



The Lee Retail Brief

Q4
2015

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104%
increase
in transaction
volume over 5 years

\$10 billion
transaction volume
2014

800
agents
and growing

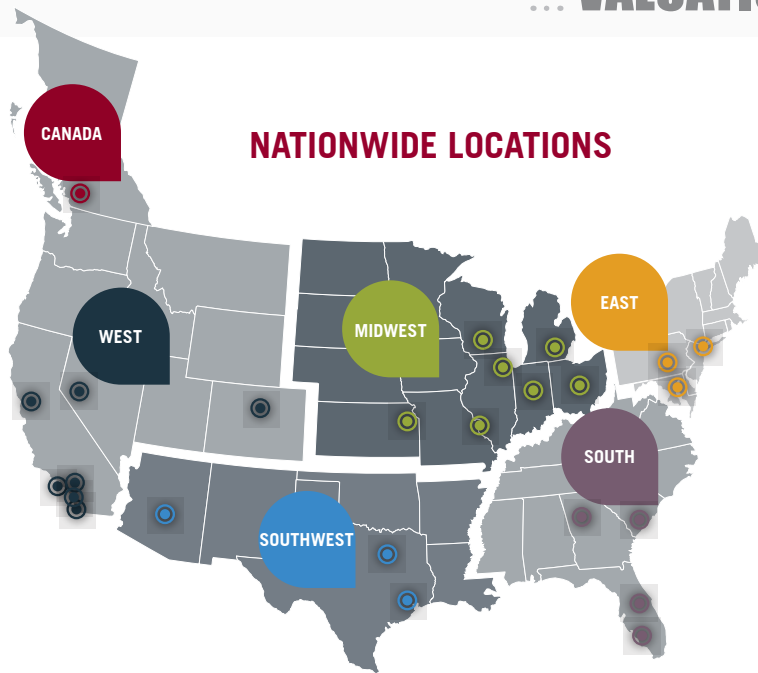
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NATIONWIDE LOCATIONS

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PROPERTY MARKET TIGHTENS DESPITE SLUGGISH RETAIL SALES

The real estate metrics for the US retail property sector improved again in Q4. Vacancy moved lower, net absorption was higher and rental rates kept moving up, despite several months of disappointing retail sales performance. US retail sales declined by .1% in December, but were up 2.1% for all of 2015. Of the 13 major retail categories, food services and drinking places led the way with a gain of 8.1%, with automotive sales running a close second at 7.1%. By contrast, gasoline station revenue declined by a staggering 19.4% during 2015. Furniture and home furnishings stores sales grew by 5.8% due to improving housing market conditions, but electronics and appliance stores did not fare as well, finishing the year down by 2.4%. Yet, even though overall retail sales growth remains uneven, the retail property sector found a way to stay in growth mode and carry good momentum into the new year. Vacancy moved slightly lower in Q4, shedding 10 basis points to finish the year at 5.6%.

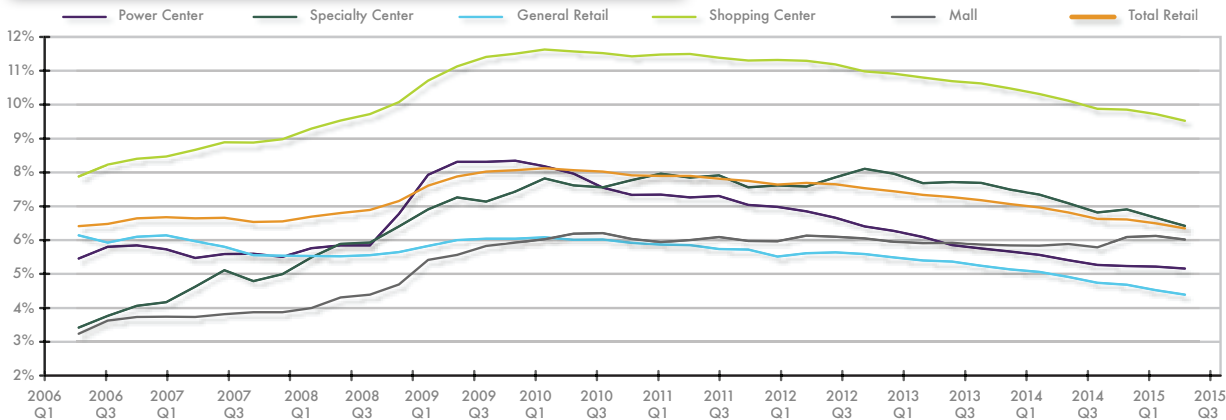
ECONOMIC DRIVERS

- A LOOK AHEAD
- GDP GROWTH
- EMPLOYMENT

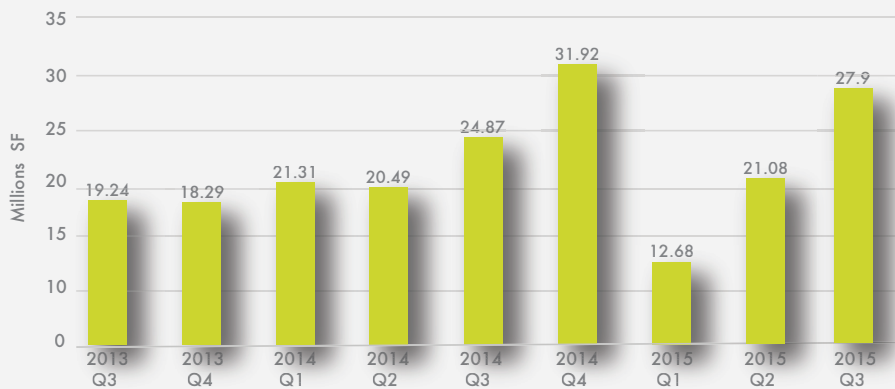


- MONETARY POLICY
- THE GLOBAL ECONOMY

VACANCY RATES BY BUILDING TYPE 2006-2015



NET ABSORPTION



Since the beginning of 2015, the vacancy rate has declined by 40 basis points. General retail (freestanding, general purpose properties) posted the lowest vacancy of all retail property types, while Shopping Center (neighborhood, community and strip centers) rates were highest, mainly due to the high concentration of that product type in conventional suburban submarkets. More urbanized areas are seeing most of the action in terms of absorption, as more retailers cater to younger spenders who prefer to the convenience of amenity-rich locales. Net absorption moved up again in Q4, finishing the period at 31.8 million

square feet, compared to 36.4 million square feet in Q3. In the past four quarters, just under 110.5 million square feet of net absorption was recorded, a very impressive number given the facts that retail sales growth has been flat for several months and wage growth barely kept pace with 2015's nominal rate of inflation.

