



**Bergstrom Center for Real Estate Studies**  
Warrington College of Business Administration • University of Florida

# Survey of Emerging Market Conditions

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The Survey of Emerging Market Conditions is provided to all invited survey respondents who completed the survey during the July 2013 fielding. For more information about the survey or the Bergstrom Center for Real Estate Studies, visit our website at [www.realestate.ufl.edu](http://www.realestate.ufl.edu)

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## Executive Summary & Conclusions

Optimism for the Florida real estate markets tapered off slightly in the second quarter due to uncertainty with rising interest rates. UF's Commercial Real Estate Sentiment Index, an outlook on our respondents' own businesses, declined for the first time in a year. The investment outlook for Florida also declined for the first time in almost two years.

The main reason for the decline is the sharp increase in interest rates over the past quarter. The 10 year treasury yield has jump 66 basis points since the start of the second quarter driving up interest rates on loans for all property types. Respondents are concerned that a continued increase in interest rates will drive cap rates and investor yield requirements higher which will impact the viability of many deals as rent hasn't grown enough to handle the increased yields.

In addition to the rise in interest rates, Florida's employment growth slowed as unemployment rates in the major markets increased in the second quarter by almost a full percentage point. This helped drive the UF BEBR consumer sentiment index down from its recent high of 81 to 78 at the end of June. The decline is being driven in part by younger Floridians who have higher unemployment rate than older Floridians. Additionally, we are seeing a decline in income as salaries are not keeping up with inflation. The combination of lower wages and increasing interest rates points to a sluggish outlook for real estate, both residential and commercial.

One area that continues to be strong is tourism. According to Visit Florida, tourism increased in the second quarter by 2.6% from the previous year with 23.4 million visitors. This is coming off an impressive 5.7% increase in the first quarter. The increases are continuing to drive investment in real estate in this sector across the state leading to an improved hospitality segment.

The optimism from previous quarters has waned and will continue to be depressed as interest rates continue to rise. Additionally, big issues are coming to head in Washington over the coming quarters which could have a big impact on the economy and real estate in particular including another debt ceiling debate in the fourth quarter. These issues will dampen enthusiasm in the real estate markets for the remainder of the year.

### Highlights

- The UF Commercial Real Estate Sentiment Index decreased this quarter for the first time since the second quarter of 2012.
- The outlook for occupancy and rents remained positive across most property types with expectations that they will increase.
- Cap rates remained stable across most property types. However, with increasing interest rates, expectations are for a rise in cap rates over the next year.
- Yields have remained stable across most property types. As with cap rates, rising interest rates are pushing expectations for higher yields across property types.
- The outlook for investment remained positive across all property types.
- Respondents' outlook for capital availability remained stable this quarter with most expecting it to increase in the future.

### The Survey

Our quarterly survey, conducted by the Bergstrom Center for Real Estate Studies, Warrington College of Business Administration, University of Florida is in its twenty-first fielding. The total number of participants, at 145, is the most extensive survey of Florida professional real estate analysts and investors conducted on an ongoing basis. It includes respondents representing thirteen urban regions of the state and up to fifteen property types.

### General Investment Outlook

Our general index of real estate investment outlook, weighted 40 percent for single family and condo development, 40 percent for apartments and commercial rental property and 20 percent for developable land, declined this quarter for the first time in two years. However, most respondents still believe it is a good time to invest in Florida real estate.

### Single Family & Condominium Development

The outlook for new single family development declined slightly again this quarter but remained positive. Higher interest rates, declining incomes and higher land prices dampening optimism in this sector. Historically low levels of new product development have resulted in a low supply of new single family homes. Positive growth will occur in markets with limited supply in or near urban areas as rental housing is becoming more expensive and there is a limited supply of homes for sale.

**Apartments**

The outlook for multi-family properties continues to be positive. Respondents believe that rents and occupancy will increase in future quarters, but at a slower rate. New development coming online in the next few quarters will dampen enthusiasm. Cap rates continue to decline moving below 6%, however, increasing interest rates are driving expectations toward higher cap rates.

**Industrial**

The outlook for industrial properties declined from its peak in the first quarter but continues to be positive. Rents and occupancy are expected to increase in coming quarters. Cap rate and yield expectations moved toward increasing as interest rates moved higher and are expected to continue.

**Office**

The outlook for the office market improved for Class B office while declining for Class A office. Both continue to be positive with expectations for increasing occupancy and rents. The employment recovering continues to be sluggish and a slowdown in Florida employment growth will dampen optimism in this segment.

**Retail**

The outlook for retail properties continues to be positive for all sectors. Growth in rents and occupancy are driving the optimism, however increasing interest rates, declining consumer incomes and sentiment will have an impact on this segment. Cap rates and yields are expected to increase based on increasing interest rates.

**Land Investment**

The outlook for investment in land increased this quarter across all property types with most reaching survey highs. Improving fundamentals and cap rate compression are starting to drive development particularly in the multi-family sector. Land with residential entitlements and land for urban renewal reached the highest levels. We are now at a level where more respondents believe that now is a good time to buy land than don't across all land sectors.

**Capital Availability**

The outlook for capital availability remained strong this quarter with most respondents believing that capital will be more available a year from now. An improving economy and increased lending activity by banks is driving respondents' opinions. However, that capital will be more expensive as interest rates rise driving both debt and equity yields higher.

**UF Commercial Real Estate Sentiment Index**

Formerly called the Own Business Outlook, the Sentiment index declined for the first time in a year. The decline was driven by sharp drops in the outlook for brokers and owner/investors. Those declines are driving by the rising interest rates will slow deal flow and higher yield requirements. Despite that, lenders, appraisers and other service providers were more optimistic about the next year.

## Section 1: Investment Outlook

The investment outlook for Florida declined this quarter for the first time in two years as higher interest rates



dampened enthusiasm. Despite the decline the outlook remains positive. Respondents continue to believe that fundamentals will improve in the commercial sectors while the housing

market continues to improve throughout the state. However, respondents are concerned about the rapid increase in interest rates and the effect it will have on the markets. We can expect to see some softening in the housing market as increasing prices and interest rates drive more people away from purchasing. This should benefit the Apartment sector which continues to be a sought after investment.

In addition to rising interest rates, the next round of potential stalemate in Washington is set to start over the next two quarters as the government tackles the debt ceiling and funding the government. These will provide additional uncertainty in the market until resolved. The investment outlook should remain positive but will be dampened by this additional uncertainty.

This investment index is weighted 40 percent on single family and residential condominium development, 40 percent on rental property of all types, and 20 percent on undeveloped land. Thus, it is at least fifty percent driven by the residential development outlook.

## Section 2: Residential Development

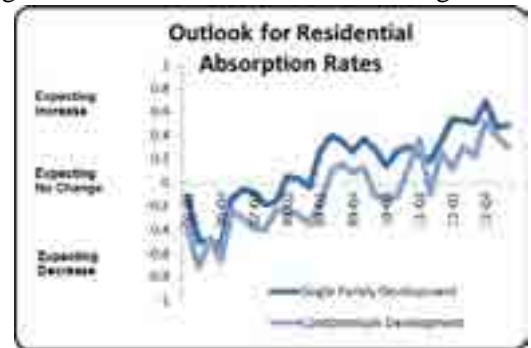
### Expected Absorption Rates

The outlook for residential absorption increased slightly this quarter after falling from survey highs in the first quarter. Overall, the expectation is positive for continued absorption as the economy continues to improve. However, there is uncertainty looming with the rapid increase in interest rates and the effect that will have on future home sales. Additionally, the

average wage had continued to lose ground to inflation. The increased prices and the increasing interest rate are going to dampen growth, particularly from first time buyers.

Meanwhile, builders continue to purchase lots ready for development to feed their production machine and drive revenues. Additionally, it appears that the move-up buyer is driving the market and will continue as long as the recovery continues.

Additionally, the inventory for resale homes continues to be low which is providing an added boost to the homebuilding sector.

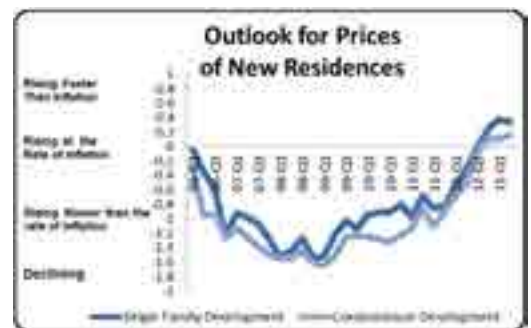


The condo market is primarily driven by what is happening in South Florida, however there are several new projects that have been announced in other markets, including Jacksonville. End user financing is still limited for condos leaving the all cash buyer driving the market.

### Expected Price Changes

Expectations for price changes have leveled off over the past two quarters remaining near survey highs. Most respondents believe that new home prices will rise at the rate of inflation. This is in part due to the limited inventory of resale homes and the increasing costs of construction. However, there are increasing headwinds as employee

wages are declining and interest rates are increasing. Continuation of these trends will have a significant



impact on builders' ability to increase pricing. In the meantime, builders are able to increase pricing to offset the increased cost of materials and Florida's increasing population will continue to demand new housing to meet its need.

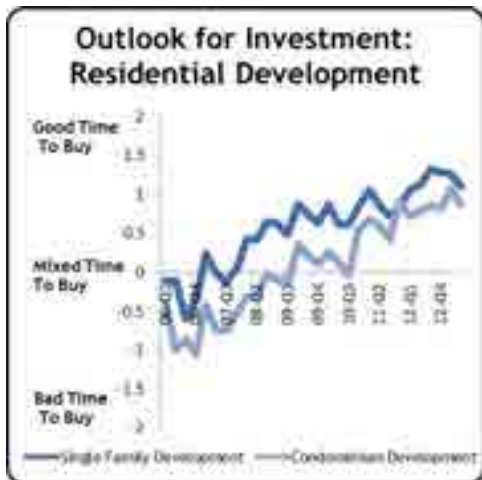
### Investment Outlook

The outlook for investment in residential declined again this quarter, but remains near survey highs. The

combination of increasing interest rates and a slight cooling of the employment market in Florida is curbing some of the enthusiasm in this market. Investors will keep a close eye on the interest rates and the job market as they make investment decisions in this sector.

Additionally, the recent recovery of this sector has started impacting the

cost of land with competition among homebuilders driving up the price of a lot substantially over the past two quarters. The increased land prices along with the higher material costs have investors worried about the return potential in this market, particularly in light of higher interest rates.



factors will continue to benefit the apartment market along with a continued increase in Florida’s population. If developers remain disciplined and don’t overbuild, the apartment sector should remain a good investment.

### Expected Rental Rates

Expectations for rental rates increased slightly this quarter for market rent apartments as respondents continue to expect rental rates to increase with inflation.

Demand continues to outweigh supply which has driven both occupancy and rents higher. This trend will continue as demographic preferences lean toward



rental living in urban areas. Respondents indicate that while new development is having an impact on occupancy at older units, it is also driving overall rental rates higher. This should continue over the near future. Additionally, rising interest rates will impact potential home buyers’ ability to buy and may force more people to stay in apartments in the near term. This will be a positive impact for rents and occupancy.

## Section 3: Apartments

### Expected Occupancy

The outlook for occupancy declined this quarter continuing a slow trend from previous survey highs.



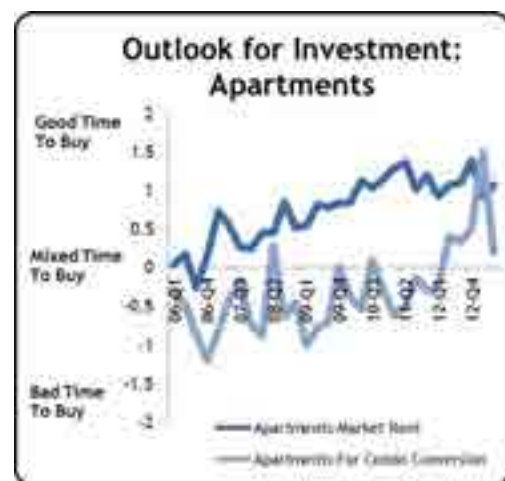
Despite the decline in expectations, respondents continue to believe that occupancy will improve, but at a slower rate. The outlook reflects the impact of many new units coming to the market. The apartment sector has transitioned from an investment sales focus to a development focus, with a significant amount of new

development planned. The addition of these units will impact overall absorption in those markets. Demographics continue to be favorable and occupancy is expected to remain strong. Additionally, as interest rates move higher, more potential buyers will be forced to stay in apartments as they wait for higher wages and continue to save for the required down payments. These

### Investment Outlook

With strong occupancy and rent expectations, the investment outlook remains positive for apartments.

Despite rising interest rates that may impact cap rates, the investors still like this market. In part, they are buffered by rising cap rates because occupancy and rent has grown faster than inflation over the past couple years.



This sector continues to benefit from a tremendous amount of capital availability, however, rising interest rates will make core deals harder to underwrite. Another potential risk, although more long term, is the ultimate resolution of Fannie Mae and Freddie Mac. These provide a lot of the liquidity in the apartment market and winding them down will have a negative impact on the market.

### Cap Rates

Cap rates decreased this quarter for market rent apartments as investors continue to flood to this sector.

The cap rate reached 5.9%, the lowest rate since the first quarter of 2006 when the survey started. However, with rising interest rates and rental growth slowing, respondents expect cap rates to increase in the future.



### Required Yields

Required yields increased again this quarter, up 130 basis points from the survey low in the fourth quarter of 2012. This reflects investors' uncertainty with slowing growth in the fundamentals along with the increasing interest rate. Additionally, more investment is being made in non-core properties which are viewed as riskier. Despite the increase this quarter, respondents continue to expect yields to remain at current levels over the next year. However, investors will continue to monitor the interest rate situation along with the new supply coming to market over the next year.

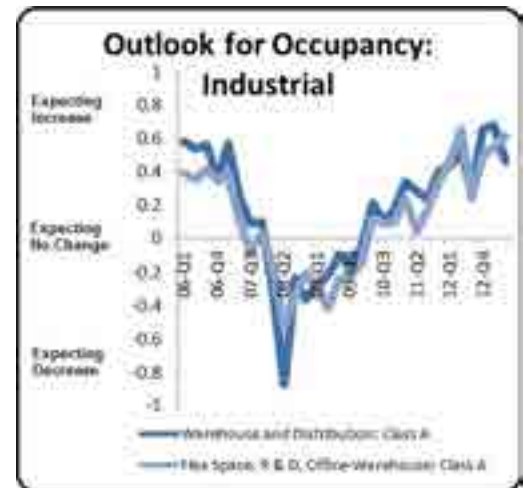


## Section 4: Industrial

### Expected Occupancy

The outlook for occupancy was mixed this quarter. However, the outlook remains positive for both warehouse and flex space with respondents expecting occupancies to increase.

The increase in interest rates and the slowdown in employment this quarter are impacting respondents' expectations. Despite those uncertainties, the Florida economy is



expected to continue improvement over the coming year. Trade with South America remains strong and the improvement in the home building sector is driving increased occupancy in all types of industrial space. As long as those trends continue, the positive expectations will continue for this sector.

### Expected Rental Rates

Rental rate expectations increased this quarter as occupancy continues to improve and limited new supply



coming to the market. Overall respondents' believe that rents will continue to increase with inflation over the next year. A potential slowdown in the home building sector along with rising interest rates may impact rental rate growth

particularly in flex space. However, continued focus by Florida on trade with South America, focus on technology clusters and the attraction of new business to Florida will drive more demand to the market.

### Investment Outlook

The outlook for investment declined this quarter in both sectors. However, respondents continue to believe it is a



good time to buy. Improving fundamentals continue to influence respondents' view of investment in this sector. Rising interest rates pose a threat to those fundamentals and investors will maintain a close watch. Continued

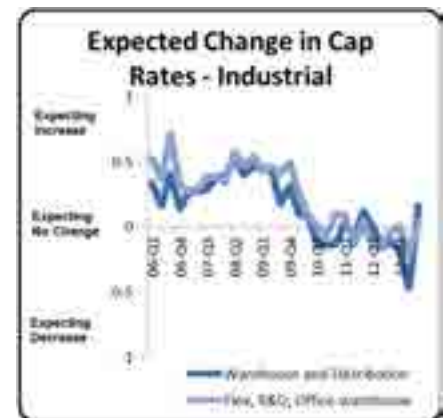
positive trade with South America and the expected positive impact of the Panama Canal expansion along with a limited amount of new supply coming to market will have positive effects on this sector. Look for research from Florida universities to drive additional investment as companies incubate new inventions and ideas to market.

