	533,322	94.6%	99.9%	5.3%	\$13.70	\$14.24	4.0%
East Tampa	5,838,585	94.2%	99.9%	5.7%	\$16.28	\$15.84	-2.7%
Gateway	1,567,831	95.5%	99.9%	4.4%	\$15.15	\$12.81	-15.4%
Hernando County	4,711,034	90.7%	99.9%	9.2%	\$10.73	\$10.95	2.1%
Mid-Pinellas	6,280,953	90.7%	99.9%	9.2%	\$13.95	\$14.29	2.4%
North Pinellas	7,697,488	90.1%	99.9%	9.8%	\$14.31	\$14.05	-1.8%
Northeast Tampa	5,601,661	93.9%	99.9%	6.0%	\$12.74	\$13.55	6.3%
Northwest Tampa	9,818,620	92.8%	99.9%	7.1%	\$13.58	\$13.44	-1.0%
Pasco County	11,129,914	88.2%	99.9%	11.6%	\$13.85	\$13.42	-3.1%
South Pinellas	7,302,142	88.8%	99.9%	11.1%	\$14.07	\$14.39	2.2%
South Tampa	1,548,788	90.8%	99.9%	9.1%	\$11.36	\$12.09	6.4%
St Petersburg CBD	232,801	88.0%	100.0%	12.0%	\$12.00	\$11.38	-5.1%
Tampa CBD	299,734	56.7%	99.6%	42.9%	-	-	-
Westshore	2,434,258	92.1%	99.9%	7.8%	\$16.24	\$16.08	-1.0%
Tampa Market Total	66,198,681	90.6%	90.8%	0.1%	\$13.46	\$13.64	1.3%

Power Center & Shopping Center Market Statistics From CoStar Property

Retail market clock



Capital markets activity



Average Occupancy
 ↑ 0.1%
90.8%

From The Peak
-4.2%
 1Q '06

From The Crash
+2.3%
 2Q '10

Asking Rental Rate
 ↑ 1.3%
\$13.64

From The Peak
-\$2.72
 3Q '08

From The Crash
+\$0.23
 2Q '14

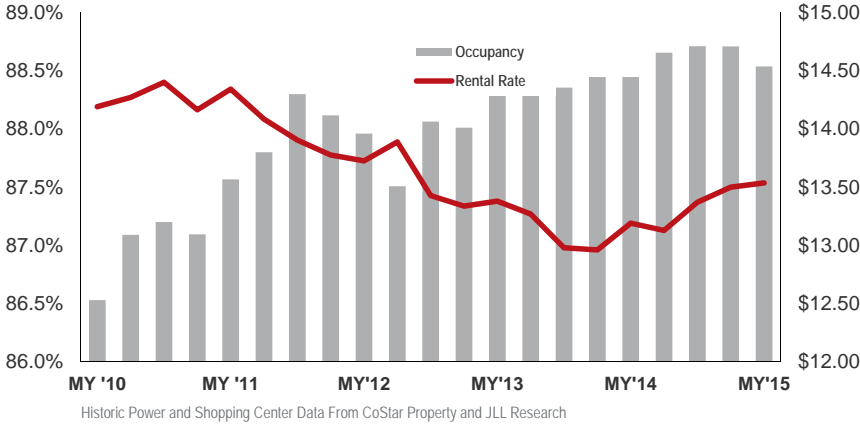


Tampa has been the most sluggish major market in Florida, but has finally seen a strong increase in occupancy over the past 18 months, which coupled with strong redevelopment projects throughout the market should elevate rents.