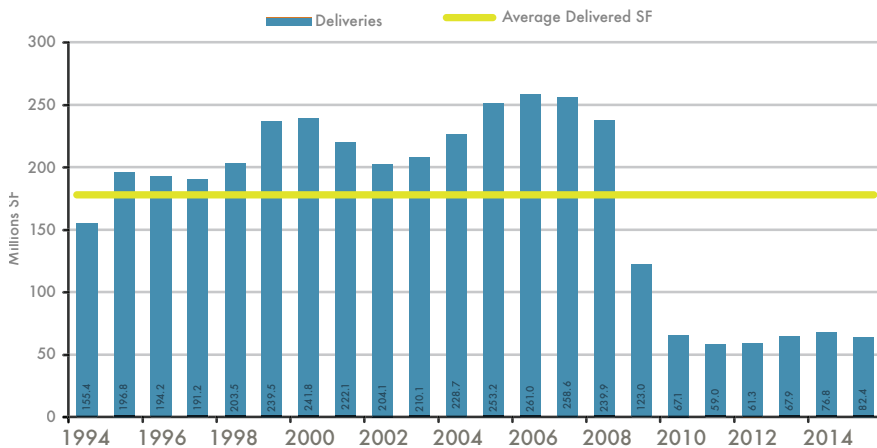
The overall average asking rate moved up another \$.09 to \$15.19 per square foot in Q4. For the year, retail rents across all product types and locations moved up by nearly 1.6%, but a disproportionate share of rent growth was concentrated in prime locations, masking the weaker performance of suburban markets, especially for mid-block strip centers that cater to mom and pop retailers.

In general, the rate of rent growth declines as distance from an urbanized core increases. This ongoing trend is mainly due to the demographic shift that has retailers appealing more to the tastes and lifestyle of millennials who now outnumber baby boomers in the workforce and have rising disposable income for retail purchases.

New deliveries for the quarter totaled 22.7 million square feet, bringing the total of completed inventory in 2015 to 81.1 million square feet. Another 62.4 million square feet is currently under construction. Densely populated, urban locales are where the action is in terms of new construction and redevelopment projects. Retailers will pay more for CBD and suburban core locations because that's where the millennial population is growing fastest. Areas like Denver's LoDo and Atlanta's Buckhead are prime examples of where today's expanding retailers want and need to be.

Traditional, brick and mortar and online retailers continue to move toward one another in terms of strategy. Just as major online retailers are adding physical locations, traditional retailers are boosting their online presence and closing down underperforming physical locations. Even retail giants like Macy's and Walmart are not immune from the threat of online sales growth, as both recently announced major store closings and new strategies for boosting online sales revenue. Hudson's Bay Company, owner of Saks Fifth Avenue and Lord & Taylor, also announced the planned acquisition of Gilt, an upscale online retailer. The integration of online and in-store sales, now known as omni-channel retailing, is meant to improve the shopping experience in a way that maximizes brand value and customer loyalty.

HISTORICAL DELIVERIES 1982-2015



announced the planned acquisition of Gilt, an upscale online retailer. The integration of online and in-store sales, now known as omni-channel retailing, is meant to improve the shopping experience in a way that maximizes brand value and customer loyalty.

The growth in online sales is undeniable and those traditional retailers who don't respond accordingly will suffer the consequences of inaction. A recent report Macquarie Research indicated that Amazon.com, buoyed by its highly successful Amazon Prime membership program, accounted for 51% of the increase in online sales in 2015. Even so, online sellers recognize that the in-store experience is still a key element of the buying decision, and many, including Amazon, are experimenting with brick and mortar concepts.

A LOOK AHEAD. The US retail market should continue at its current pace through the next several quarters, unless retail sales growth weakens further. Domestic GDP and wage growth numbers have been disappointing of late and that could put additional downward pressure on retail sales volume. But, the strong dollar is making imported goods less expensive, and that should stimulate more spending. The price of imported goods keeps falling as the dollar strengthens. Even after stripping out lower oil prices, the price of imported goods fell for the 17th straight month, losing another .3% in December.

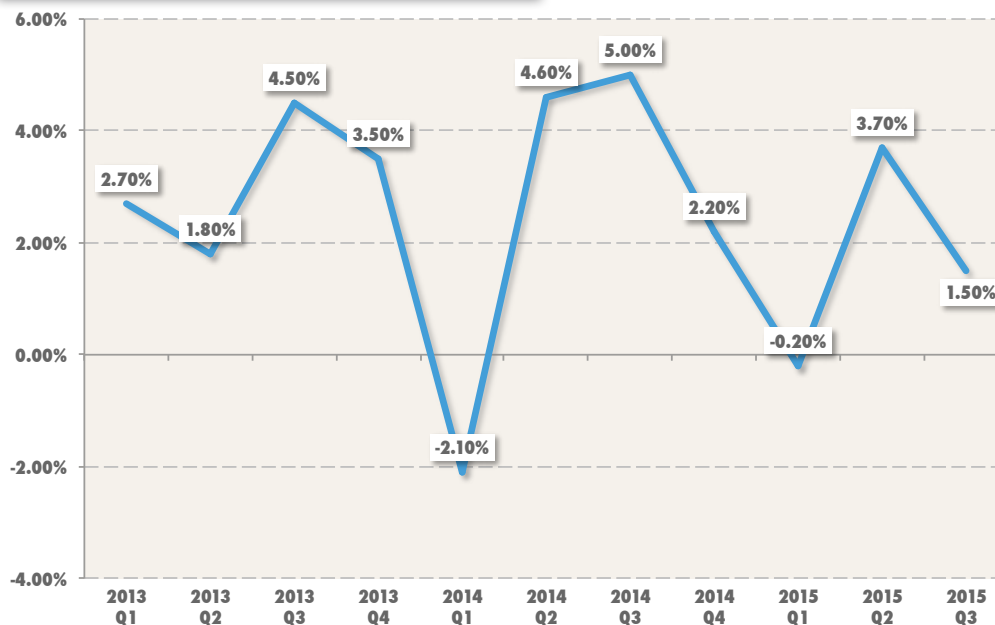
Low oil prices have been with us for more than a year, but the resulting increase in disposable income is not having the impact on retail spending that many thought it would, and we don't see that changing in 2016. On the other hand, the ripple effect of mass layoffs in the energy sector is bound to negatively impact local retail sales in energy-based market areas. Well over 100,000 jobs in the energy sector have been lost since the collapse of oil prices in mid-2014. Unfortunately, too many of the new jobs created in other sectors are lower-paying, part-time or both. Though, the number of workers forced to accept part-time work in their chosen field did decline in 2015, which could have at least some impact on retail sales growth in 2016.