### Cap Rates

Cap rates for flex space remained stable this quarter at 8.7%, while cap rates for warehouse space

declined by 40 basis points to 7.5%. This sector continues to benefit from improving fundamentals and an inflow of capital looking for higher yields. Additionally, debt financing is starting to open up in this sector which is making investment more attractive.

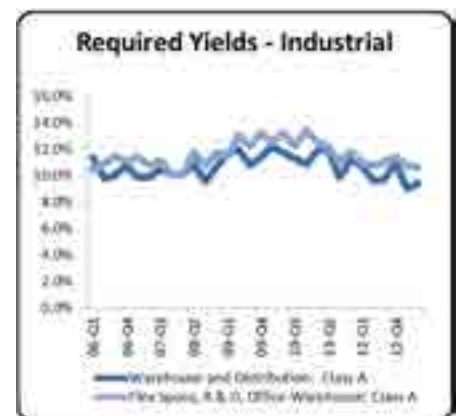
However, rising interest rates may influence the positive fundamentals and financing options for investors. This factor has changed respondents' expectations for future which jumped substantially, with more now expecting cap rates to rise.



### Yields

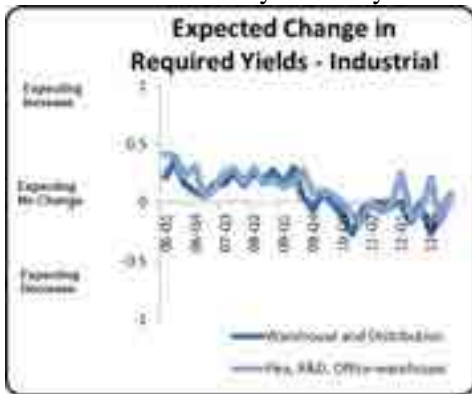
Required yields increased slightly this quarter for warehouse space but remain near survey lows at 9.4%. Yields for flex space decreased again this quarter to 10.6%, its lowest level since the first quarter of 2008.

The lower yields reflect the lower risk in this sector with improving fundamentals along with the positive signs in housing and trade. However, the rising interest rates may threaten the fundamentals and impact the required yields in this sector. In fact, respondents'





believe that yields may rise over the next year with increasing interest rates.



## Section 5: Office

### Expected Occupancy

The outlook for occupancy in Class A office declined this quarter, while improving for Class B office.

Respondents' still believe that occupancy will improve across both subsectors over the next year. The waning optimism in Class A office reflects the slowdown in the job production for the second quarter and the potential longer term effects of the rising interest rates. This segment is benefitting from

little new development which is allowing current buildings time to improve occupancies with a slowly improving economy. Companies continue to be very cautious about the amount of space they need per worker. Therefore the impact of new jobs is tempered by more efficient use of existing space. Office space in desirable locations which are clustered with complementary users will continue to perform stronger than their competitors. If the national and state economies continue to expand we should expect this trend to continue.

### Expected Rental Rates

Expectations for rental rates increased slightly this quarter with more respondents believing that rates will grow at the rate of inflation over the next year.

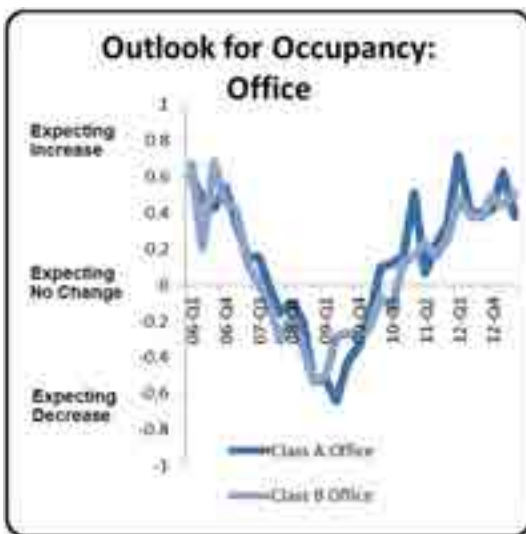
Improvements in occupancy are allowing owners to reduce concessions which are raising the effective rental rates. Additionally, little new supply is being added to the market given more pricing power as vacant space is absorbed. Companies continue to look for ways to be more efficient with space even as they expand which will temper the growth in both occupancy and rental rates. This is still a positive for owners as the slow growth will discourage a lot of new development.



### Investment Outlook

The outlook for investment in the Class A sector declined sharply this quarter as more respondents start to believe that investment is mixed. The outlook for Class B space is more optimistic with the overall outlook reaching a survey high.

This outlook reflects the slowdown in job growth in the second quarter. The difference in outlook between Class A and B space shows a higher upside to the growth in rental rates in Class B as rents decline dramatically during the recession and more businesses moved up to Class A space. Debt capital has started to return to this sector, however, rising interest rates make these deals harder to justify. As long as the employment market in Florida continues to improve this sector should fare well, with little new supply in the works.



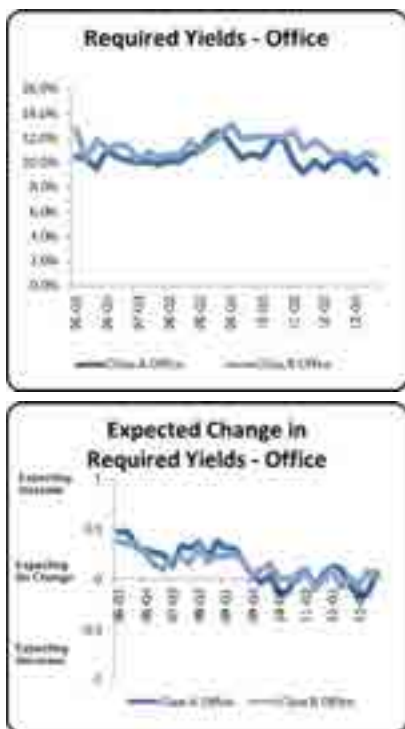
## Cap Rates

Cap rates declined this quarter in both subsectors with Class A cap rates at 7.5% and Class B rates at 8.6%. Continued improvement in the employment environment will improve fundamentals, reducing the risk in this sector. However this may be offset by rising interest rates which will affect debt availability and pricing for this sector. These offsetting factors led respondents to believe that cap rates will be stable over the next year.



## Yields

Required yields declined this quarter with Class A yields at 9.2% and Class B yields at 10.5%. These rates remain near survey lows for the sector and are reflective of the low interest rate environment. However, with interest rates rising and the expectation for further increases, required yields will certainly increase. As long as Florida continues to add office jobs and the national economy continues to improve, the amount of the increase in yields could be limited, which is reflected in the expectations of yields from our respondents.



## Section 6: Retail

### Expected Occupancy

The outlook for occupancy increased dramatically for three of the four retail subsectors, reaching survey highs. The outlook for the remaining subsector, free standing retail declined slightly. The optimism for increasing occupancy is driven by a slowly



improving economy, consumer confidence, and growth within Florida. A slower job recovery in the second quarter did not discourage retailers in their continued expansion within the state. Despite a drop this quarter, the University of Florida Bureau of Business and Economic Research's consumer sentiment index was 78 in July, which remains near index highs since before the recession. Additionally, the state continues to set records with the number of visitors coming to Florida which is also helping to boost retail sales. These factors should continue to drive occupancy in retail going forward.

### Expected Rental Rates

The outlook for rental rates was mixed this quarter. However, most respondents continue to believe that rental rates will rise with inflation. Given the strong outlook for occupancy, we would expect that rental rates will grow in the absence of new supply and reduction in available space.



Continued growth in job production and an improving economy should maintain consumers' confidence which will encourage continued spending. Retailer expansion

and competition for the best locations will continue to have a positive effect on rental rates.

### Investment Outlook

Improving property fundamentals has positively influenced our respondents' outlook for investment in two subsectors, large centers and strip centers. The remaining two subsectors saw a small decline in investment expectations. However, respondents continue to believe that it is a good time to buy in this sector.



However, there continue to be risks in this property sector. Retailers are continuing to look for ways to increase efficiency while decreasing store size. Additionally, online retailing continues to exert pressure on retailers particularly in the electronics and book sectors as we will see continuing change from the best in class stores in those sectors. Grocery anchored centers continue to be the favored investment option for investors, particularly best in class grocers in primary locations. Interest rates will also factor into the outlook as higher rates will drive higher cap rates and yields.

### Cap Rates

The improvement in property fundamentals as well as the improved outlook for the Florida economy had a positive impact on cap rates this quarter. Rates dropped across the four property types as our respondents see less risk in the sector. The rates for large centers, neighborhood centers, strip centers and free standing retail were 7.0%, 7.4%, 8.6% and 7.5% respectively.



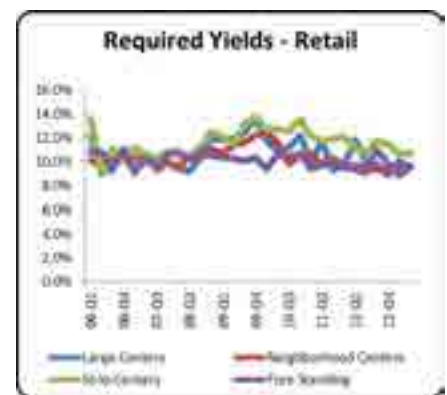
However, the rising interest rates and the expectation that they will continue to increase dramatically changed our respondents' view

of future cap rates. The outlook increased dramatically in all four subsectors with more respondents now expecting higher cap rates over the next year.



### Yields

Yields increased this quarter for all subsectors except larger centers. Increasing yields are expected to continue as a result of increasing interest rates. That increase will drive the risk free rate higher and unless there is compression in the spreads, yields will increase in response.

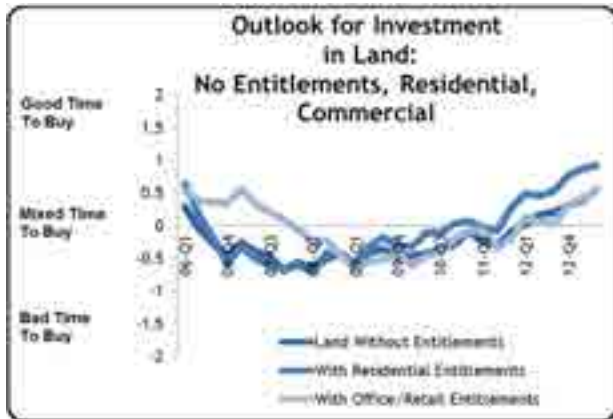


## Section 7: Outlook for Investment in Undeveloped Land

### Land Without Entitlements or with Residential Entitlements

The outlook for investment in land continues to improve, reaching survey highs in both sectors. The

improving housing sector is driving land pricing higher as they continue to buy entitled property to help maintain the current



growth levels. This is in turn driving investment in non-entitled land as investors look to entitle the land and capture the home builders' attention. However, the dramatic rise in interest rates over this quarter and the expected continuation of that trend may dampen expectations in this sector. Higher rates are already affecting the housing market and further increases may start impacting buyers' ability to obtain financing.

### Land with Office or Retail Entitlements

The outlook for investment in land with office or retail entitlements increased again this quarter approaching a survey high. More respondents are starting believe that it is a good time to buy land as fundamentals improve in both the office and retail sectors. There is more optimism in the retail sector as employment growths along with consumer confidence. The office market is not as optimistic for new development as companies continue to find ways to be more efficient with space while increasing their employment levels.

### Land with Hospitality Entitlements

The investment outlook for land with hospitality entitlements improved again this quarter closing in on a survey high. Tourism in Florida continues to set records through the second quarter and is driving resurgence in the hotel sector. The improved tourism is driving optimism in new hotel development particularly in high tourism markets, Orlando and Miami. This trend should

continue with a higher percentage of visitors from foreign markets.

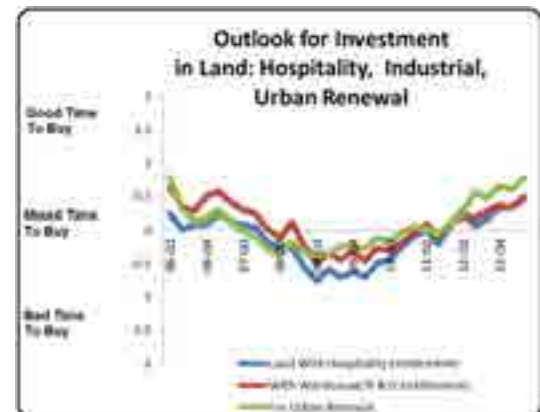
### Land with Entitlements for Warehouse or R&D

The investment outlook for land with warehouse or R&D entitlements improved this again this quarter. Investment in warehouse projects is picking up in port areas, particularly Miami, where exports to South America are up and require additional warehouse space. Ports throughout Florida continue to focus on expansion in preparation for the expansion of the Panama Canal. Additionally, a greater focus by the state on attracting high tech and bio-tech companies along with a renewed focus by state research universities is driving the need to R&D space. This will be a big area of growth for the state going forward.

### Land for Urban Renewal

The outlook for investment in urban renewal increased this quarter with more respondents starting to believe this is a good time to buy. As more people move toward urban areas investment in land for urban

renewal will increase. We are starting to see more projects, particularly in Miami, but projects in small cities like Gainesville, with Innovation Square, are leading the state in urban renewal. This is a trend that will continue over the next several years.



## Section 8: Business and Capital Availability Outlook

### Capital Availability

The outlook for capital availability was mixed this quarter with capital for development improving and capital for acquisitions declining. However, in both cases respondents continue to believe that capital will increase. An increase in interest rates will not impact the

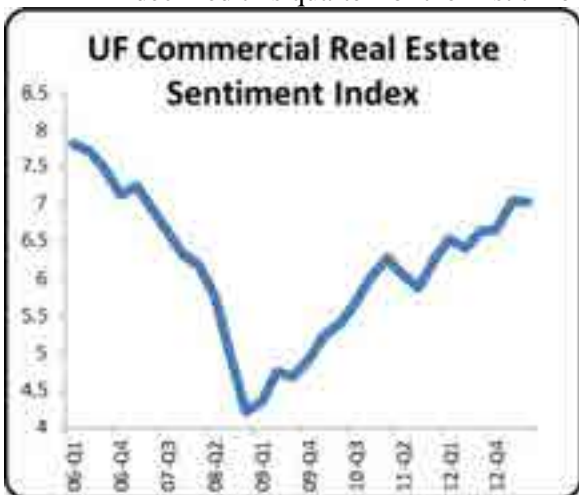
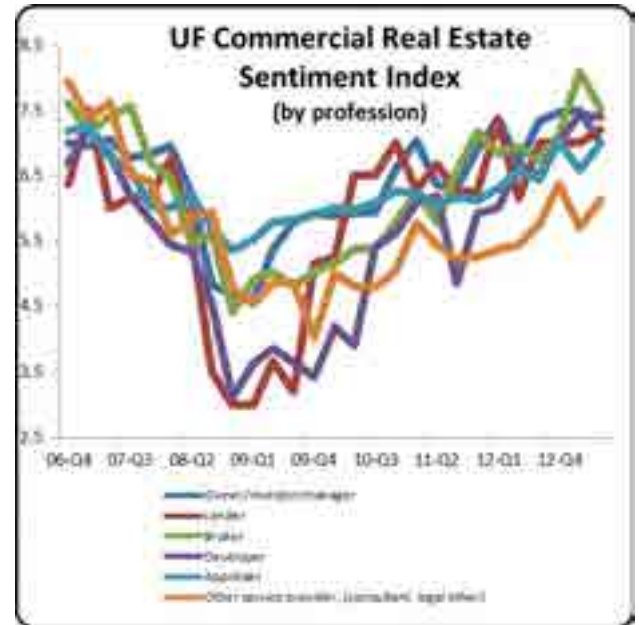
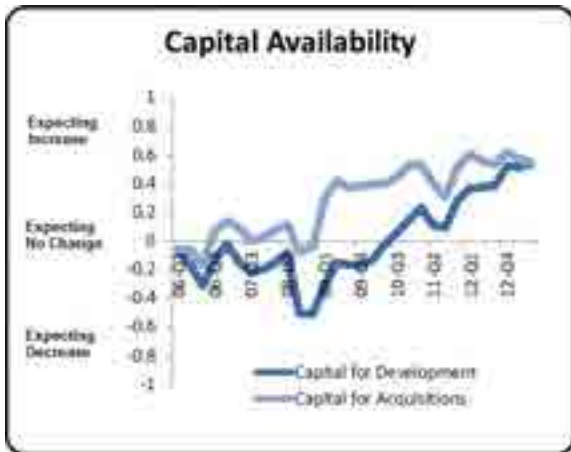
capital flowing to real estate unless the risk adjusted returns decline in relation to other asset classes. Additionally, in an inflationary economy, more investors will look for hard assets to invest in which will keep real estate in a favorable position.