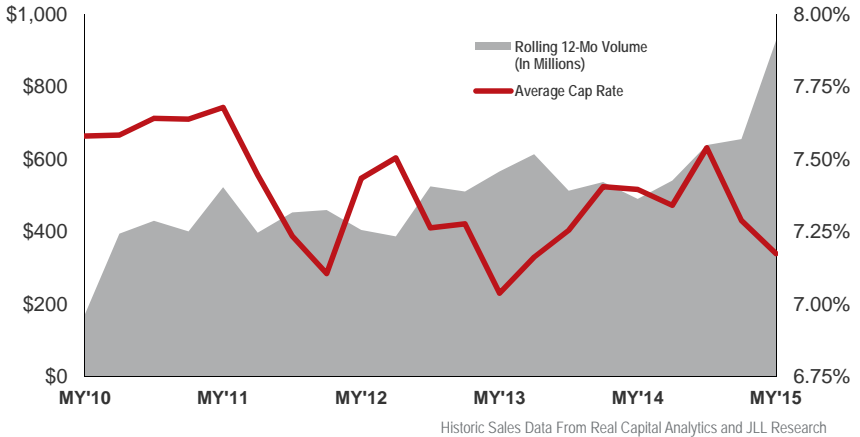


Southwest Florida

Rent and occupancy



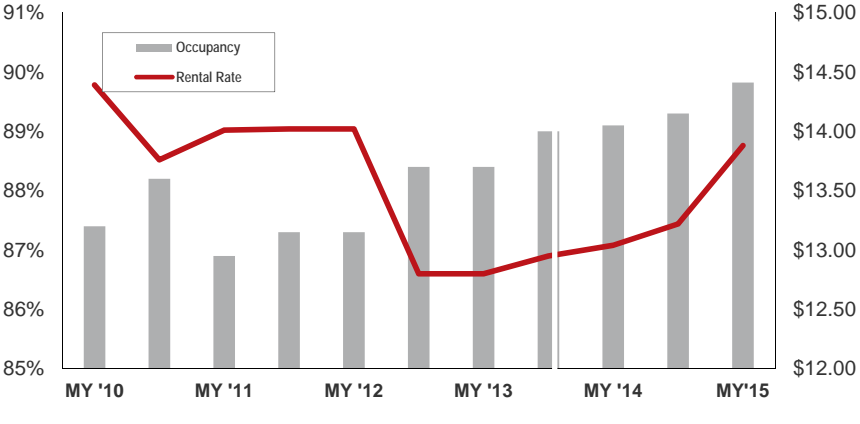
Capital markets activity



Sarasota / Bradenton

Since 2010 job growth in Sarasota has outpaced that of the state overall by 390 basis points. Historically Sarasota has been below the national and statewide unemployment levels, and while economic downturn hurt the area in a big way, unemployment in the area is still well below the state average at 4.2 percent. Sarasota has seen a number of new companies enter the area with businesses expanding, projecting continued job growth. Further, the population in Sarasota is expected to grow by nearly 7.8 percent over the next five years to 417,000 residents.

Rent and occupancy



Submarket activity

Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Manatee	7,914,550	88.6%	89.5%	0.9%	\$12.20	\$12.51	2.5%
Manatee Outlying	619,260	85.3%	94.1%	8.8%	\$16.75	\$17.20	2.7%
Sarasota	8,371,445	90.8%	90.8%	0.0%	\$16.34	\$17.38	6.3%
Sarasota Outlying	2,662,947	86.0%	85.2%	-0.8%	\$12.11	\$12.42	2.5%
Sarasota Market Total	19,568,202	89.3%	89.8%	0.5%	\$13.22	\$13.88	4.7%

Power Center & Shopping Center Market Statistics From CoStar Property

Southwest Florida's fundamentals have been very unsettled as the region couples booming luxury shopping with the overbuilding and obsolete centers from previous cycles.



Average Occupancy
 ↑ 0.5%
89.8%

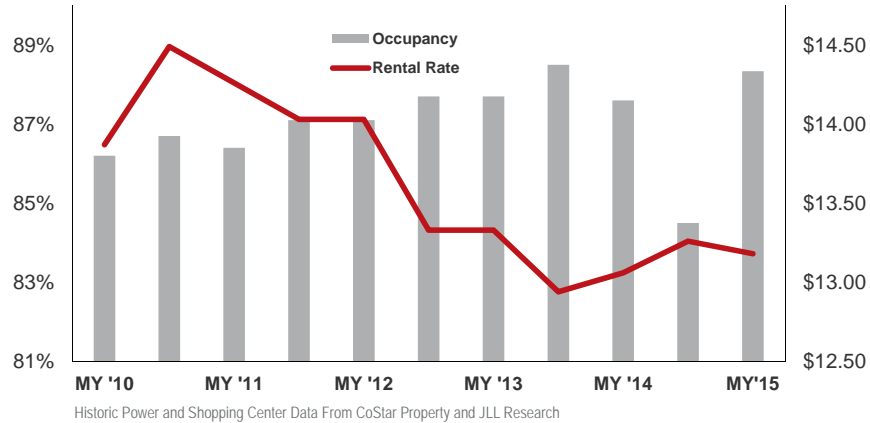
Asking Rental Rate
 ↑ 4.7%
\$13.88



Fort Myers

Fort Myers was one of the hardest hit areas during the recession, a fact that was amplified by the media's constant portrayal of the area as ground-zero for the housing bubble. Fortunately, that is a thing of a past and the area is seeing a surge of growth, led by the housing market. Housing prices have surged 12.4 percent over the past year and over 75 percent in the past since 2012. Unemployment has dropped to 4.8 percent, lower than both the state and national averages by almost 100 bps. As both the population and tourist markets continue to grow, occupancy has increased to 88.3 percent, reflecting strong absorption of the product built at the peak of the last cycle.