Vacancy rates will continue to decline in small increments and net absorption will remain at least at current levels. Prime submarkets with the lowest vacancy will see lighter absorption due to low supply, and development of new product will remain at a pace that makes overbuilding unlikely. Cap rates will remain compressed due to record high demand for investment property. Domestic institutions will focus more on retail assets in 2016, as the lack of supply of industrial and office assets has driven yields to record lows. Foreign investors, concerned as much with capital preservation as they are with yield, will continue their aggressive pursuit of retail assets throughout the country. Look for secondary and tertiary markets to see a spike in investment activity, as all investor types look for more of a choice of properties to acquire and the potential for more rapid rent growth.

GDP GROWTH

GDP, the key measurement of the total output of US goods and services, continues to disappoint. The list of issues raising concerns for future economic growth is getting longer and that caused another selloff in the equities markets in the first week of the new year, after nearly recovering from the selloff in Q3. Volatility in equities has become commonplace as investors react quickly to each bit of bad news. GDP performance hasn't helped to ease those concerns. After sluggish first quarter growth, things picked up in Q2, but slowed again in Q3 to a revised annual rate of 2%. The first estimate of GDP for Q4 came in at just .7%, which will only heighten concerns over further economic sluggishness. In all, the nation's economy muddled through another year, expanding by a lackluster 2.4%.

QUARTER-TO-QUARTER GROWTH IN REAL GDP



Consumer spending, which accounts for roughly 70% of GDP has also been weak. Retail sales, a large component of consumer spending, fell by .1% in December, compared to an expected rise of .2%. Persistently weak wage growth may be partly to blame. Income growth is struggling to keep ahead of inflation, which is also running behind expectations. Workers are just not getting ahead, and that has people nervous about making ends meet going forward. Instead of spending their wages on goods and services, many workers opt to pay down existing debt, which does nothing to help current GDP.

Net exports, another key component of the GDP equation, are also under stress due to the US dollar's strength against other currencies. US goods and services are getting more expensive abroad and the impact to US companies who rely on foreign sales has become clearly evident, and that situation will likely worsen as foreign governments devalue their own currencies to stimulate export activity. As a result, goods imported to the US are getting cheaper, but the trade resulting increase in our deficit puts additional drag on US GDP growth.

EMPLOYMENT

Through the first half of the year, the news regarding job creation was looking good, with the US adding an average of over 200,000 jobs per month. Then things slowed down in the third quarter, raising concerns of an economic stall. But job creation picked back up in Q4, with December posting a gain of 292,000 jobs. As the year ended, the unemployment rate stood at 5.0% unchanged from the previous month. The biggest job gains in 2015 were seen in professional and business services, construction, healthcare, food service and drinking places. Construction employment was strong throughout the fourth quarter, but manufacturing employment was flat throughout the year.

The proportion of part time positions remains a problem, but the number of people stuck in part time jobs who prefer to work full time decreased by 764,000 in 2015. Despite that improvement, over six million people still fall into this category. Remaining uncertainty about the sustainability of the economic recovery has prompted many employers to hire part time and temporary workers to enable a quicker response to changing markets.

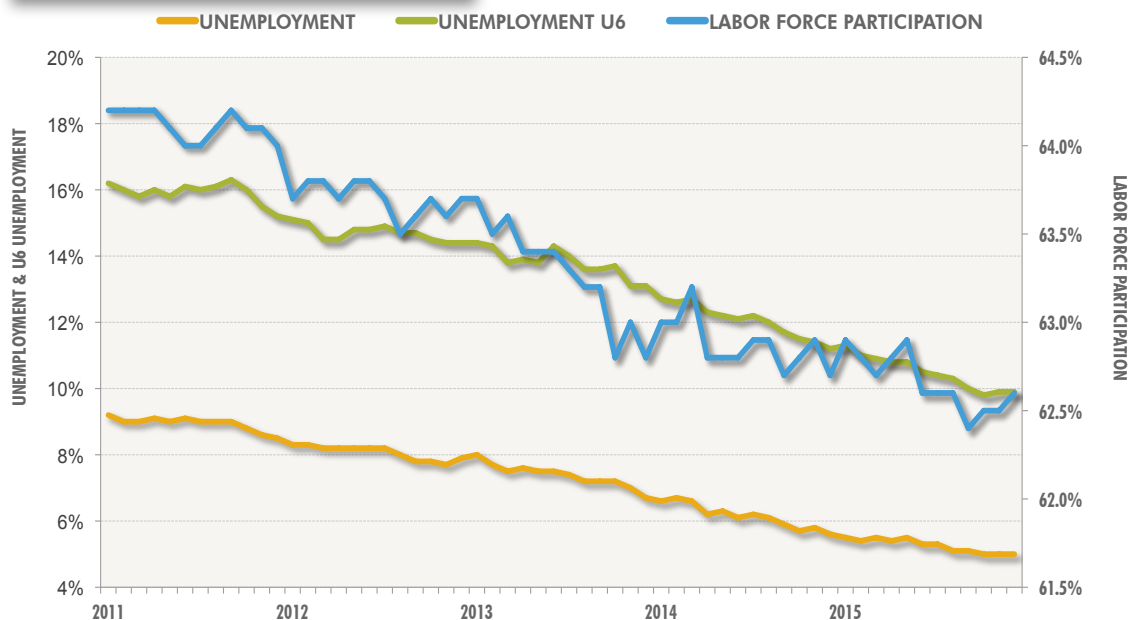
In fact, 34,000 of the 73,000 added jobs in professional and business services for December were hired as temporary employees. For the year, professional and business services added 605,000 jobs, 99,000 fewer than in 2014.

The Labor Participation Rate, which many believe is a more accurate indicator of the true state of the job market, has been declining in recent years. This metric

measures the percentage of those eligible for employment between the ages of 16 and 64 who are currently working. Sporadic job growth and the early exit of Baby Boomers, who are retiring at a rate of 10,000 per day, combined to drop this key metric to a four decade low of 62.3% by mid-2015, but it manage to improve slightly in the second half to finish the year at 62.6%.

Wage growth has become a growing concern over the past year even though the unemployment rate has fallen to 5.0%. Too many of the jobs being created are at the lower end of the wage spectrum, while high-paying, full-time openings are either running in short supply or there is not enough qualified candidates to fill the positions. Without an improvement in wage growth, there is little reason to believe that consumer spending, the main GDP driver, will gain momentum. An alarming number of mass layoffs in the energy sector is compounding the problem, as most of the positions being eliminated paid well and tended to be full-time. The oil industry is idling, wells, delaying further exploration and slashing capital expenditure budgets, which means that further job losses are likely.