Debt capital is continuing to increase for all asset classes as more banks get back into the lending business. Improving asset pricing is improving bank balance sheets and allowing them to loan more. This should continue, albeit with higher rates as interest rates continue to rise.

### UF Commercial Real Estate Sentiment Index

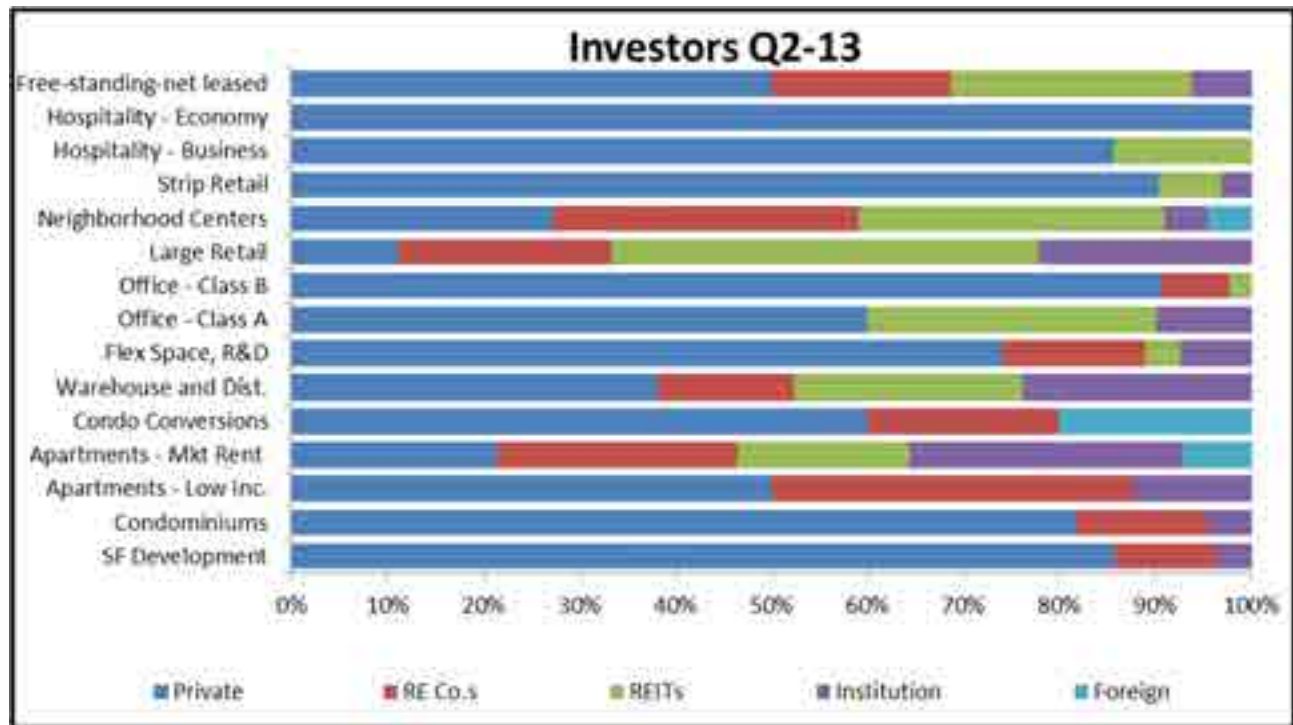
The UF Commercial Real Estate Sentiment Index declined this quarter for the first time in a year. The sharp rise in interest rates, a slowdown in Florida's job growth, and the looming policy battles in Washington D.C., have respondents slightly less optimistic about the future.

However, improving fundamentals of most property types along with the continued expansion of the Florida economy is keep them feeling positive about their own business outlook over the next year. The decline in the overall index was driven by a slightly less optimistic outlook by brokers and developers. The remaining sectors all improved.



## Section 9: Dominant Investors

Respondents were asked to indicate which of five investor groups they perceived to be the most active for each type of property they analyze. Not surprisingly, REITs and Institutions remain very active buyers. However, private investors are becoming more active as they have access to capital and are actively investing that capital. Foreign investment declined this quarter across most property types.

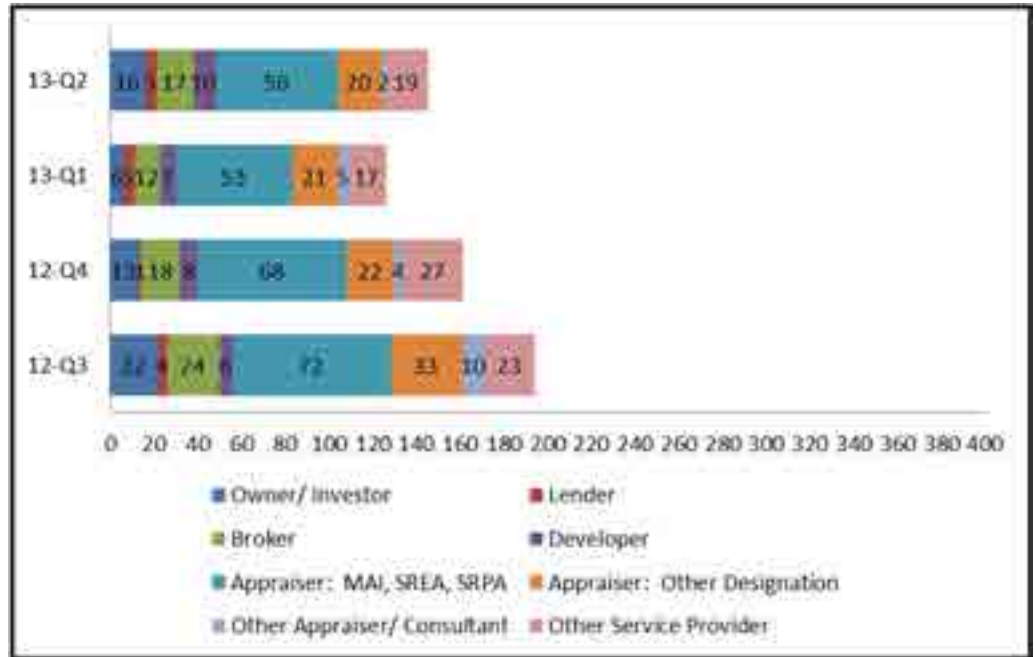


## Section 10: Characteristics of Survey Respondents

### Profession of Respondents

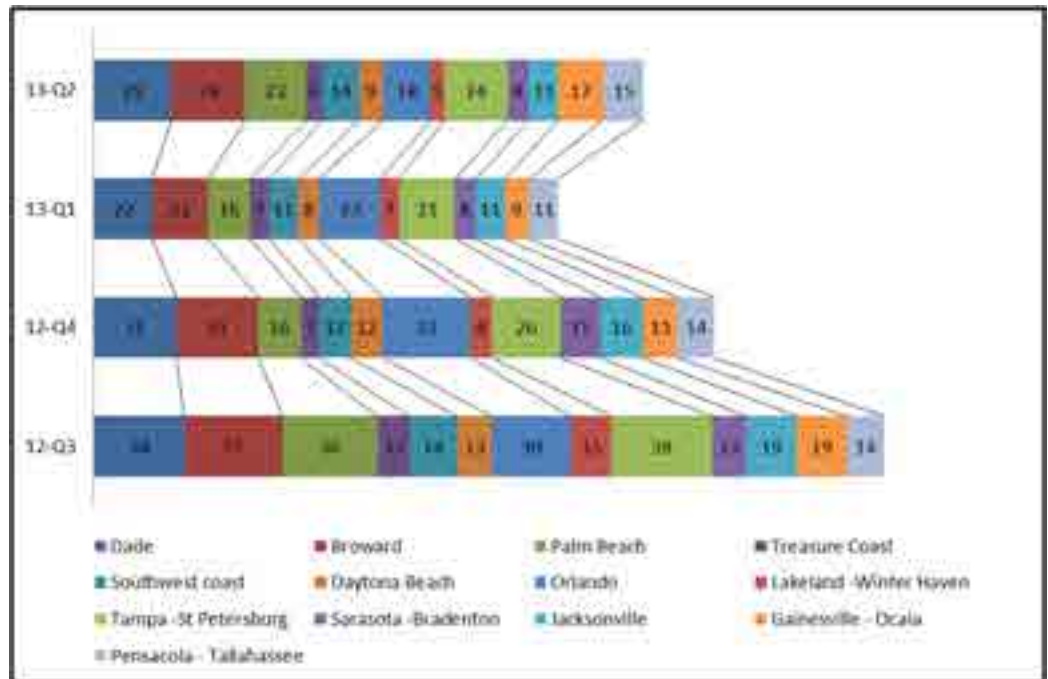
Survey responses increased this quarter to 145 respondents.

Approximately 52 percent of the respondents reported being an appraiser; over 73% with designations of MAI, SREA or SRPA. The next largest groups were other service providers and brokers.



### Markets of Familiarity

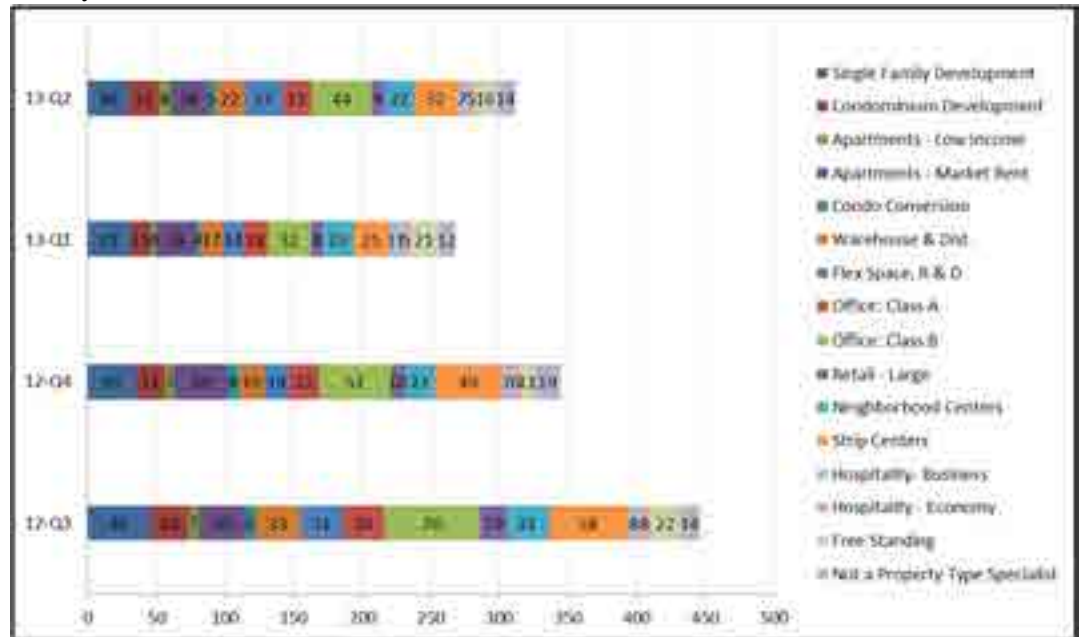
Each respondent was asked to select up to four regional markets with which they are familiar. In the latest survey, these choices accumulated to 207 observations. The highest number of responses was for the Dade market, which had 29 observations. The lowest respondent support came from Lakeland with 5.



### Property types of Familiarity

Each respondent was asked to select up to three property types with which they were familiar.

Altogether, 312 selections were made in the latest survey round. Single family development was selected by 30 respondents while condominium development was selected by 22. The largest response for commercial property was in Office: Class B with 44 responses. The lowest response was for Hospitality-Economy and Condo Conversion with 5 each. Three property types were selected by at least 30 respondents.





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## Section 11: Details of Cap Rates, Yields and Expected Changes

Table 1 summarizes estimates of cap rates and yields for twelve property types over the last four quarters of the survey. In addition, this table shows the distribution of expectations for changes in each reported cap rate and yield. In particular, the table reports the percent of respondents expecting each cap rate and yield to either rise or fall in the future. Excluded from this table is the percentage of respondents whom are expecting no change. This third percentage can be computed as 100 less the two percentages reported. Since prior sections discuss the content of Table 1, further comment is not given here. The table is simply provided as a reference to facilitate application of the survey results.

Table 1: Detailed Cap Rates, Yields and Expectations for Change

<b>Florida</b>	Apartments - Market Rental	Condo Conversion	Warehouse and Dist.	Flex Space,	Office: R	Office: Class A	Office: Class B	Retail - Large	Neighbor- hood	Strip Centers	Free Standing
<i>Cap Rates</i>											
Q2-13											
Cap Rate	5.9%	7.9%	7.5%	8.7%	7.5%	8.6%	7.0%	7.4%	8.6%	7.5%	
Percent Expecting Rise	29.2%	0.0%	31.6%	13.6%	20.0%	16.2%	37.5%	50.0%	12.0%	25.0%	
Percent Expecting Fall	8.3%	75.0%	15.8%	9.1%	26.7%	13.5%	12.5%	5.6%	24.0%	16.7%	
Q1-13											
Cap Rate	6.1%	5.0%	7.9%	8.7%	7.8%	8.7%	7.4%	7.4%	8.8%	7.7%	
Percent Expecting Rise	16.0%	0.0%	0.0%	7.1%	11.8%	2.9%	16.7%	0.0%	0.0%	0.0%	
Percent Expecting Fall	8.0%	0.0%	46.7%	28.6%	29.4%	17.6%	33.3%	33.3%	24.0%	23.5%	
Q4-12											
Cap Rate	6.4%	6.3%	8.0%	8.8%	7.8%	8.7%	7.2%	7.4%	8.8%	7.6%	
Percent Expecting Rise	17.2%	28.6%	6.3%	0.0%	11.8%	4.0%	0.0%	5.0%	8.9%	0.0%	
Percent Expecting Fall	17.2%	28.6%	25.0%	0.0%	23.5%	20.0%	42.9%	25.0%	22.2%	27.3%	
Q3-12											
Cap Rate	7.1%	6.5%	8.0%	8.7%	7.4%	8.6%	7.5%	7.8%	8.9%	7.9%	
Percent Expecting Rise	18.8%	20.0%	7.4%	8.7%	5.3%	8.9%	12.5%	7.4%	8.0%	10.0%	
Percent Expecting Fall	15.6%	0.0%	18.5%	13.0%	36.8%	12.5%	37.5%	18.5%	14.0%	20.0%	
<i>Yields</i>											
Q2-13											
Yield	9.5%	12.4%	9.4%	10.6%	9.2%	10.5%	9.5%	9.7%	10.6%	9.5%	
Percent Expecting Rise	15.0%	20.0%	18.8%	14.3%	21.4%	13.8%	28.6%	33.3%	0.0%	0.0%	
Percent Expecting Fall	15.0%	20.0%	12.5%	9.5%	14.3%	10.3%	14.3%	13.3%	13.6%	16.7%	
Q1-13											
Yield	9.1%	14.6%	9.0%	10.7%	10.1%	10.9%	10.1%	9.4%	10.6%	8.9%	
Percent Expecting Rise	13.6%	25.0%	20.0%	8.3%	7.1%	12.5%	0.0%	11.1%	10.5%	7.1%	
Percent Expecting Fall	18.2%	50.0%	30.0%	25.0%	21.4%	4.2%	16.7%	5.6%	10.5%	0.0%	
Q4-12											
Yield	8.2%	9.2%	11.0%	11.4%	9.4%	10.1%	8.9%	9.3%	11.4%	9.8%	
Percent Expecting Rise	18.5%	14.3%	0.0%	21.4%	5.9%	14.0%	0.0%	11.1%	12.2%	0.0%	
Percent Expecting Fall	14.8%	0.0%	25.0%	0.0%	23.5%	20.9%	42.9%	16.7%	17.1%	12.5%	
Q3-12											
Yield	10.1%	9.5%	9.7%	11.0%	10.2%	10.9%	9.8%	9.3%	11.8%	11.0%	
Percent Expecting Rise	17.2%	20.0%	8.7%	9.1%	20.0%	13.7%	0.0%	3.7%	8.2%	10.5%	
Percent Expecting Fall	10.3%	20.0%	8.7%	18.2%	26.7%	11.8%	18.8%	7.4%	10.2%	5.3%	

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## Section 12: Local Markets

Starting with the 3<sup>rd</sup> quarter of 2011, we have changed the presentation of the local market data to a more graphical format. This makes it easier, at a glance, to get a sense of what is happening in each market. As part of the transition you will notice that each report is broken up into property types. Additionally, you will see a table with indicating the direction of our respondents' expectations for the various indicators. Please use the following legend to interpret the results.