Rent and occupancy



Submarket activity

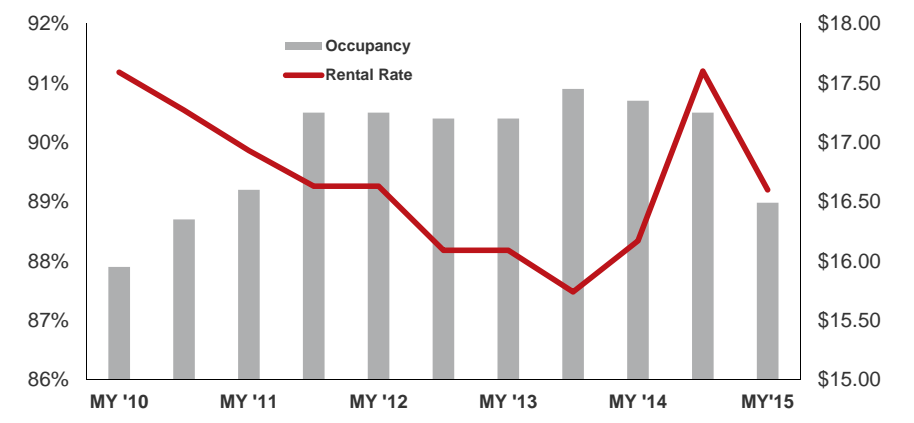
Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Bonita Springs	2,241,644	83.8%	85.2%	1.4%	\$13.89	\$14.20	2.2%
Cape Coral	4,908,434	79.5%	87.1%	7.6%	\$13.51	\$12.36	-8.5%
Charlotte County	4,960,404	87.9%	88.2%	0.3%	\$12.09	\$12.06	-0.3%
City of Ft Myers	2,815,744	84.8%	85.2%	0.4%	\$10.33	\$10.53	1.9%
Estero	692,620	87.9%	90.0%	2.1%	\$13.24	\$15.36	16.0%
Lehigh	754,262	92.3%	94.4%	2.1%	\$14.21	\$13.39	-5.8%
North Ft Myers	1,496,598	80.0%	79.9%	-0.1%	\$9.17	\$9.28	1.2%
South Ft Myers / San Carlos	8,814,492	89.7%	90.2%	0.5%	\$13.46	\$13.92	3.4%
The Islands	512,427	99.2%	99.2%	0.0%	\$37.45	\$37.45	0.0%
Ft Myers Market Total	27,196,625	84.5%	88.3%	3.8%	\$13.26	\$13.18	-0.6%

Power Center & Shopping Center Market Statistics From CoStar Property

Naples

Naples and the surrounding markets have been propelled forward by the surge in luxury spending and in-migration of baby boomers. Naples population has grown 2.7% in 2014, making it the 10th fastest growing market in the country, and the 3rd fastest over the past five years. That growth, coupled with the strong incomes has led to strong job growth, with Forbes citing Naples in the top 10 markets in the country, projecting 4.6 percent growth annually through 2017. The unemployment rate is one of the lowest in the country at 4.7%, which has pushed wages higher. Of the 10 fastest growing job markets in Florida, Naples is the only market with an average wage higher than \$50,000.

Rent and occupancy



Submarket activity

Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
East Naples	2,226,006	85.2%	84.1%	-1.1%	\$14.06	\$14.83	5.5%
Golden Gate	648,542	95.6%	94.2%	-1.4%	\$12.40	\$11.66	-6.0%
Lely	787,737	80.7%	80.3%	-0.4%	\$14.21	\$14.42	1.5%
Marco Island	761,270	95.6%	94.6%	-1.0%	\$20.11	\$20.59	2.4%
Naples	488,046	94.1%	93.4%	-0.7%	\$18.25	\$18.06	-1.0%
North Naples	6,497,224	92.7%	91.0%	-1.8%	\$19.60	\$17.64	-10.0%
Outlying Collier County	374,732	80.3%	75.5%	-4.8%	\$14.37	\$11.95	-16.9%
Naples Market Total	11,783,557	90.5%	89.0%	-1.5%	\$17.60	16.60	-6.1%