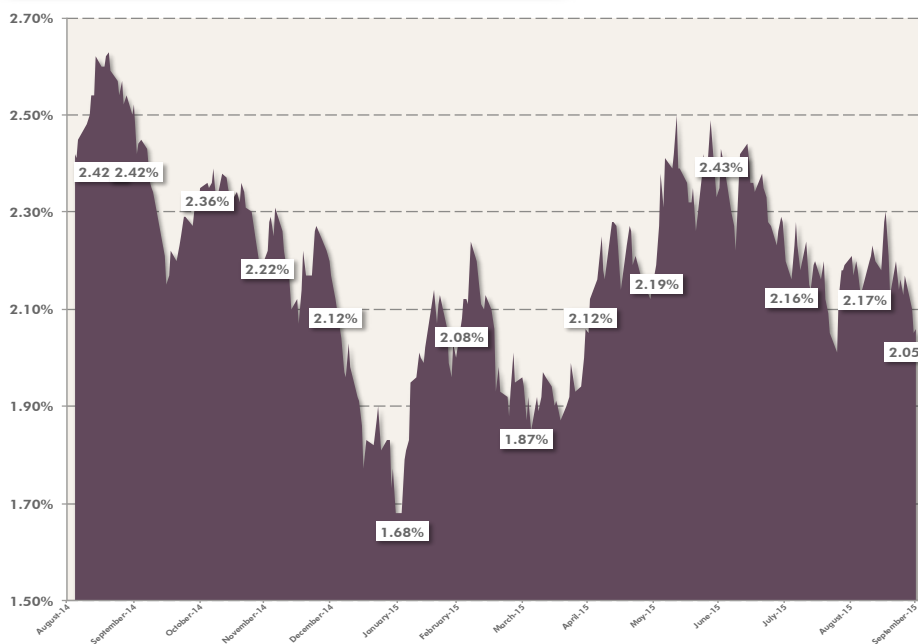
NATIONAL UNEMPLOYMENT



MONETARY POLICY

Fed Chairperson, Janet Yellen and her Board of Governors, finally pulled the trigger on interest rates, making good on its ongoing threat in mid-December. By the time it actually happened, markets seem to have been conditioned to the inevitability of the change and took the rate hike in stride. In fact, there were bigger headlines being made around the globe, and the worsening global economic conditions gave investors something more worrisome to fret over. The Fed's action has at least reduced uncertainty about the central bank's direction and many see that alone as a good thing. While most experts were sure that the first rate hike would come much earlier in the year, the Fed cited concerns over China and other emerging market economies as reason for the delay. Since the move was made, the global economic outlook has worsened, as weakening growth in China touched off another round of hand-wringing.

TEN YEAR US TREASURY YIELD IN PERCENTAGE



As of this writing, the price of a barrel of Brent Crude, a major trading classification of sweet light crude oil and the world benchmark, was trading under \$30, and stock markets around the globe got a bad start for the year. That will certainly weigh in on future rate hikes by our central bankers, as they have to look at more than US unemployment and inflation numbers for policy guidance, and they have sent a clear signal that further actions will be gradual.

Experts are predicting as many as four more rate hikes in 2016, but with inflation and wage growth so low and little hope of major improvement internationally, most experts are predicting fewer moves by the Fed this year.

Real estate borrowers have been relieved to discover that the Fed's initial rate hike had little effect on mortgage interest rates. Long term financing is still cheap and demand to acquire commercial real estate has been unaffected thus far. Cap rates remain compressed with no clear sign of a change in direction, but there is a lot more talk about that now than there was a few months ago. If the Fed follows through with more rate hikes soon, the possibility of higher cap rates will become very real indeed. With cap rates as low as they are, just a 50 basis point move up would have a massive impact on property values. Rents, even in the fastest growing markets are not climbing nearly fast enough to bridge that gap.

The yield on 10-Year Treasuries moved back down late in the year and now hovers just above 2% after heading much higher earlier in the year. Many attribute the downward pressure on yields to a "flight to quality", as foreign capital pours into T-bills as a safe haven. This could be a silver lining for borrowers, as most commercial real estate mortgage rates are based on a spread over the 10-Year. So, higher yields that would ordinarily accompany increases in the Fed Funds Rate may be minimized.

THE GLOBAL ECONOMY

Simply put, the economic outlook is rather bleak when viewed from high altitude. Whether the topic is the European Union, emerging markets, energy-producing states or the manufacturers of the world's goods, the news is mostly bad. Global economic growth has stagnated and many countries are leaning toward or have fallen into recession. Think Russia, Brazil, Venezuela and a growing list of other countries that depend on revenues from the sale of fossil fuels and raw materials they must now sell at a fraction of the market prices of just two years ago.

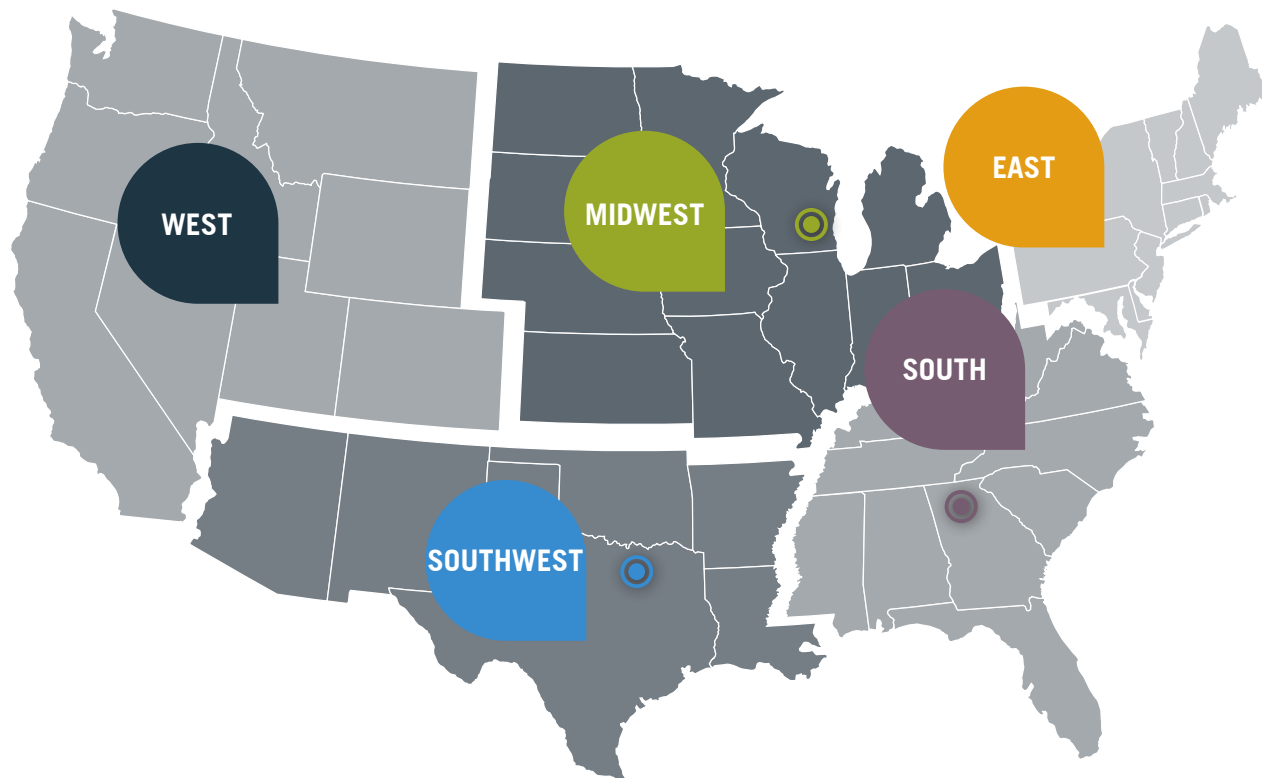
Europe's experiment with a political union is suffering the consequences of not also being a fiscal union, as most of its members are deep in debt, but remain unwilling submit to fiscal constraints that are a condition of loans from wealthier member nations. Oil-rich Middle-Eastern countries, even Saudi Arabia, are issuing sovereign debt to make up for budget shortfalls occasioned by the falling price of oil. And don't forget China, the manufacturing behemoth that is finally slowing down after decades of prolific and unprecedented economic expansion. It is now struggling to change its economy from one based on the exportation of manufactured goods and the building of massive infrastructure projects to a consumer-based system that can sustain its population of over 1.4 billion people.