For future expectations you will see the following symbols. Please refer to their definition for interpretation:



An upward pointing arrow indicates an increasing trend.



An upward but diagonal pointing arrow indicates a slightly positive or increasing trend.



A side pointing arrow indicates a neutral trend.



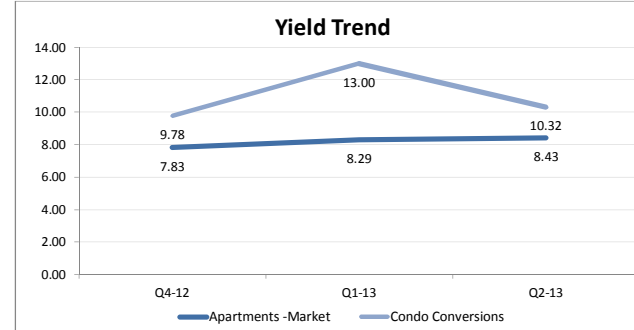
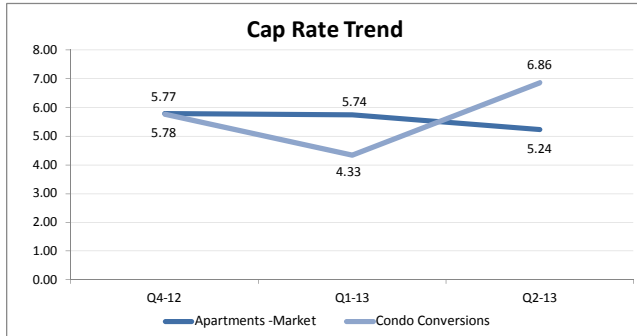
A downward but diagonal pointing arrow indicates a slightly negative or slightly declining trend.



A downward pointing arrow indicates a decreasing or negative trend.

# Regional Market Report for Dade

Multi-Family Properties



Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↔	↓
Yields	↔	↘
Investment Outlook	↑	
Occupancy	↑	↔
Rents	↑	↗

## Investor Profile - Apartments

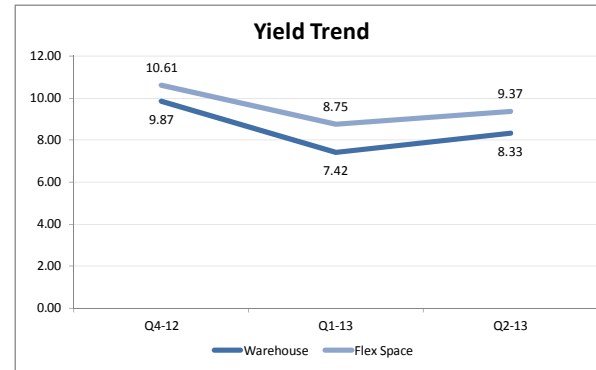
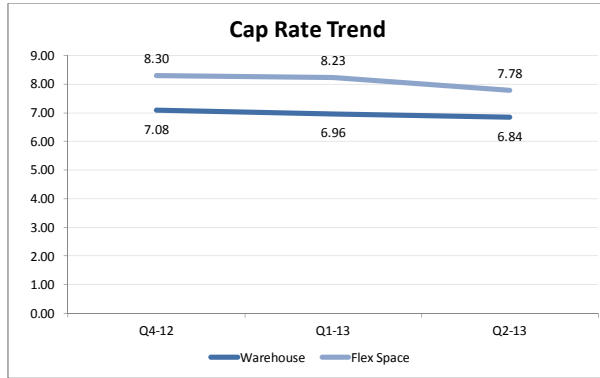
Vertical line

## Investor Profile - Condo Conversion

Vertical line

# Regional Market Report for Dade

Industrial Properties



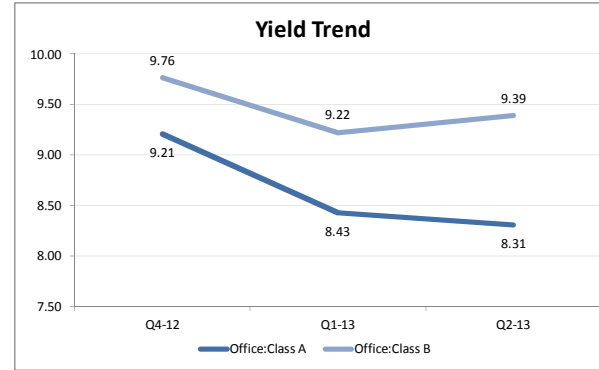
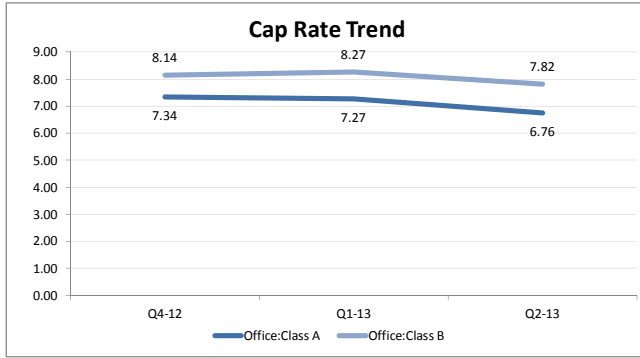
Future Expectations		
	Warehouse	Flex Space
Cap Rates	↔	↔
Yields	↑	↔
Investment Outlook	↑	
Occupancy	↔	↑
Rents	↔	↔

Investor Profile - Warehouse

Investor Profile - Flex Space

# Regional Market Report for Dade

Office Properties



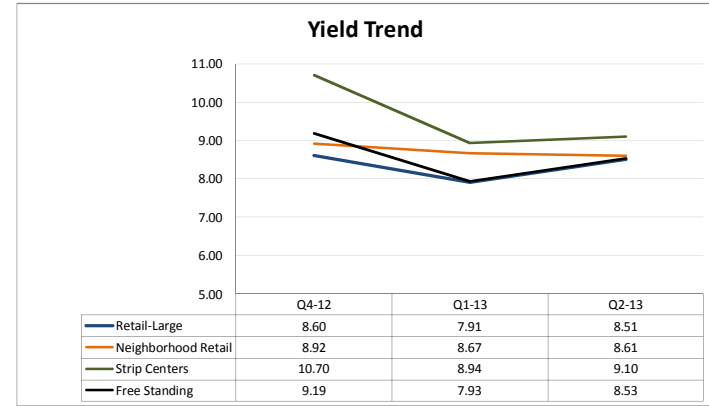
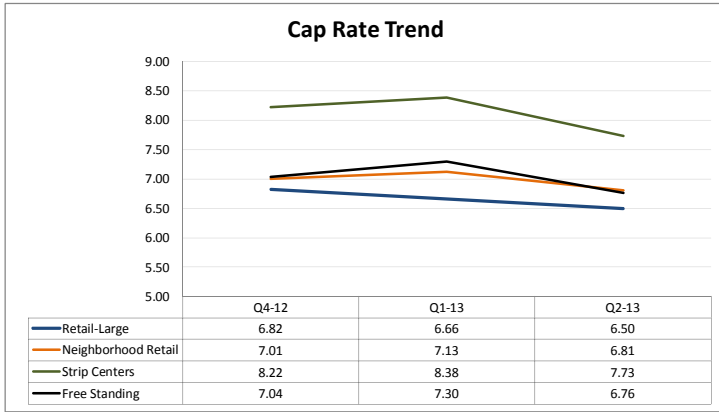
Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	↓	→
Yields	→	→
Investment Outlook	↑	↑
Occupancy	↑	↑
Rents	→	↓

Investor Profile - Office: Class A

Investor Profile - Office: Class B

# Regional Market Report for Dade

Retail Properties



Future Expectations				
	<i>Retail-Large</i>	<i>Neighborhood Centers</i>	<i>Strip Centers</i>	<i>Free Standing</i>
Cap Rates	↑	↑	↓	↑
Yields	↑	↑	↓	↑
Investment Outlook	↑	↑		
Occupancy	↑	↑	↑	
Rents	↑	↑	↓	

Investor Profile - Retail-Large

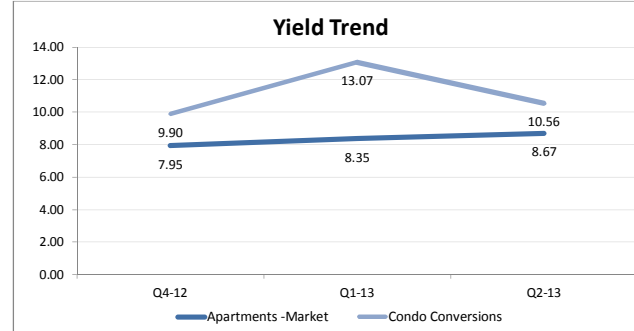
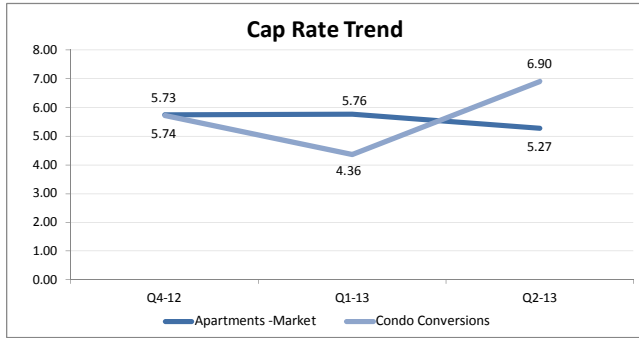
Investor Profile - Strip Centers

Investor Profile - Free Standing

Investor Profile - Neighborhood Center

# Regional Market Report for Broward

Multi-Family Properties



Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	➔	⬇
Yields	➔	⬇
Investment Outlook	↗	
Occupancy	↗	↗
Rents	⬆	⬇

## Investor Profile - Apartments

Vertical line

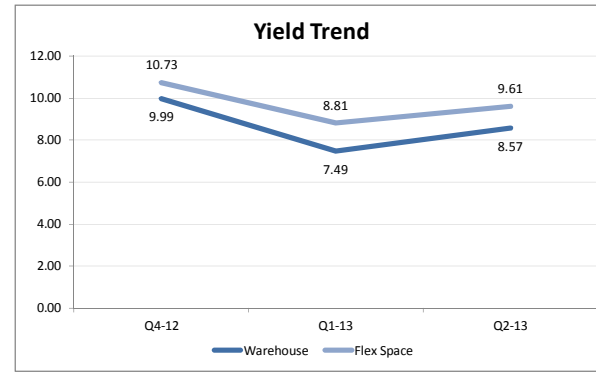
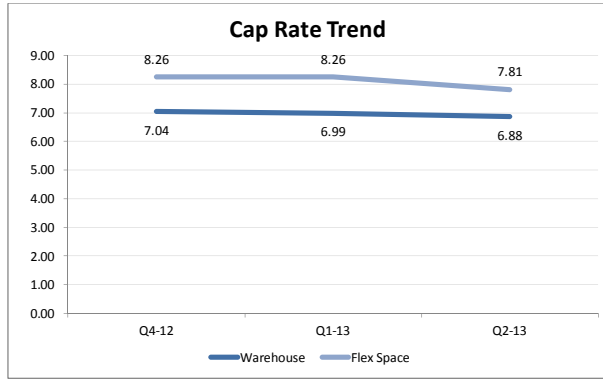
## Investor Profile - Condo Conversion

Vertical line



# Regional Market Report for Broward

Industrial Properties



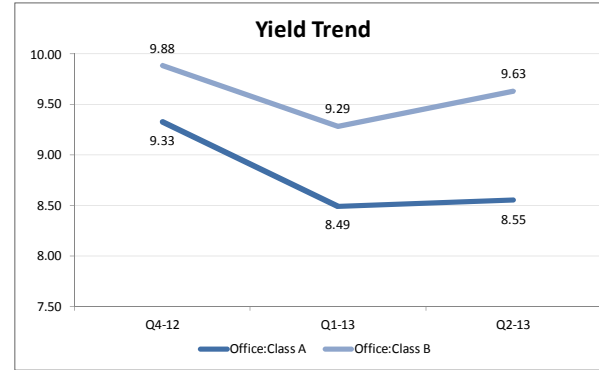
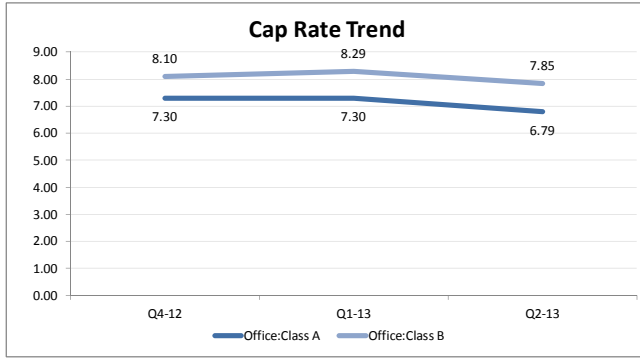
Future Expectations		
	Warehouse	Flex Space
Cap Rates	↑	→
Yields	↔	→
Investment Outlook	↑	
Occupancy	↑	↑
Rents	↑	→

Investor Profile - Warehouse

Investor Profile - Flex Space

# Regional Market Report for Broward

Office Properties



Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	↘	→
Yields	↘	→
Investment Outlook		↑
Occupancy	↑	↑
Rents	↘	↓

Investor Profile - Office: Class A

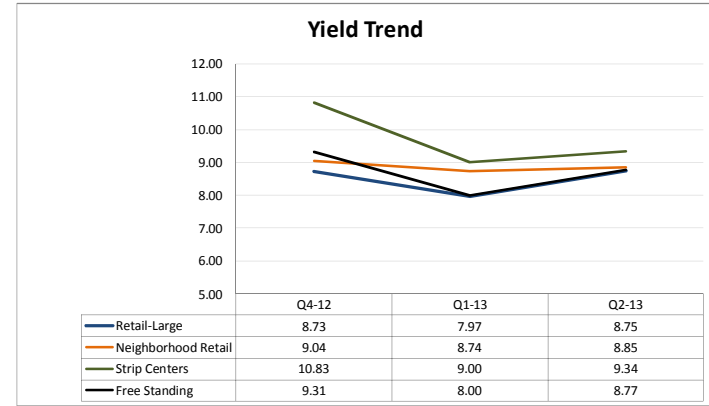
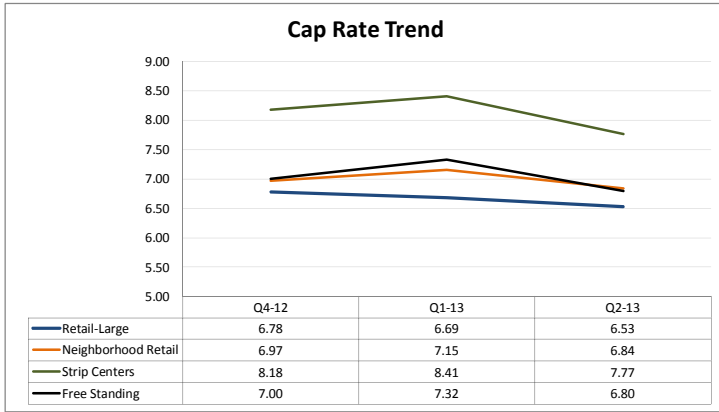
|