Power Center & Shopping Center Market Statistics From CoStar Property



Average Occupancy
 ↑ 3.8%
88.3%

Asking Rental Rate
 ↓ 0.6%
\$13.18



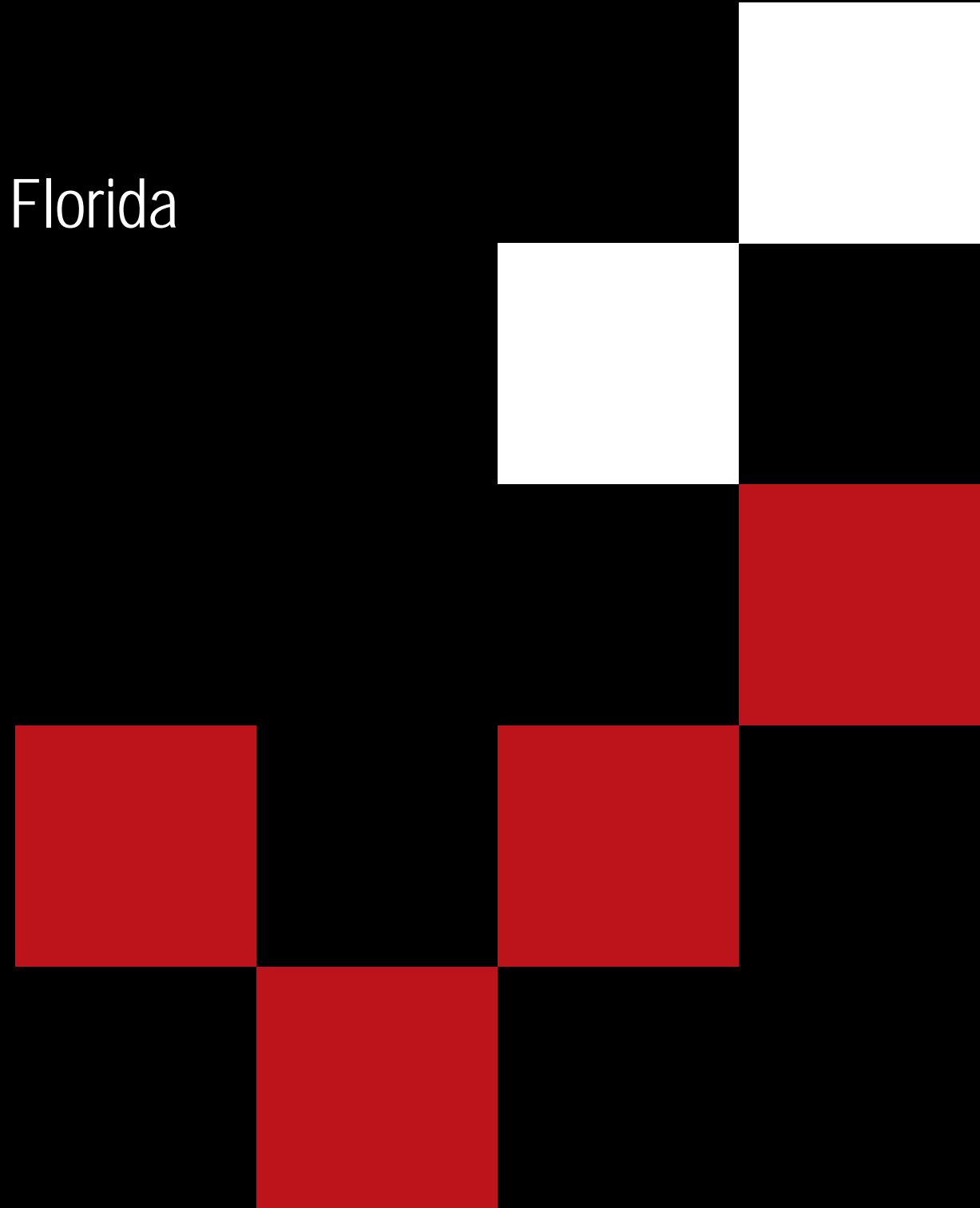
Average Occupancy
 ↓ 1.5%
89.0%

Asking Rental Rate
 ↓ 6.1%
\$16.60



South Florida

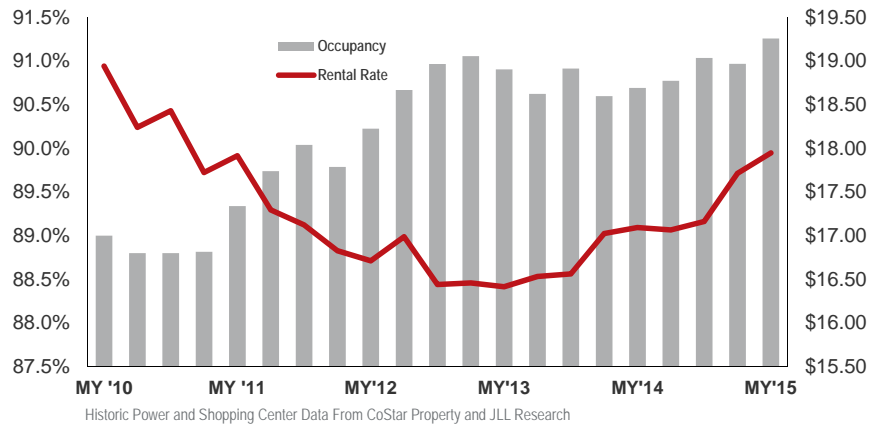
- Palm Beach
- Broward
- Miami



Palm Beach

Palm Beach County is home to 7.0 percent of the state's population and a higher than average median income of \$52,400 per year – 11.6 percent above the state average. Further, strong employment growth, at 3.8 percent has also helped to shift the economy post-recession. Additionally, nearly one-quarter of Palm Beach County's population is over the age of 65, which is 50 percent more than the national share. Strong economic growth has helped to propel growth in the real estate market. As cap rates continue to compress, the Palm Beach Outlets sold in May for \$278.4 million, making it the second largest real estate transaction in Palm Beach County's history.