Economic, political and civil unrest abroad, is casting a shadow long enough to cause serious concerns here in the US. The dollar has gotten stronger and that makes foreign goods cheaper, but that also means that our goods and services cost more to foreign trading partners. We already have a trade deficit that runs more than half a trillion dollars a year. Sending empty ships back across the oceans will not serve US interests in the long run. Even our central bankers admit that what happens around the world impacts its own actions here at home.

The world is getting smaller and struggling economies outside our borders are bound to impact business decisions here at home. Over time, there will be an impact on the commercial real estate market, first in select business sectors and markets, and then the market in general. In the coming year, we will all be hearing more about how international events are impacting business expansion here at home.

Despite all these concerns, the US economy remains in growth mode, albeit at a pace we would all like to see pick up. Industrial real estate markets continue to grow. Rents are rising, vacancy is declining and new buildings are being delivered to businesses expanding to meet anticipated demand. Employment is on the rise, but without the growth in wages we need to get consumer spending moving up fast enough to reach healthier levels of inflation. Rising prices spurs production and production generates new jobs. At the moment, we don't see any significant change in economic conditions that would give the economy a needed boost.

So, we predict another year of modest economic growth for the US and another year of improving market metrics for industrial real estate. Our exposure to Europe is minimal and we are now producing more of our own energy and have thus become less dependent on oil from volatile areas of the world. If developers are careful not to overbuild, supply and demand should remain in relative balance throughout the year.



To view a key market snapshot either click on a section of the interactive map above or on the cities below.

DALLAS / FORT WORTH

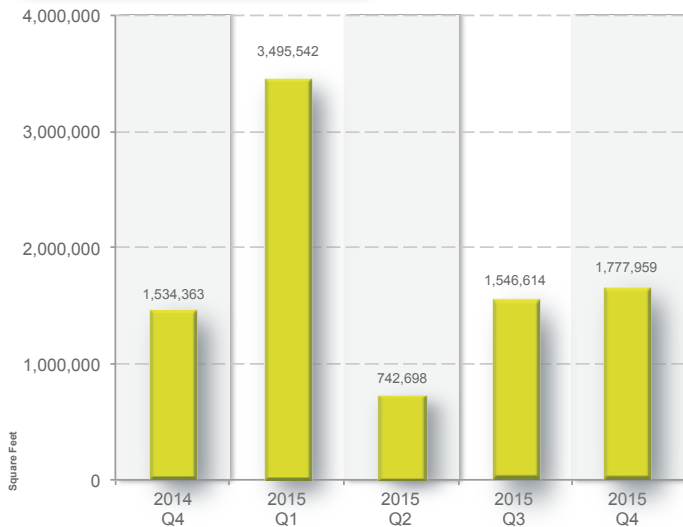
MADISON

ATLANTA

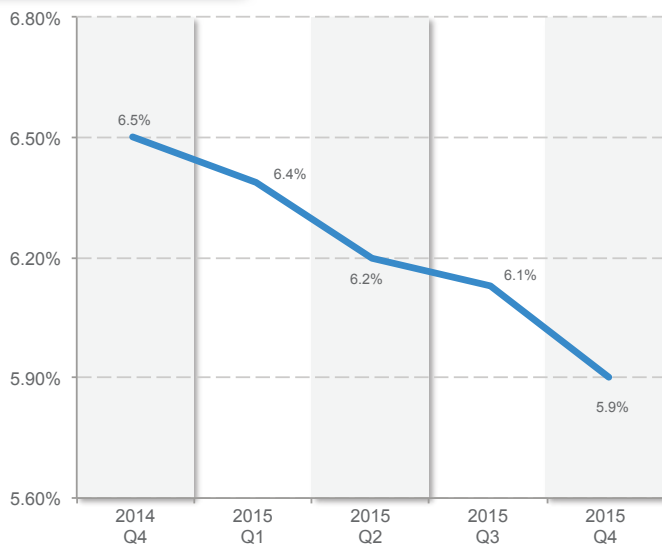
DALLAS/FORT WORTH

TRENDING NOW

NET SF ABSORPTION



VACANCY RATE



Most of the news out of Texas these days has been about problems in the energy industry, which is suffering from a precipitous fall in fossil fuel prices. Layoffs in Texas' energy towns have become commonplace, capital expense and exploration budgets have been slashed and once-active wells have been idled. Yet, the health of the Texas economy in general, and the Dallas/Fort Worth (DFW) area in particular, is still thriving due to improvement in other sectors. The region is not dependent on the oil industry like Houston is. DFW is better known as one of the most active distribution hubs in the US and a place for big corporations that need to locate in an area where they can plan for long term expansion. The state and local governments continue to recruit employers with incentives to relocate to the Dallas area. The resulting increase in employment and overall population has retail activity on the rise, as retailers big and small expand to meet greater demand. In the 12 months ending in November of 2015, over 101,000 new jobs were created in the region, and that means more disposable income for retail purchases.