Investor Profile - Office: Class B

|

# Regional Market Report for Broward

Retail Properties



Future Expectations				
	<i>Retail-Large</i>	<i>Neighborhood Centers</i>	<i>Strip Centers</i>	<i>Free Standing</i>
Cap Rates	↗	↕	↘	↕
Yields	↗	↕	↘	↕
Investment Outlook	↕	↕		
Occupancy	↕	↕	↗	
Rents	↕	↕	↘	

Investor Profile - Retail-Large

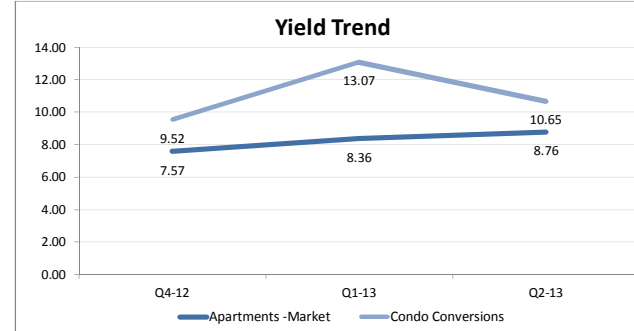
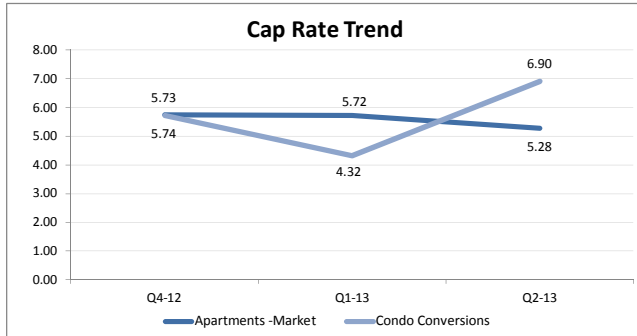
Investor Profile - Strip Centers

Investor Profile - Free Standing

Investor Profile - Neighborhood Center

# Regional Market Report for Palm Beach

Multi-Family Properties



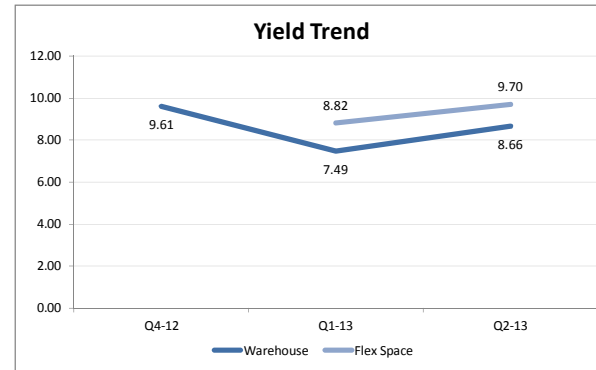
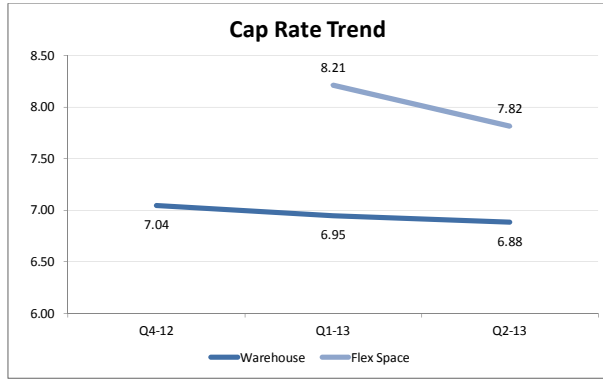
Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
<b>Cap Rates</b>	↗	↘
<b>Yields</b>	→	↘
<b>Investment Outlook</b>	↗	
<b>Occupancy</b>	→	↗
<b>Rents</b>	→	↘

## Investor Profile - Apartments

## Investor Profile - Condo Conversion

# Regional Market Report for Palm Beach

Industrial Properties



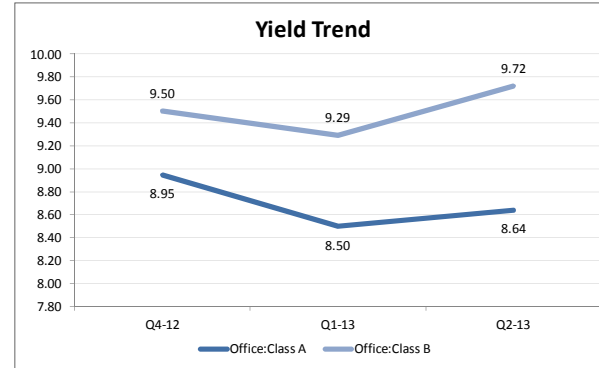
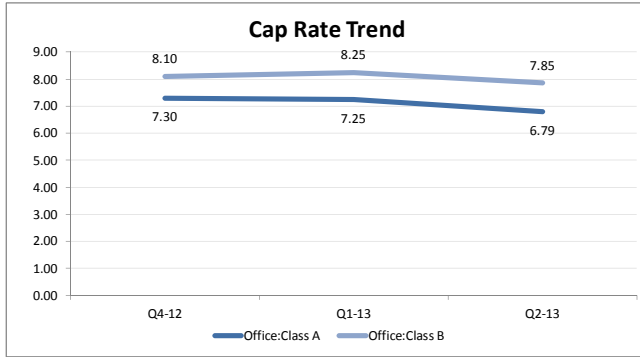
Future Expectations		
	Warehouse	Flex Space
Cap Rates	↑	↑
Yields	↔	↑
Investment Outlook		↑
Occupancy	↑	↑
Rents	↔	↔

Investor Profile - Warehouse

Investor Profile - Flex Space

# Regional Market Report for Palm Beach

Office Properties



Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	↔	↔
Yields	↔	↔
Investment Outlook		
Occupancy	↑	↑
Rents	↓	↓

## Investor Profile - Office: Class A

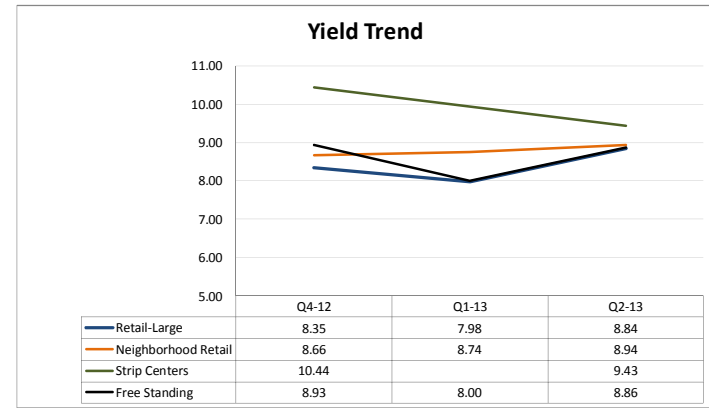
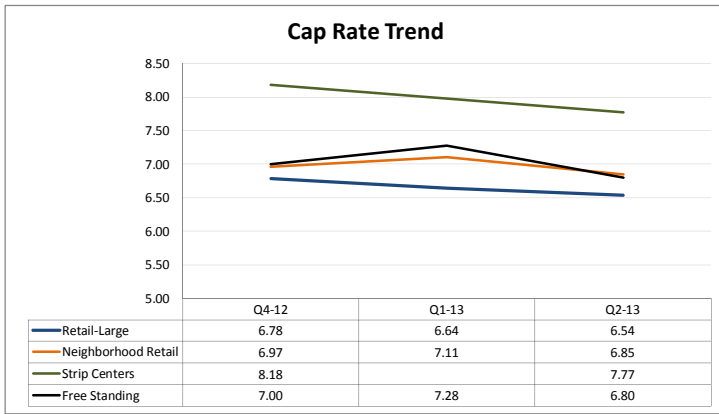
Vertical line representing the investor profile for Office: Class A.

## Investor Profile - Office: Class B

Vertical line representing the investor profile for Office: Class B.

# Regional Market Report for Palm Beach

Retail Properties



Future Expectations				
	<i>Retail-Large</i>	<i>Neighborhood Centers</i>	<i>Strip Centers</i>	<i>Free Standing</i>
Cap Rates	↑	↑	↓	→
Yields	↑	↑	↓	→
Investment Outlook		↑		↑
Occupancy	↑	↑	↑	
Rents	→	→	↓	

Investor Profile - Retail-Large

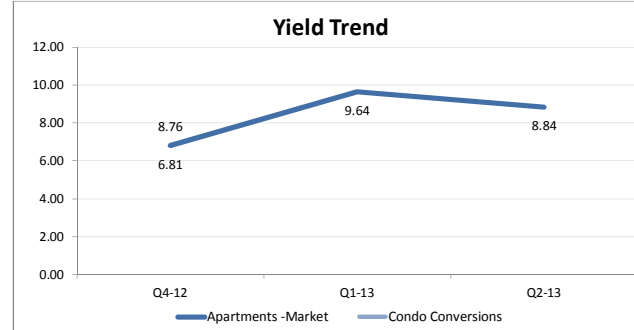
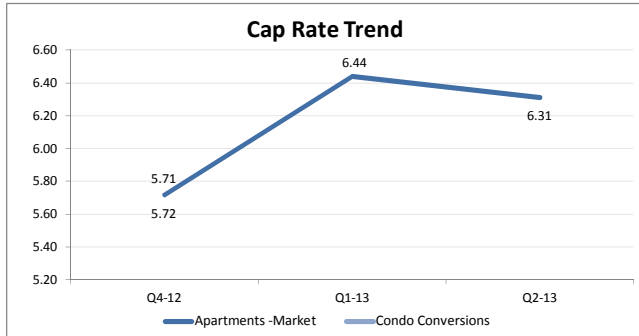
Investor Profile - Strip Centers

Investor Profile - Free Standing

Investor Profile - Neighborhood Center

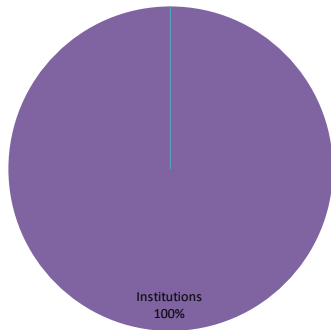
# Regional Market Report for Treasure Coast

Multi-Family Properties



Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↔	↔
Yields	↓	↔
Investment Outlook		
Occupancy	↑	
Rents	↑	

Investor Profile - Apartments



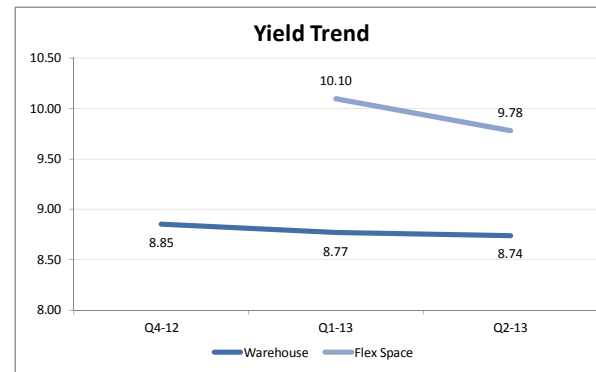
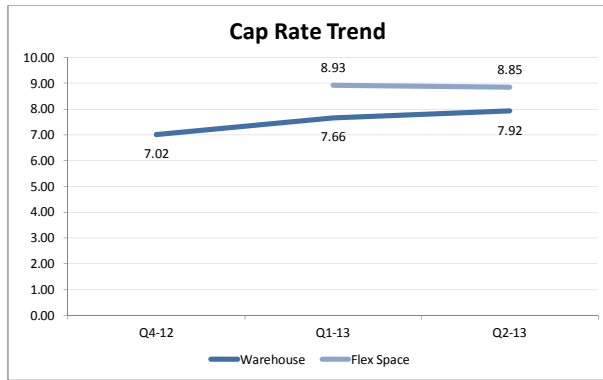
Investor Profile - Condo Conversion





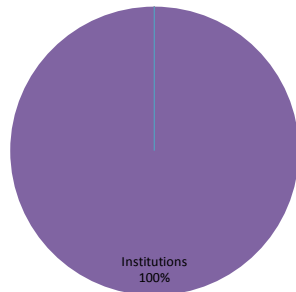
# Regional Market Report for Treasure Coast

Industrial Properties

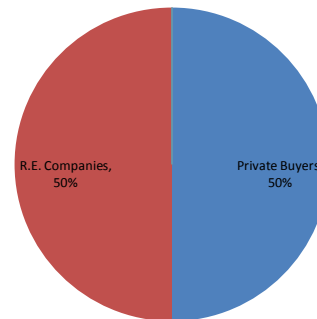


Future Expectations		
	Warehouse	Flex Space
Cap Rates	↑	↑
Yields	↑	↑
Investment Outlook		
Occupancy	↑	↑
Rents	↔	↔

Investor Profile - Warehouse

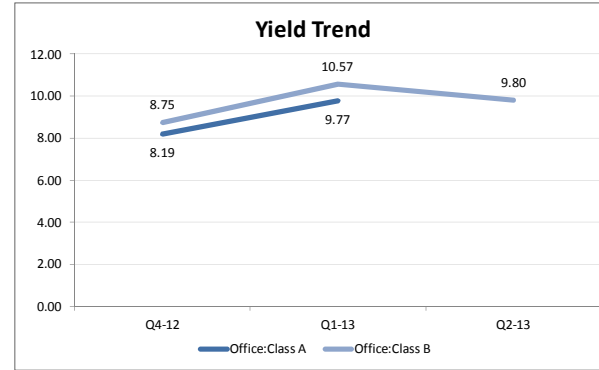
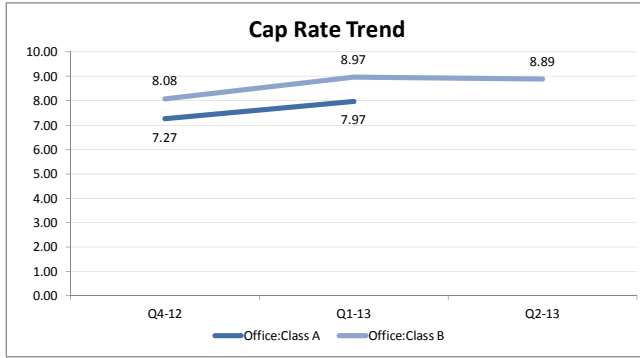


Investor Profile - Flex Space



# Regional Market Report for Treasure Coast

Office Properties

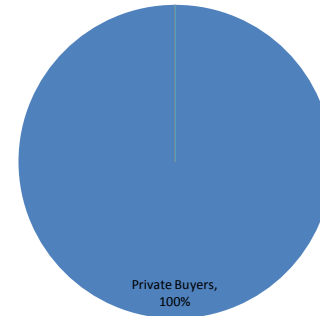


Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	↔	↑
Yields	↔	↑
Investment Outlook		
Occupancy		↔
Rents		↓

Investor Profile - Office: Class A



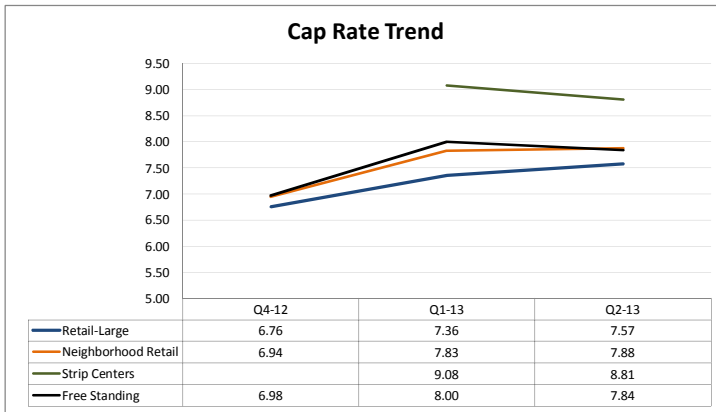
Investor Profile - Office: Class B



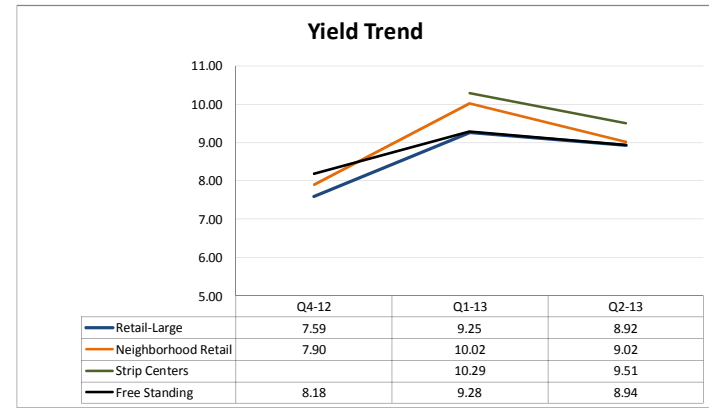
# Regional Market Report for Treasure Coast