Rent and occupancy



Submarket activity

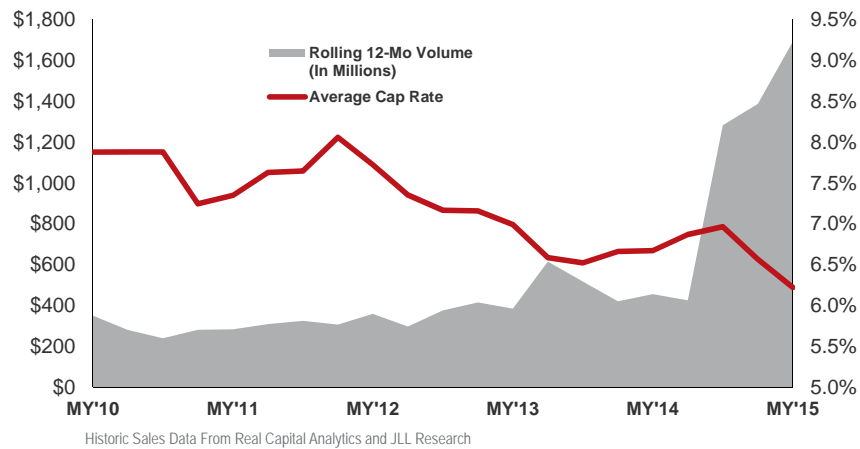
Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Boca Raton	5,194,862	93.3%	93.7%	0.5%	\$25.08	\$25.26	0.7%
Boynton / Lantana	6,370,562	90.4%	90.0%	-0.5%	\$16.09	\$15.98	-0.7%
Delray Beach	4,107,356	92.4%	93.6%	1.2%	\$20.01	\$20.39	1.9%
Jupiter	2,829,271	93.6%	93.4%	-0.2%	\$17.71	\$17.74	0.2%
North Palm Beach	4,530,971	90.8%	90.9%	0.1%	\$18.35	\$18.98	3.4%
Palm Beach	2,580,446	93.8%	91.6%	-2.2%	\$21.79	\$21.08	-3.3%
Palm Springs / Lake Worth	1,324,457	90.8%	92.9%	2.0%	\$10.50	\$11.50	9.5%
Royal Palm Beach / Wellington	4,890,250	90.8%	90.1%	-0.7%	\$16.84	\$17.46	3.7%
West Palm Beach	7,931,811	89.1%	89.1%	0.0%	\$14.11	\$15.30	8.5%
Palm Beach Market Total	39,759,986	91.0%	91.3%	0.2%	\$17.16	\$17.95	4.4%