Retail vacancy continued its decline again in Q4, falling 20 basis points to 5.9%. Year-over-year, vacancy fell by 50 basis points. Correspondingly, net absorption has been consistently positive. In 2015, 8.1 million square feet net gains in occupied space was realized, with big retailers like Target and Walmart as major contributors. In one of the biggest deals of the year, Ewing Buick GMC took down 119,000 square feet on North Dallas Pkwy. Other tenants moving into large spaces this year include Kroger's 123,000-square-foot location at Castle Hills Marketplace and WinCo Foods 62,230-square-foot deal at Old Orchard Village East.

5.9%

VACANCY

\$14.35

AVG. SF RENTAL RATES

1,777,959

NET SF ABSORPTION

404,925,014

RETAIL SF INVENTORY

2,324,655

SF UNDER CONSTRUCTION



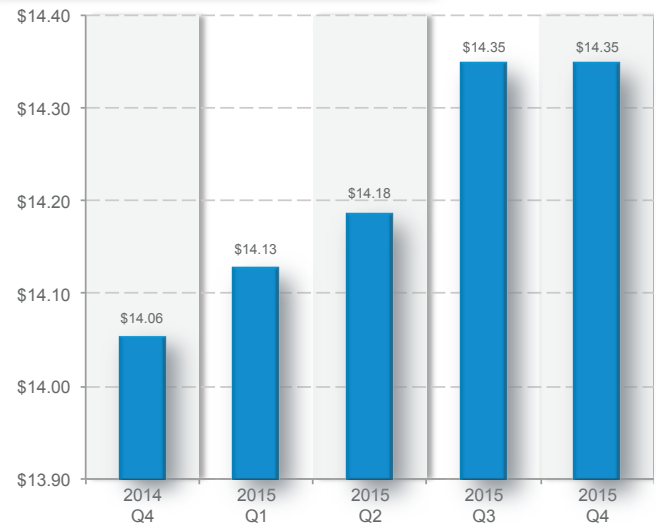
DALLAS / FORT WORTH - TRENDING NOW (continued)

Average asking lease rates for the quarter were unchanged at \$14.35, but rates are up by \$.29 year-over-year. Rents are moving up faster for the best locations forcing some tenants into secondary locations to mitigate higher occupancy costs. Power Centers have the highest asking rates at \$22.40, up \$2.33 in just four quarters. Regional mall asking rents are lower, ending 2015 at \$20.17, which is a decline of \$.80 year-over-year.

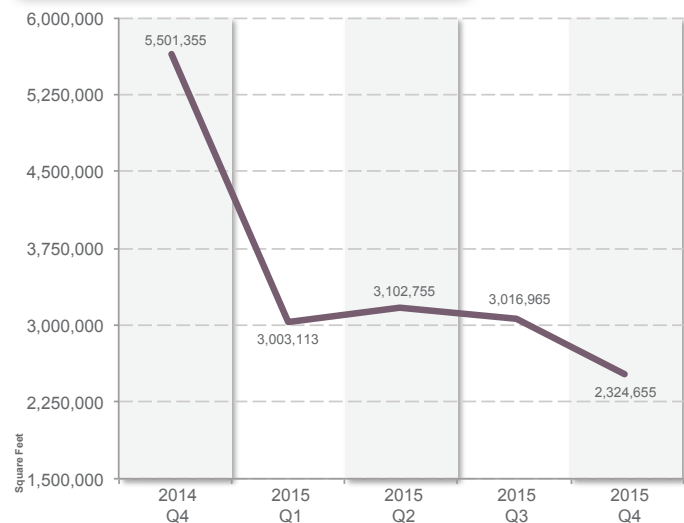
New deliveries in Q4 included 46 buildings totaling 1,052,931 square feet, nearly equaling Q3 performance. In all, 2015 saw the addition of over 6.2 million square feet of retail space in 218 buildings, bringing the total retail base up to nearly 405 million square feet. Construction is concentrated in the North Central Dallas as well as Mid Cities and remains a mix of pre-leased and spec space. Land and construction costs moved up all year, which means even higher rents in new projects. Another 2,324,655 square feet was under construction as 2015 came to an end.

DFW region is still a primary target for investment activity. Domestic institutions are still willing to pour money into the retail property market. Retail sales activity through the third quarter totaled over \$477 million, slightly ahead of 2014's total of \$469 million. Clearly, the investment community remains bullish on the region, despite the energy downturn that is impacting other areas of the state. It remains to be seen what impact a rise in interest rates will have on cap rates, but there has been no measurable effect.

AVERAGE SF RENTAL RATES



SF UNDER CONSTRUCTION



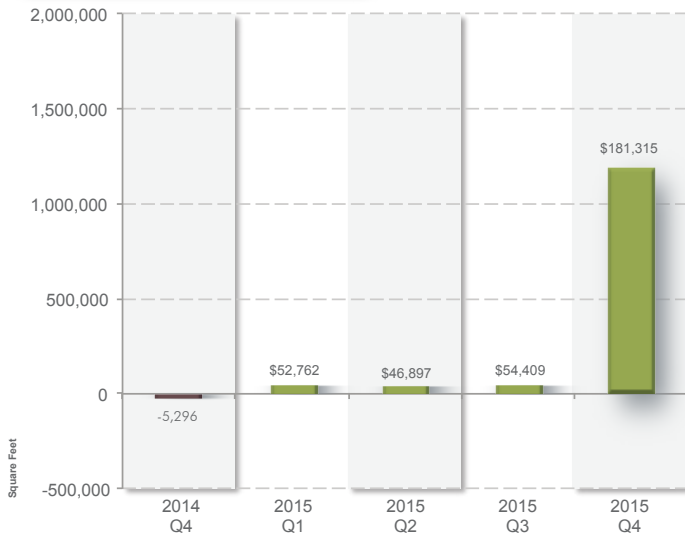
A LOOK AHEAD

- Gross sale and lease activity should increase further in 2016
- The energy sector slowdown will have little impact on retail activity in 2015
- Net absorption should remain strong
- Vacancy, already at historic lows, will continue to decline
- Average asking lease rates will keep moving higher
- Construction will stay near current levels as developers will be cautious not to overbuild