Retail Properties

**Cap Rate Trend**

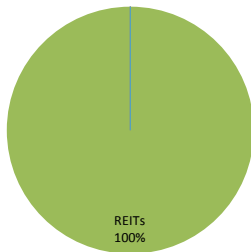


**Yield Trend**

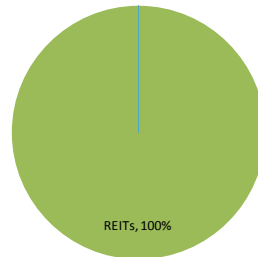


Future Expectations				
	<i>Retail-Large</i>	<i>Neighborhood Centers</i>	<i>Strip Centers</i>	<i>Free Standing</i>
Cap Rates	↑	↑	→	→
Yields	↑	↑	→	→
Investment Outlook				
Occupancy	↑	↑	↑	
Rents	→	→	→	

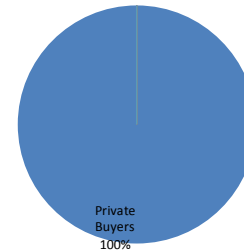
**Investor Profile - Retail-Large**



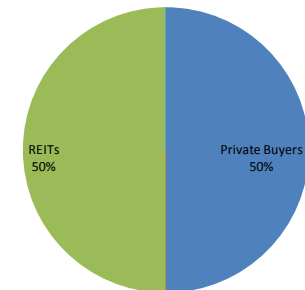
**Investor Profile - Neighborhood Center**



**Investor Profile - Strip Centers**

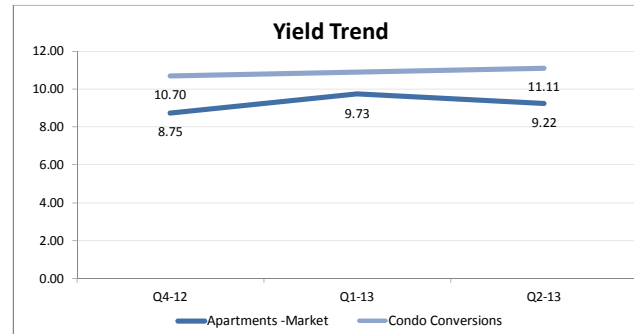
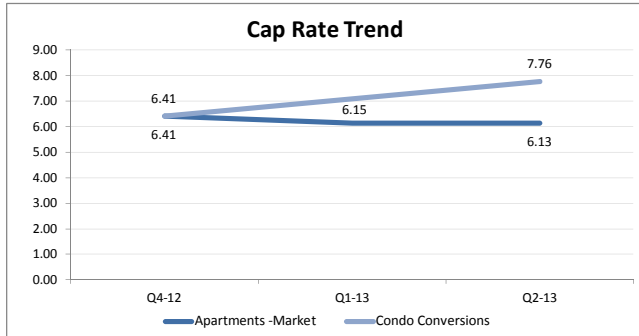


**Investor Profile - Free Standing**



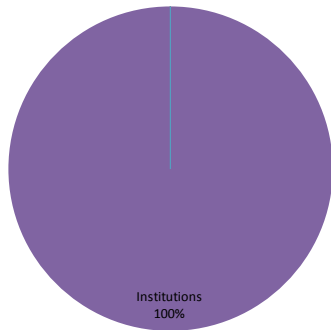
# Regional Market Report for Southwest Coast

Multi-Family Properties

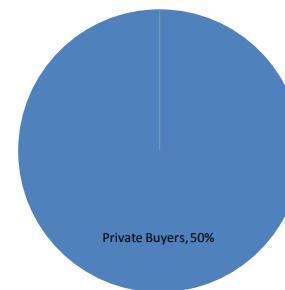


Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↓	↓
Yields	→	→
Investment Outlook		
Occupancy	↑	↑
Rents	↑	↑

Investor Profile - Apartments

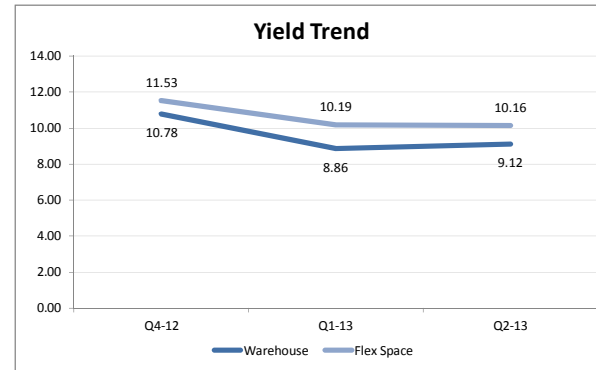
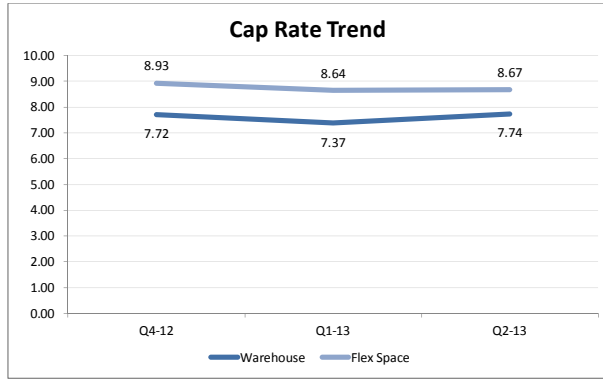


Investor Profile - Condo Conversion



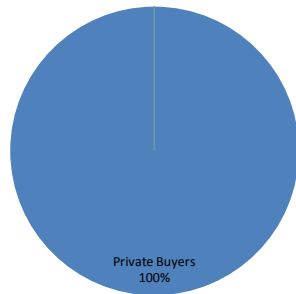
# Regional Market Report for Southwest Coast

Industrial Properties

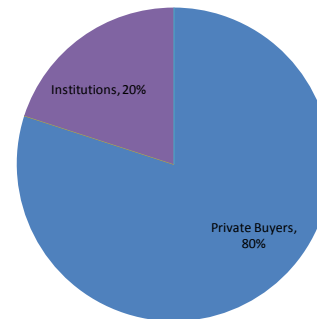


Future Expectations		
	Warehouse	Flex Space
Cap Rates	➔	➔
Yields	➔	➘
Investment Outlook		➔
Occupancy	➔	➔
Rents	➘	➔

Investor Profile - Warehouse

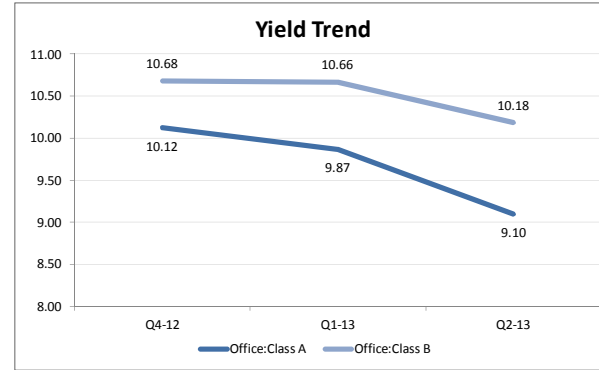
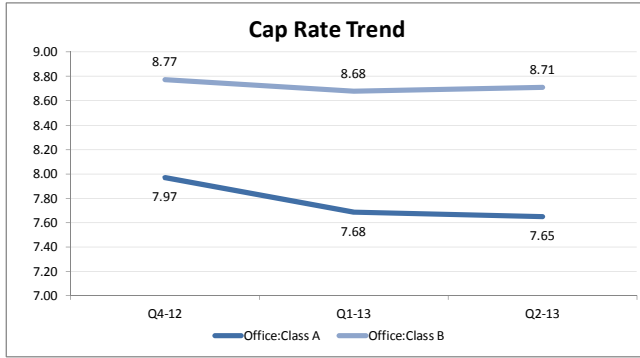


Investor Profile - Flex Space



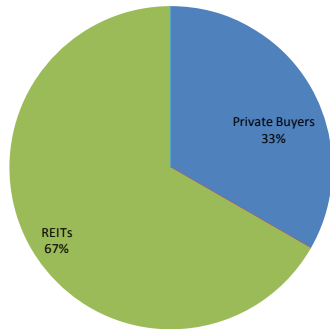
# Regional Market Report for Southwest Coast

Office Properties

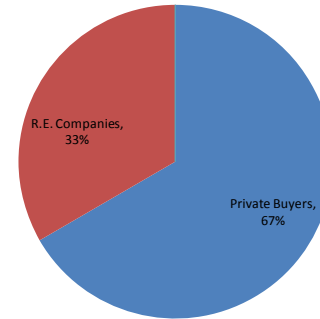


Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	→	→
Yields	→	→
Investment Outlook		
Occupancy	→	↑
Rents	↓	↓

Investor Profile - Office: Class A



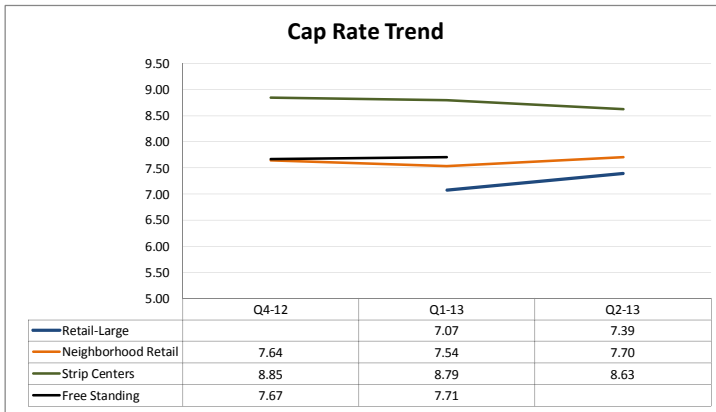
Investor Profile - Office: Class B



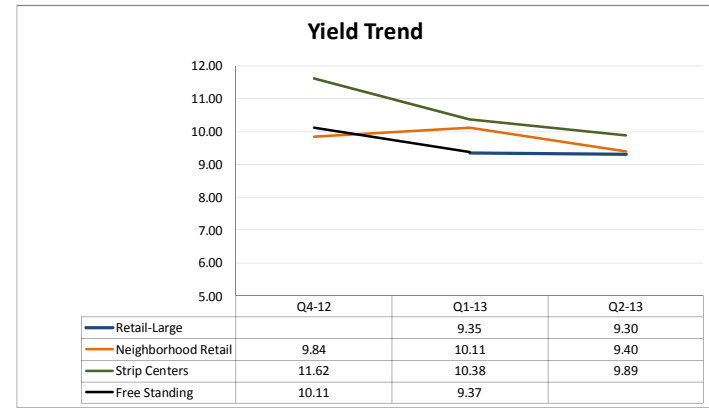
# Regional Market Report for Southwest Coast

Retail Properties

Cap Rate Trend

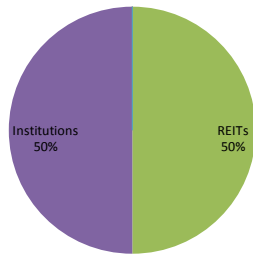


Yield Trend

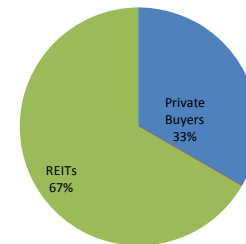


Future Expectations				
	<i>Retail-Large</i>	<i>Neighborhood Centers</i>	<i>Strip Centers</i>	<i>Free Standing</i>
Cap Rates	↕	↘	↗	↕
Yields	↕	↘	↕	↕
Investment Outlook				
Occupancy	↕	↕	↕	
Rents	↕	↕	↕	

Investor Profile - Retail-Large



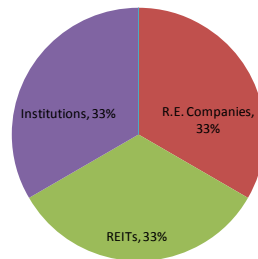
Investor Profile - Strip Centers



Investor Profile - Free Standing

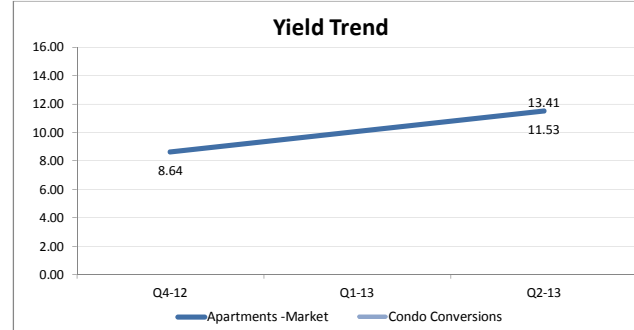
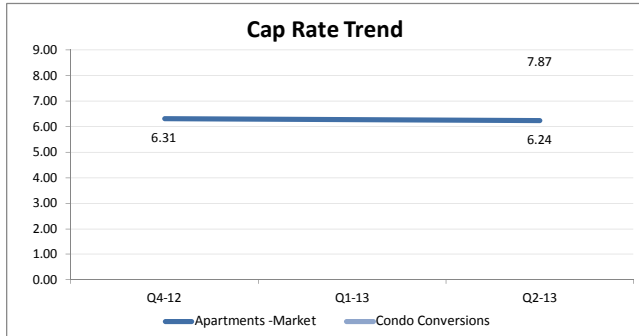


Investor Profile - Neighborhood Center



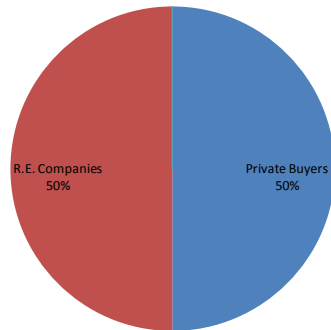
# Regional Market Report for Daytona Beach

Multi-Family Properties



Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↑	↓
Yields	↑	↑
Investment Outlook		
Occupancy	↔	↔
Rents	↑	↔

Investor Profile - Apartments



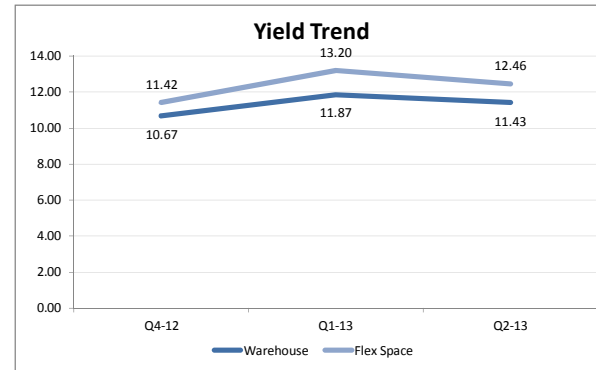
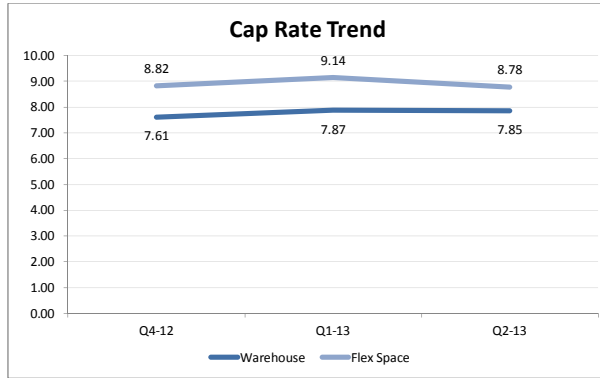
Investor Profile - Condo Conversion