Power Center & Shopping Center Market Statistics From CoStar Property

Retail market clock



Capital markets activity



Average Occupancy
 ↑ 0.2%
91.3%

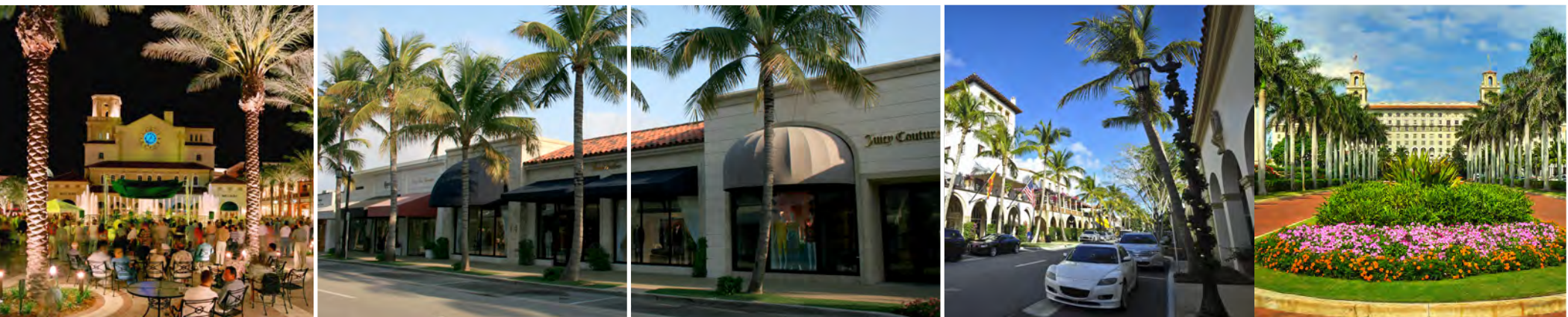
From The Peak
-3.9%
 1Q '06

From The Crash
+2.7%
 1Q '10

Asking Rental Rate
 ↑ 4.4%
\$17.95

From The Peak
-\$3.19
 1Q '08

From The Crash
+\$1.53
 2Q '13

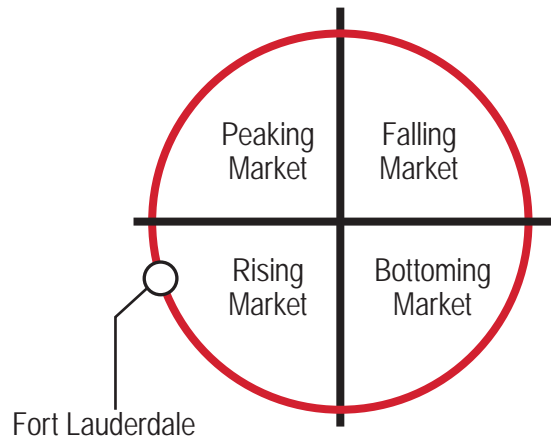


Palm Beach has seen steady appreciation in rents as occupancy has stabilized and residential growth has resumed at a healthy pace.

Broward

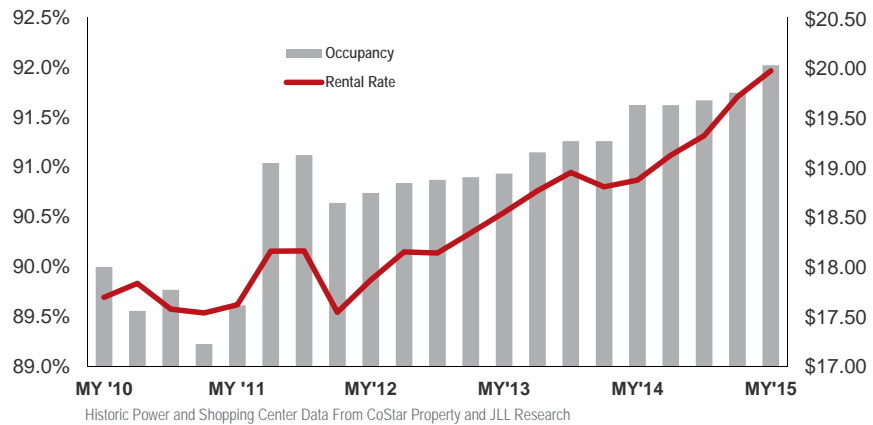
Fort Lauderdale is a hub for both tourism and international trade. With a strong pool of locals and growing number of international and domestic visitors (23.0 percent of visitors are international) the retail environment in Broward County continues to strengthen. Further, strong employment growth, 3.4 percent growth, out-paces growth in United States overall, while population growth remains a constant trend as it is projected to grow by 11.1 percent to 2.0 million people by 2030. The largest growth segment in the population will be those 65 and older (58.4 percent growth), followed by millennial 25 to 39 years old (15.2 percent growth).

Retail market clock

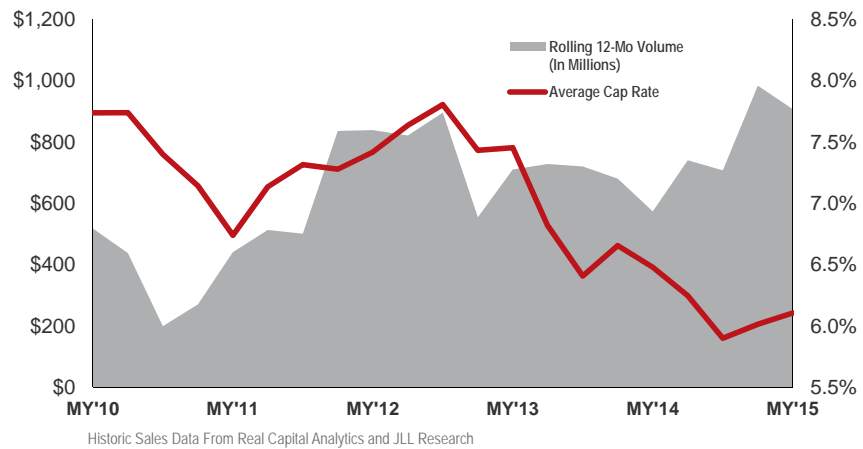


The Fort Lauderdale market has seen tremendous rent growth and is the second highest in the state. This and gentrifying population are driving a great deal of new and redevelopment projects in the market.