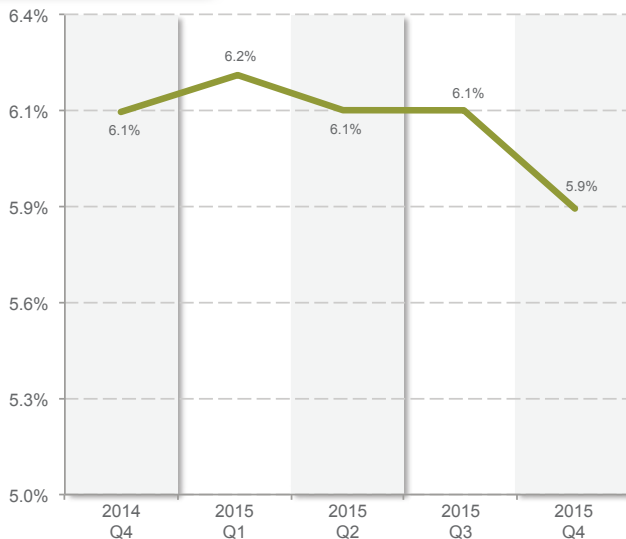
MADISON

TRENDING NOW

NET SF ABSORPTION



VACANCY RATE



Lack of available inventory is driving a very competitive retail property market in the Madison area. Of the nearly 46 million square feet of retail space in the region, just 5.9% of it stood vacant as the year ended, which represents a 30 basis point decline year-over-year. Retailers in all retail product types are having trouble finding quality product in good locations. Regional mall vacancy is down to 1.3% and Power Center vacancy moved down 20 basis points in Q4 to settle at 1.6%. General Retail properties are just 5.2% unoccupied, while shopping center space (Community, Neighborhood and Strip centers) posted the highest vacancy rate of 10.4%, down 20 basis points for the period.

Low vacancy has posed a challenge to net absorption growth, but the region still posted four straight quarters of net gains in occupied space, totaling 335,383 square feet. Over 181,000 square feet of that was recorded in Q4. Notable move-ins for 2015 include Sentry's lease of 21,500 square feet on Commerce Drive and Dollar Tree's move to a 13,500-square-foot space on W. Milwaukee Street. Large lease signings that will soon be contributing to net absorption include a 60,000-square-foot deal with UW Medical Clinic, a 57,000-square-foot space leased to Festival Foods and the 28,000 Fresh Thyme location, all on E Washington Ave.

As expected, diminishing supply helped move average asking rental rates up in 2015, after being relatively flat from 2012-2014. The overall rate across all product types moved up \$.09 to \$12.30 during Q4. That represents a year-over-year rise of \$.53. Regional

5.9%

VACANCY

\$12.30

AVG. SF RENTAL RATES

181,315

NET SF ABSORPTION

45,988,236

RETAIL SF INVENTORY

109,517

SF UNDER CONSTRUCTION

MADISON WISCONSIN - TRENDING NOW (continued)

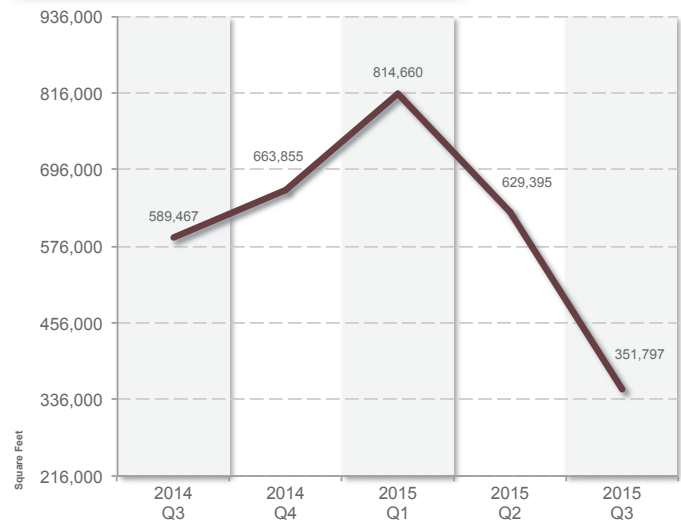
Mall asking rates are highest at \$28.63 followed by Power Centers at \$14.53. Higher construction costs are also contributing to the increase in rents, a trend seen across the country in 2015. Land prices have risen and the entitlement process is taking longer and getting more expensive, especially for redevelopment and mixed-use projects. Mix-use development activity is on the rise in Madison, with several projects underway that include multi-family, office and retail components. Grocers like Festival Foods and Fresh Thyme are actively pursuing these locations. In 2015, over 371,000 square feet of new retail space was delivered to the Madison market. Cabela's 86,000-square-foot space, delivered in Q2 and a 78,000-square-foot location for Festival Foods were the largest spaces delivered during the year. Another 79,900 square feet remained under construction as the year ended.

Investor interest in acquiring retail properties in Madison is running well ahead of supply. Investors of all sizes are shifting their interests to mid-sized markets like Madison in search of higher going-in yields and rent growth potential. Cap rates are at record lows in major metro areas due to intense demand from domestic institutions and foreign investors looking for safety. That has caused a spike in prices for Madison retail properties, as well, and competition for product has kept many investors watching from the sidelines. Until interest rates rise enough to move cap rates in the other direction, things won't be changing much.

AVERAGE SF RENTAL RATES



SF UNDER CONSTRUCTION



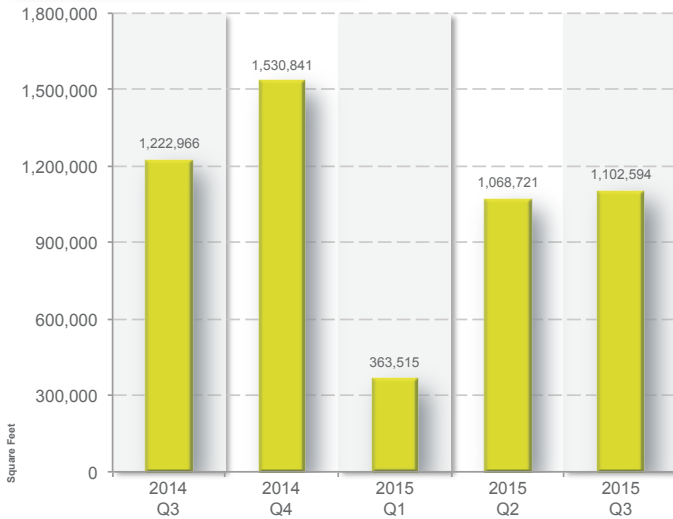
A LOOK AHEAD

- Tenant interest in the Madison area will remain strong in 2016
- Net gains in occupied space will remain near current levels due to short supply and limited construction activity
- Sales prices are likely to rise another 5% over the course of the year
- The recent spike in average asking lease rates will continue
- Construction will be concentrated in mix-use projects that offer the density preferred by expanding retailers
- Grocers will continue to expand aggressively in 2016, as the cost of capital remains low