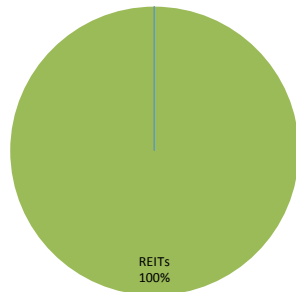
# Regional Market Report for Daytona Beach

Industrial Properties

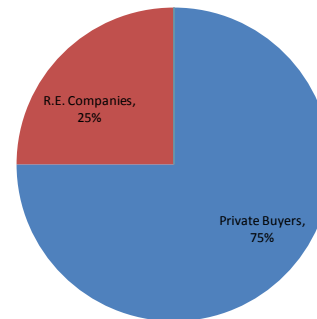


Future Expectations		
	Warehouse	Flex Space
Cap Rates	↓	→
Yields	↓	→
Investment Outlook	→	→
Occupancy	↑	→
Rents	→	↓

Investor Profile - Warehouse

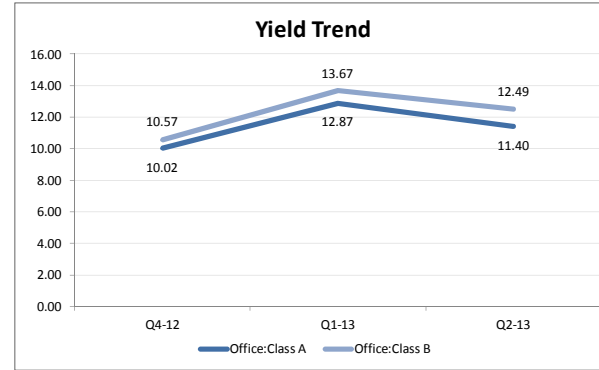
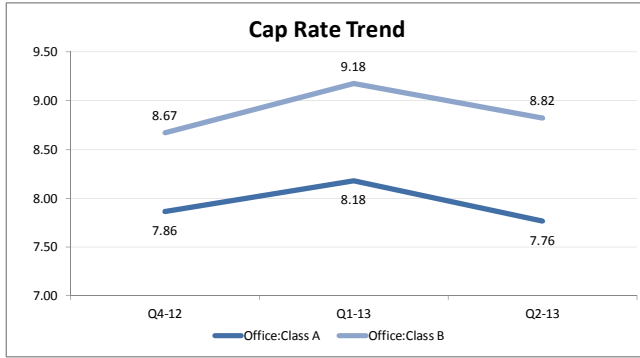


Investor Profile - Flex Space



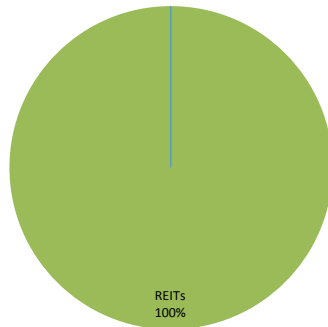
# Regional Market Report for Daytona Beach

Office Properties

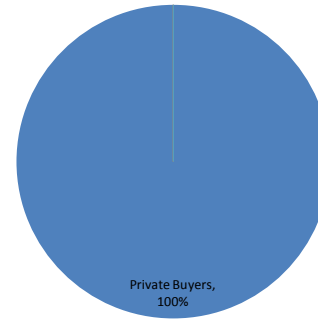


Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	↓	↓
Yields	↑	↑
Investment Outlook		↑
Occupancy	→	↗
Rents	→	→

Investor Profile - Office: Class A



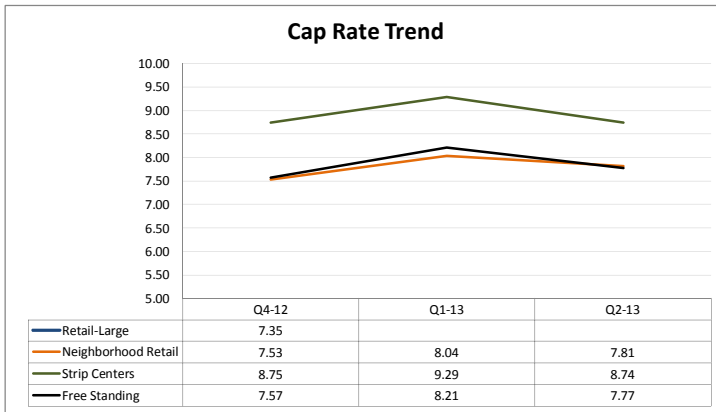
Investor Profile - Office: Class B



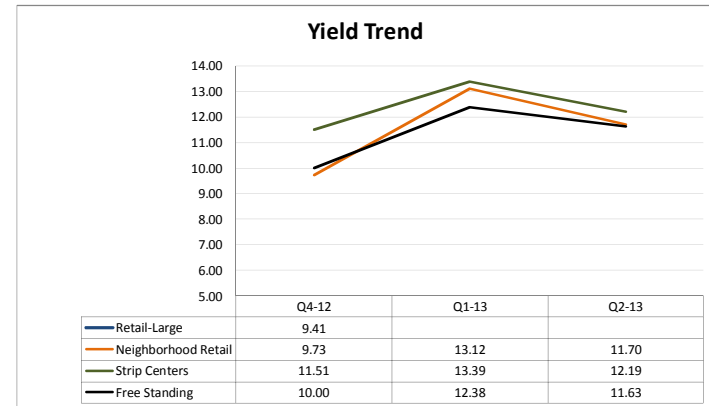
# Regional Market Report for Daytona Beach

Retail Properties

Cap Rate Trend



Yield Trend

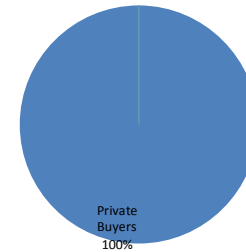


Future Expectations				
	Retail-Large	Neighborhood Centers	Strip Centers	Free Standing
Cap Rates	+	+	-	+
Yields	+	+	+	+
Investment Outlook			+	
Occupancy		+	+	
Rents		-	-	

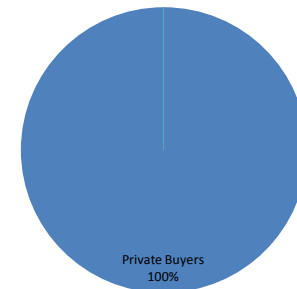
Investor Profile - Retail-Large



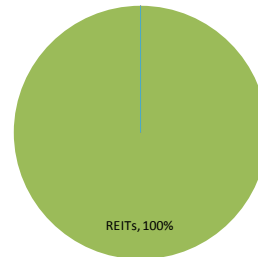
Investor Profile - Strip Centers



Investor Profile - Free Standing

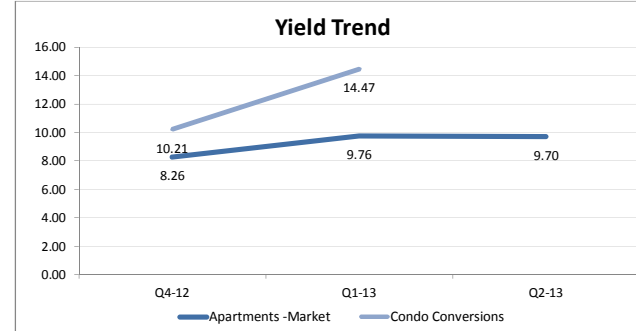
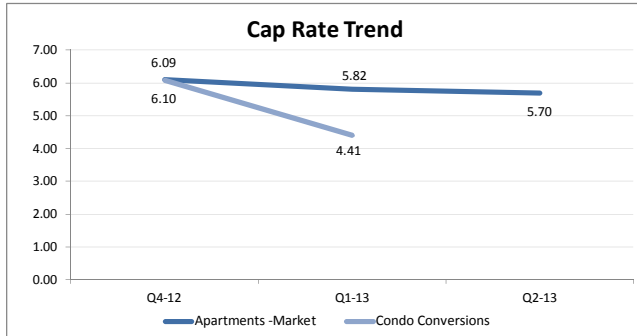


Investor Profile - Neighborhood Center



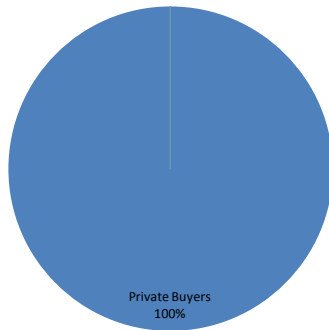
# Regional Market Report for Orlando

Multi-Family Properties



Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↘	↔
Yields	↔	↔
Investment Outlook		
Occupancy	↑	↓
Rents	↑	↔

Investor Profile - Apartments

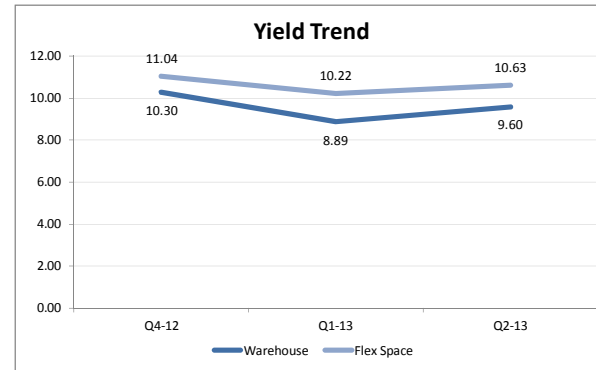
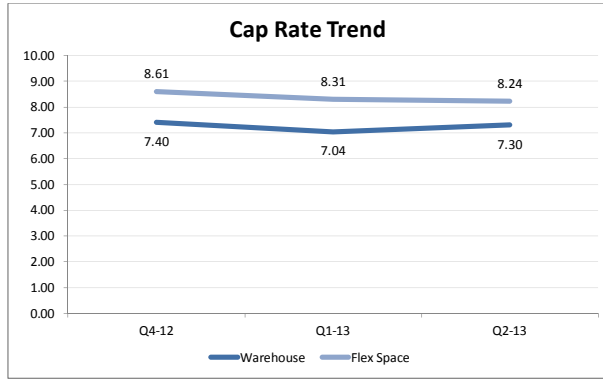


Investor Profile - Condo Conversion



# Regional Market Report for Orlando

Industrial Properties

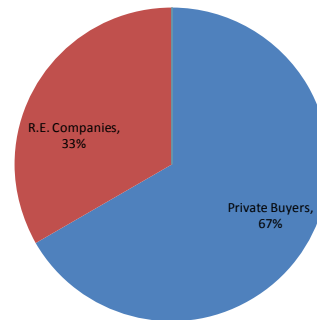


Future Expectations		
	Warehouse	Flex Space
Cap Rates	↓	→
Yields	↓	→
Investment Outlook		↑
Occupancy	↑	↔
Rents	↔	→

Investor Profile - Warehouse

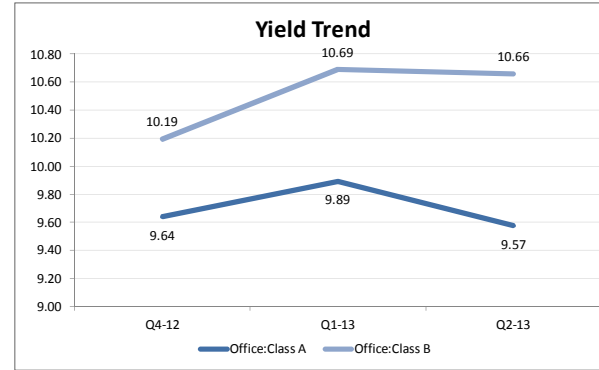
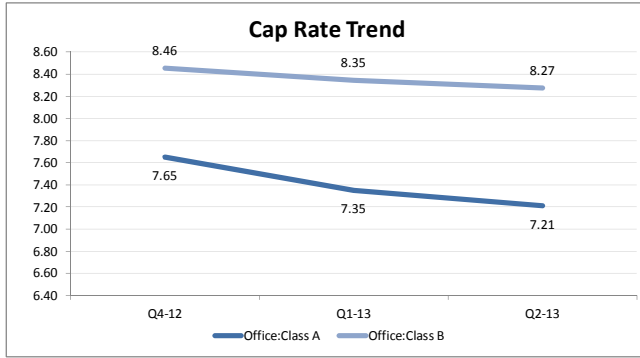


Investor Profile - Flex Space



# Regional Market Report for Orlando

Office Properties

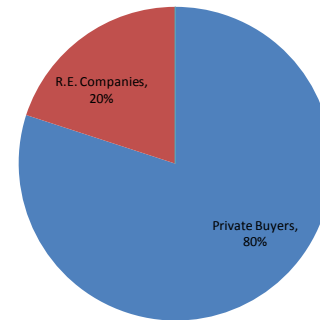


Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	↓	↗
Yields	↓	↗
Investment Outlook		↗
Occupancy	→	→
Rents	↑	→

Investor Profile - Office: Class A



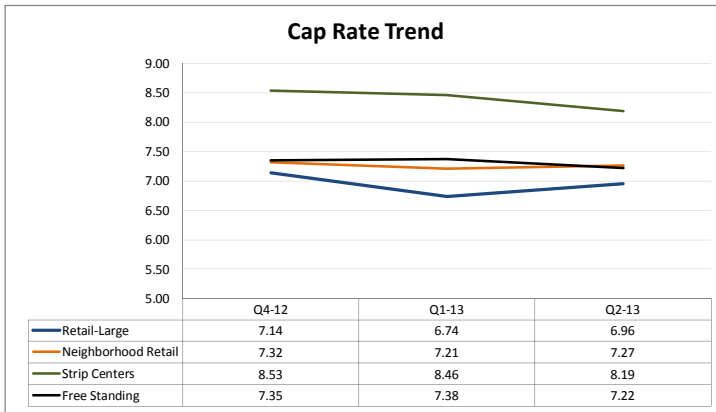
Investor Profile - Office: Class B



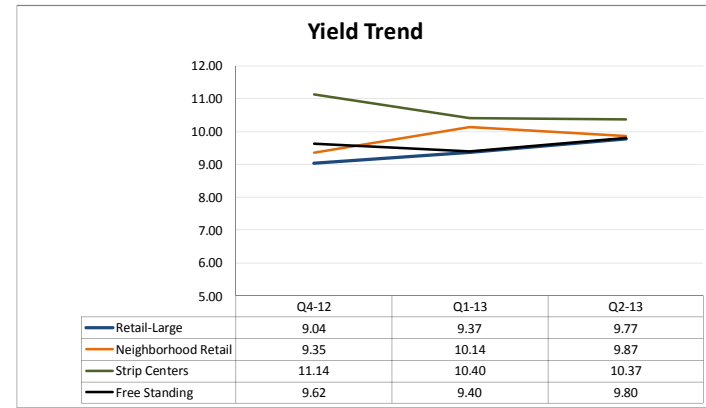
# Regional Market Report for Orlando

Retail Properties

**Cap Rate Trend**

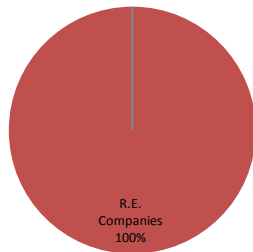


**Yield Trend**

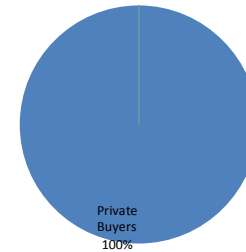


Future Expectations				
	<i>Retail-Large</i>	<i>Neighborhood Centers</i>	<i>Strip Centers</i>	<i>Free Standing</i>
<b>Cap Rates</b>	↗	↕	↘	↕
<b>Yields</b>	↘	↕	↔	↔
<b>Investment Outlook</b>			↕	
<b>Occupancy</b>	↗	↕	↗	
<b>Rents</b>	↘	↘	↗	