Rent and occupancy



Capital markets activity



Submarket activity

Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Commercial Blvd	1,042,961	92.8%	92.8%	0.0%	\$15.46	\$15.46	0.0%
Cypress Creek	1,642,114	91.8%	91.6%	-0.2%	\$13.72	\$18.28	33.3%
Downtown Fort Lauderdale	999,676	96.2%	97.3%	1.1%	\$26.28	\$23.70	-9.8%
Fort Lauderdale	6,478,999	91.2%	91.8%	0.6%	\$19.14	\$20.73	8.3%
Hallandale	2,063,572	91.4%	89.9%	-1.5%	\$22.46	\$20.00	-11.0%
Hollywood	6,655,151	95.1%	94.1%	-0.9%	\$23.53	\$23.75	0.9%
NW Broward / Coral Springs	8,469,326	90.3%	91.1%	0.7%	\$17.34	\$17.29	-0.3%
Outlying Broward	483,703	92.6%	94.8%	2.2%	\$18.11	\$18.76	3.6%
Plantation	8,078,129	89.6%	88.5%	-1.0%	\$17.47	\$19.83	13.5%
Pompano Beach	9,171,648	91.2%	91.9%	0.7%	\$18.82	\$19.07	1.3%
Sawgrass Park	1,131,664	97.4%	94.8%	-2.6%	\$24.07	\$27.64	14.8%
Southwest Broward	8,790,035	92.2%	93.0%	0.9%	\$22.64	\$23.59	4.2%
Broward Market Total	55,006,978	91.7%	92.0%	0.4%	\$19.33	\$19.98	3.3%

*Power Center & Shopping Center Market Statistics From CoStar Property

Average Occupancy
 ↑ 0.4%
92.0%

From The Peak
-4.75%
 3Q '06

From The Crash
+2.79%
 1Q '11

Asking Rental Rate
 ↑ 3.3%
\$19.98

From The Peak
-\$0.34
 1Q '09

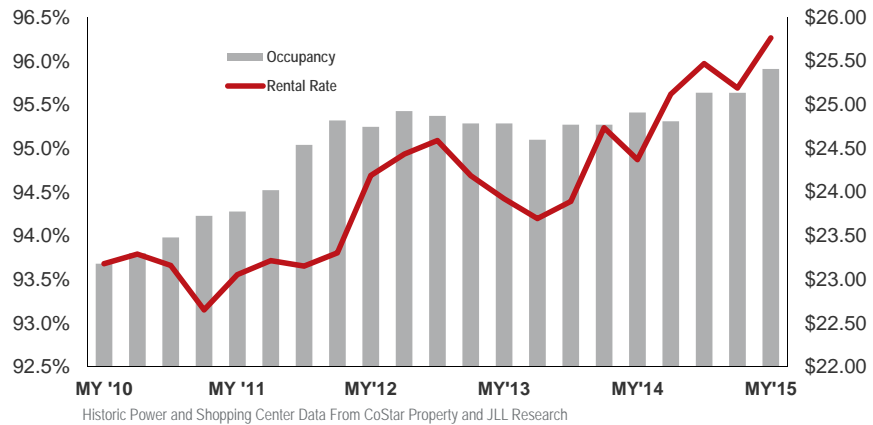
From The Crash
+\$2.44
 1Q '11



Miami

Miami's job growth is continuing with an unemployment rate of 6.0 percent, a 17.8 percent increase year-over-year. Employment is supported by the diverse local economy which is expanding at rapid speeds. Currently there are about 27.3 million square feet of office, hospitality, retail and multi-family product under construction contributing to increased economic growth. Miami leads the state in retail performance with the highest occupancy rate, at about 96.0 percent, some of the lowest vacancy rates in the nation, at about 4.0 percent and the roughly 1.3 million square feet of retail product under construction.