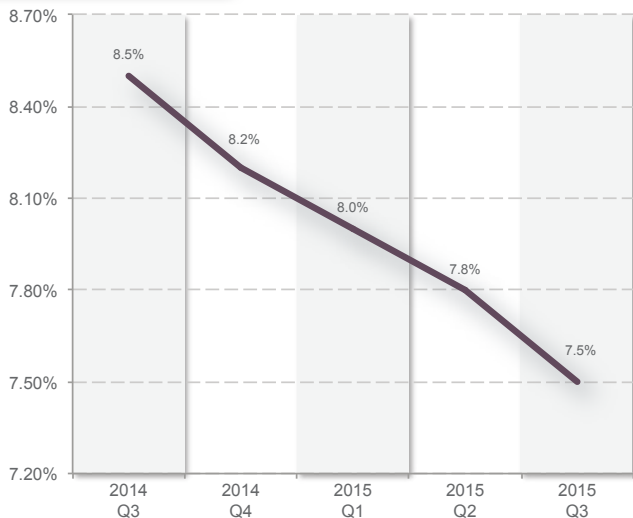


ATLANTA

NET SF ABSORPTION



VACANCY RATE



TRENDING NOW

The Atlanta retail sector continued to expand in Q4. Job growth, which has been strong all year, has retailers and developers making aggressive moves to take advantage of the growing regional economy. By the end of the year, 1,050,882 square feet of new space was delivered in 2015 and another 347,286 square feet was still under construction as the year ended. As we reported last quarter, urban regional malls are being upgraded to accommodate new restaurants, entertainment uses and community spaces. Neighborhood centers, anchored by grocery and drug stores, have been performing well, but most of the new development is in mixed-use projects.

Positive net absorption has been consistently good and Q4 was no exception. The increase in occupied space for the period totaled 1,322,103 square feet, compared to 1,153,637 square feet in Q3 and 1,006,279 square feet in Q2. Big move-ins in 2015 included a 126,249-square-foot lease to Walmart at Woodstock Place and a 117,905-square-foot deal with LA Fitness in the Brookwood Square Shopping Center. Vacancy kept moving lower, shedding another 30 basis points in Q4 to finish the year at 7.1%.

Asking rents still vary widely depending on location and product type. For prime locations in urban locales like Buckhead, rates can exceed \$30. But, overall average asking lease rates for all product types held steady at \$12.55 for the quarter. Trendy restaurants and entertainment venues are willing to pay the premium to be near public transportation hubs and multi-family housing that are favored by their primary customers who prefer a compact, integrated live/work/play environment.

7.5%

VACANCY

\$12.52

AVG. SF RENTAL RATES

1,102,594

NET SF ABSORPTION

351,954,452

RETAIL SF INVENTORY

1,043,032

SF UNDER CONSTRUCTION



ATLANTA - TRENDING NOW (continued)

Owners of retail space in those locales have been able to reduce concessions and push for bigger rent increases. On the other hand, owners of suburban shopping centers are not faring as well, as activity is much lighter in more traditional neighborhoods.

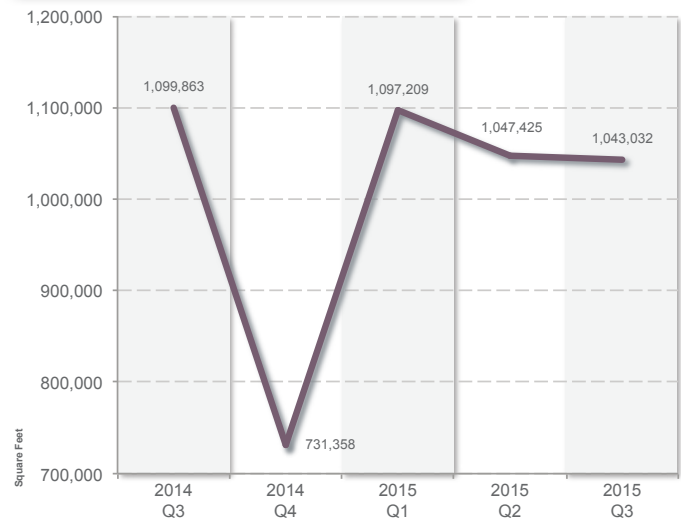
National chains continue to adjust its business models and that has posed a challenge to major regional malls, especially those located in suburban areas further from the city. Vacancy runs much higher, but some mall owners are chasing entertainment venues and trendy eating and drinking establishments to revitalize their rent rolls.

Perhaps one of the biggest trends of late is the proliferation of chef-driven dining establishments. They are a popular tool for developers and owners to attract other tenants who will pay more for destination-type venues. Chef-inspired restaurants have a particularly strong track record in Metro Atlanta. The convenience store/gas station category is also experiencing a resurgence in activity, especially from Quik Trip and Race Trac, who dominate sales by offering up to 25 pumps and up to 5,000 square feet of store space. They like to locate at major highway exits and build more upscale product with exteriors featuring stacked stone, brick and extensive glass lines. Franchises in the hair care, mailboxes, pizza and burger categories are also in expansion mode, which is welcome news to landlords of unanchored strip centers who have had troublesome vacancies.

AVERAGE SF RENTAL RATES



SF UNDER CONSTRUCTION



A LOOK AHEAD

- Grocery stores like Whole Foods, Sprouts and Walmart Neighborhood Market will stay active
- Leasing activity will continue to increase
- Major retailers will stay focused on more urbanized submarkets
- Vacancy is decreasing overall, but will decline faster in prime markets

- Average asking lease rates will move up across the board, but faster in core areas
- Construction costs will keep moving higher due to labor and materials shortages
- Development will remain focused on mixed use projects
- Limited land availability will keep development from outpacing demand



SELECT TOP RETAIL LEASES Q4 2015

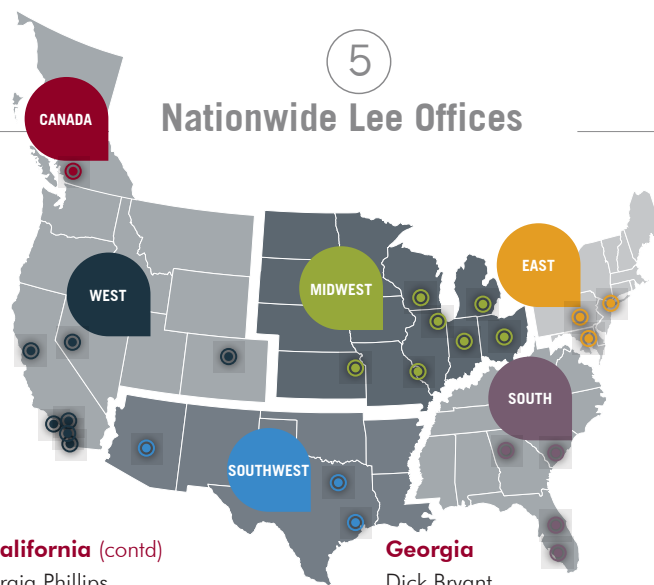
BUILDING	MARKET	SF	TENANT NAME

SELECT TOP RETAIL SALES Q4 2015

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The Lee Retail Brief

Q4
2015

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