Rent and occupancy

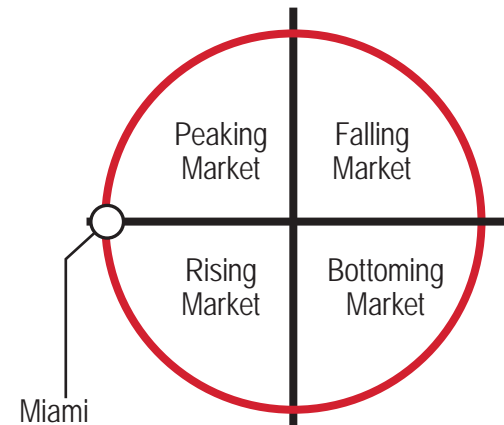


Submarket activity

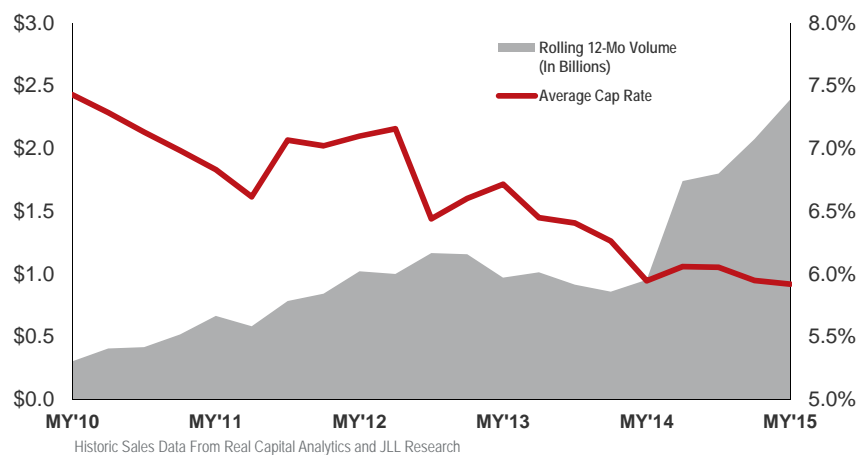
Submarket	Inventory	Occupancy			Asking Rent		
		YE14	MY15	Change	YE14	MY15	Change
Aventura	2,269,351	96.9%	97.7%	0.8%	\$34.78	\$36.67	5.4%
Biscayne Corridor	525,428	88.0%	87.1%	-1.0%	\$35.87	\$36.87	2.8%
Brickell	155,393	100.0%	100.0%	-	\$125.00	\$157.73	26.2%
Coconut Grove	508,583	97.9%	98.0%	0.0%	\$40.86	\$44.70	9.4%
Coral Gables	394,694	95.0%	94.2%	-0.8%	\$36.46	\$46.04	26.3%
Coral Way	696,897	97.8%	98.0%	0.2%	\$27.45	\$24.64	-10.2%
Downtown Miami	120,988	90.4%	90.4%	0.0%	\$50.00	\$75.00	50.0%
Hialeah Gardens	1,335,479	-	100.0%	-	-	\$18.23	-
Kendall	10,312,650	95.7%	95.3%	-0.4%	\$28.92	\$29.48	1.9%
Medley / Hialeah	6,116,659	97.3%	97.3%	0.0%	\$21.09	\$24.51	16.2%
Miami	2,177,370	93.9%	93.7%	-0.2%	-	\$30.96	-
Miami Airport	7,110,260	97.2%	97.8%	0.6%	\$25.76	\$24.57	-4.6%
Miami Beach	731,888	93.9%	95.1%	1.3%	\$41.66	\$41.92	0.6%
Miami Lakes	2,577,929	93.7%	94.2%	0.5%	\$21.47	\$20.87	-2.8%
Northeast Dade	5,683,059	93.5%	94.6%	1.1%	\$20.16	\$19.69	-2.3%
Outlying Miami-Dade County	184,907	95.4%	96.0%	0.5%	\$24.07	\$23.38	-2.9%
South Dade	4,912,558	94.8%	95.1%	0.3%	\$19.11	\$19.19	0.5%
West Miami	3,745,067	96.5%	96.5%	-0.1%	\$26.47	\$27.65	4.5%
Miami-Dade Market Total	49,559,160	95.6%	95.9%	0.3%	\$25.47	\$25.76	1.1%

Power Center & Shopping Center Market Statistics From CoStar Property

Retail market clock



Capital markets activity



Average Occupancy

↑ 0.3%
95.9%

From The Peak
-1.5%
1Q '06

From The Crash
+3.1%
4Q '09

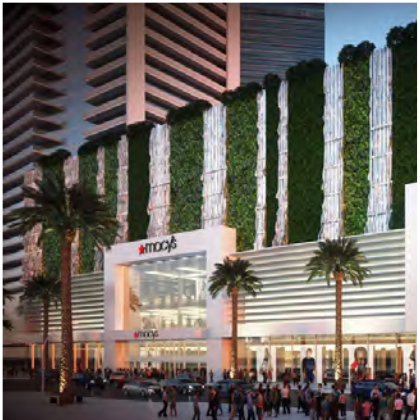
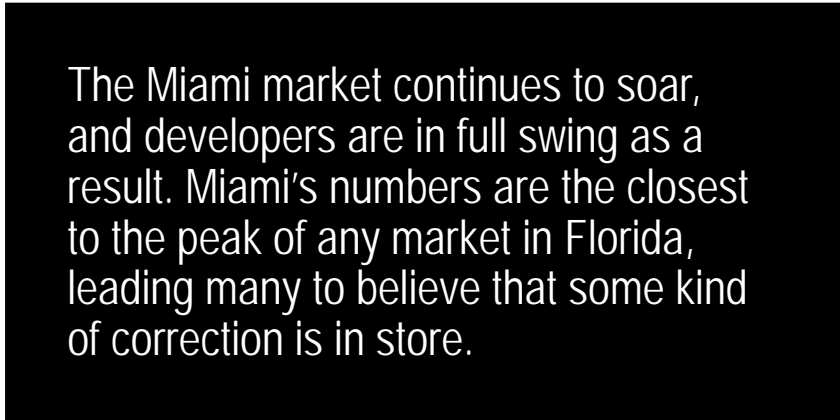
Asking Rental Rate

↑ 1.1%
\$25.76

From The Peak
-\$2.66
3Q '08

From The Crash
+\$3.11
1Q '11

The Miami market continues to soar, and developers are in full swing as a result. Miami's numbers are the closest to the peak of any market in Florida, leading many to believe that some kind of correction is in store.



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