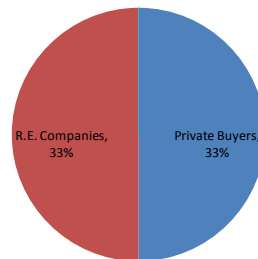
**Investor Profile - Retail-Large**



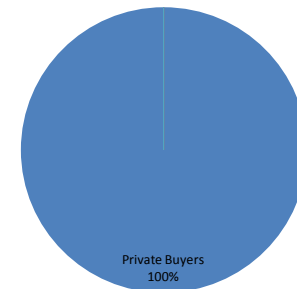
**Investor Profile - Strip Centers**



**Investor Profile - Neighborhood Center**

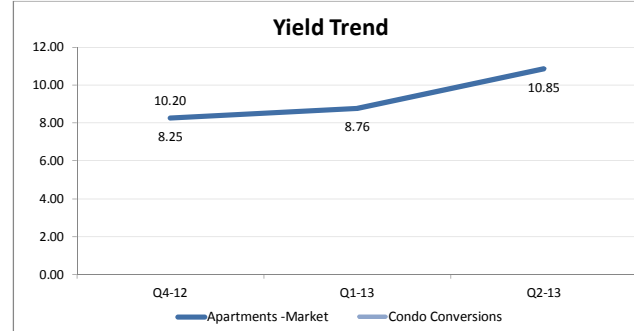
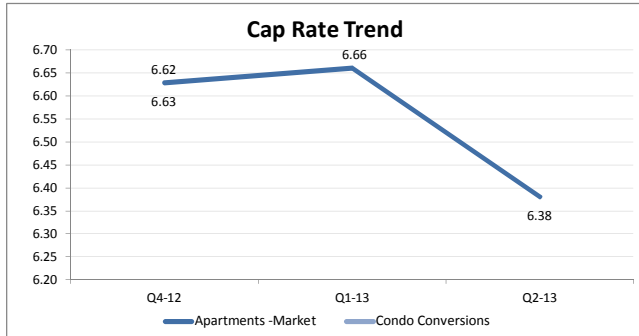


**Investor Profile - Free Standing**



# Regional Market Report for Lakeland

Multi-Family Properties



Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↑	→
Yields	↑	→
Investment Outlook		
Occupancy	→	
Rents	↑	

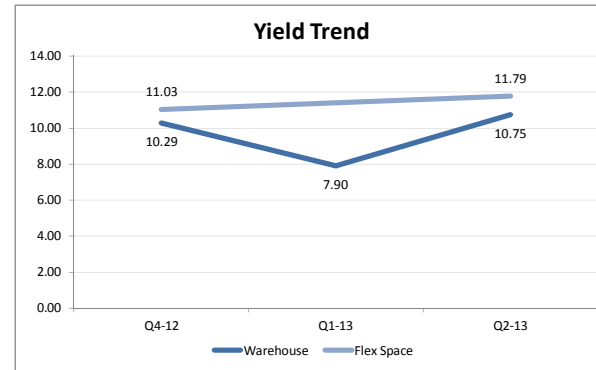
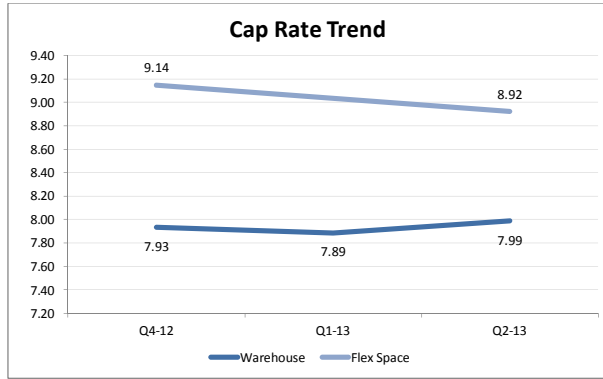
## Investor Profile - Apartments

## Investor Profile - Condo Conversion



# Regional Market Report for Lakeland

Industrial Properties



Future Expectations		
	Warehouse	Flex Space
Cap Rates	↓	→
Yields	↓	→
Investment Outlook		
Occupancy	↑	↑
Rents	↑	→

Investor Profile - Warehouse

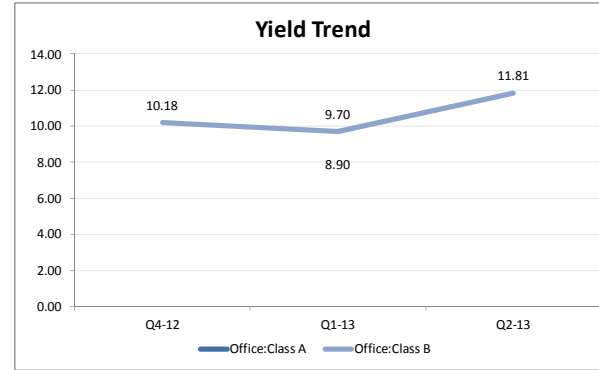
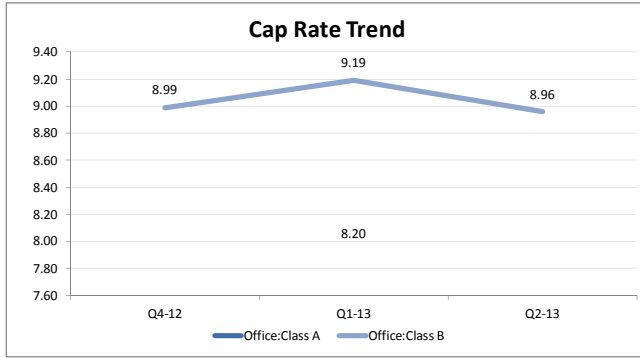
|

Investor Profile - Flex Space

|

# Regional Market Report for Lakeland

Office Properties



Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	→	→
Yields	→	→
Investment Outlook		
Occupancy		↑
Rents		→

## Investor Profile - Office: Class A

Vertical line representing the investor profile for Office: Class A.

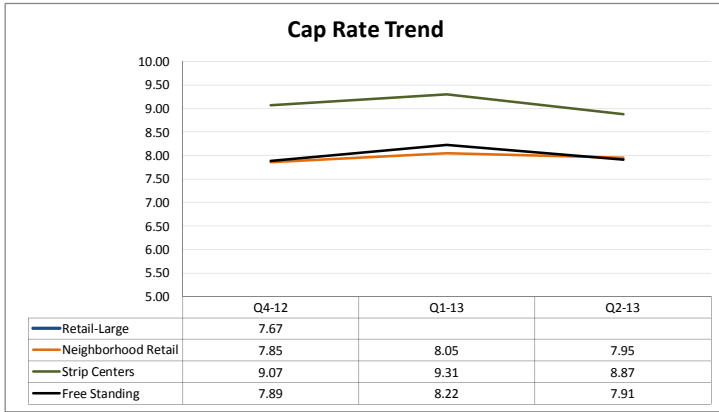
## Investor Profile - Office: Class B

Vertical line representing the investor profile for Office: Class B.

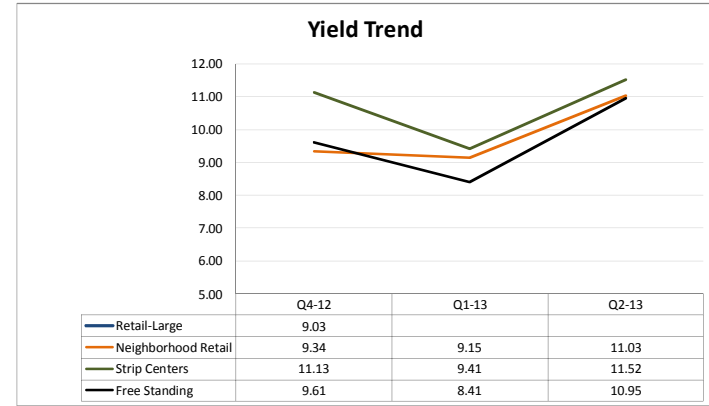
# Regional Market Report for Lakeland

Retail Properties

**Cap Rate Trend**



**Yield Trend**



Future Expectations				
	<i>Retail-Large</i>	<i>Neighborhood Centers</i>	<i>Strip Centers</i>	<i>Free Standing</i>
Cap Rates	↕	↕	↕	↕
Yields	↕	↕	↕	↕
Investment Outlook				
Occupancy		↕	↕	
Rents		↕	↕	

Investor Profile - Retail-Large



Investor Profile - Strip Centers



Investor Profile - Free Standing

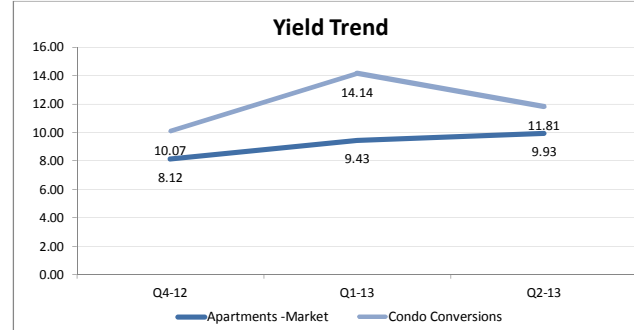
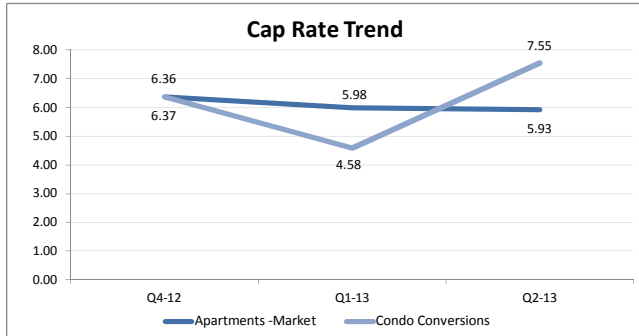


Investor Profile - Neighborhood Center



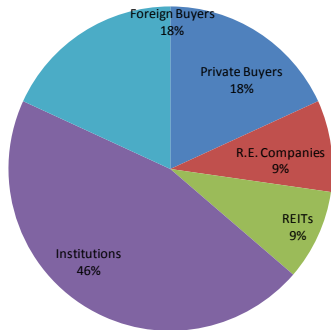
# Regional Market Report for Tampa

Multi-Family Properties

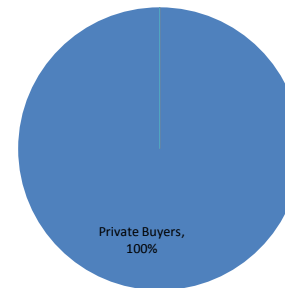


Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
<b>Cap Rates</b>	↔	↔
<b>Yields</b>	↔	↔
<b>Investment Outlook</b>	↑	
<b>Occupancy</b>	↑	↑
<b>Rents</b>	↗	↔

Investor Profile - Apartments

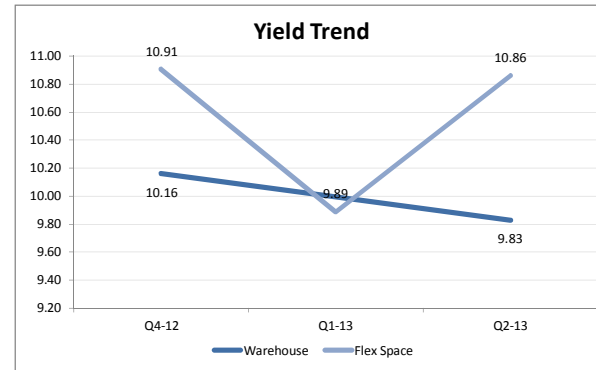
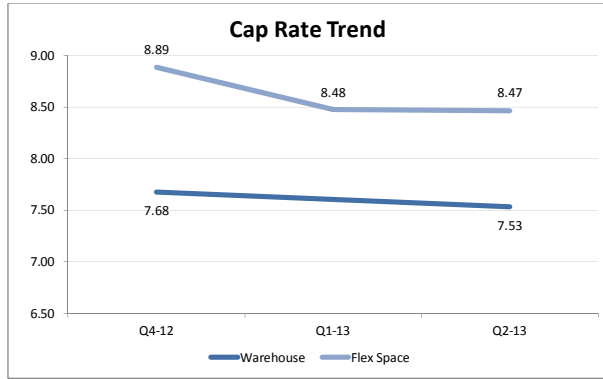


Investor Profile - Condo Conversion



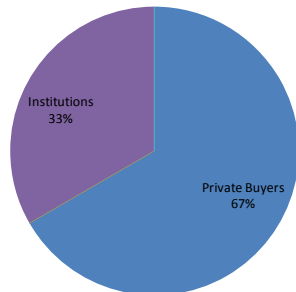
# Regional Market Report for Tampa

Industrial Properties

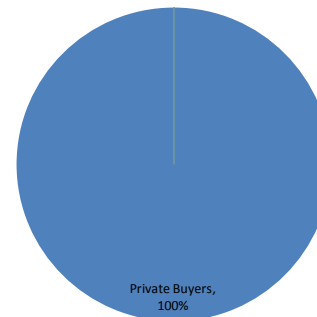


Future Expectations		
	Warehouse	Flex Space
Cap Rates	↘	↗
Yields	↘	↗
Investment Outlook		
Occupancy	↘	↗
Rents	↗	↗

Investor Profile - Warehouse

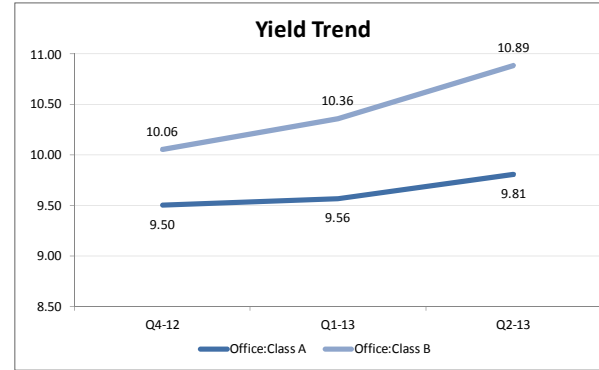
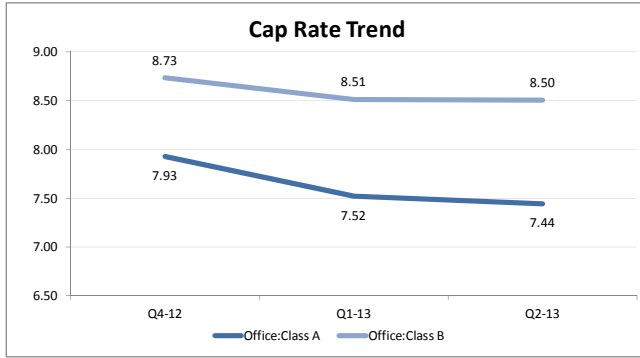


Investor Profile - Flex Space



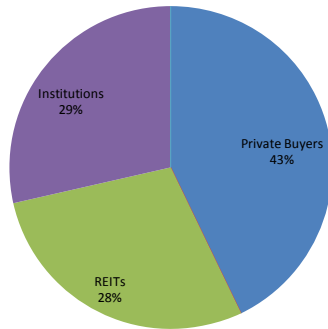
# Regional Market Report for Tampa

Office Properties

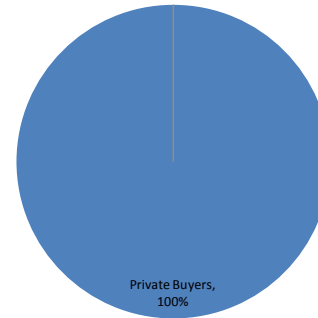


Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	↗	→
Yields	→	→
Investment Outlook	↗	↑
Occupancy	↑	↑
Rents	→	↑

Investor Profile - Office: Class A



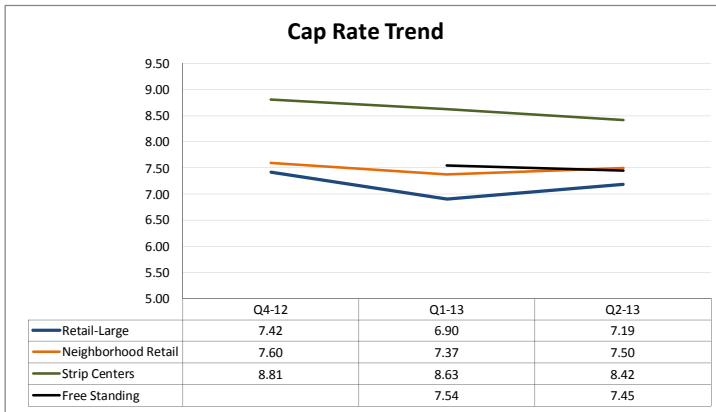
Investor Profile - Office: Class B



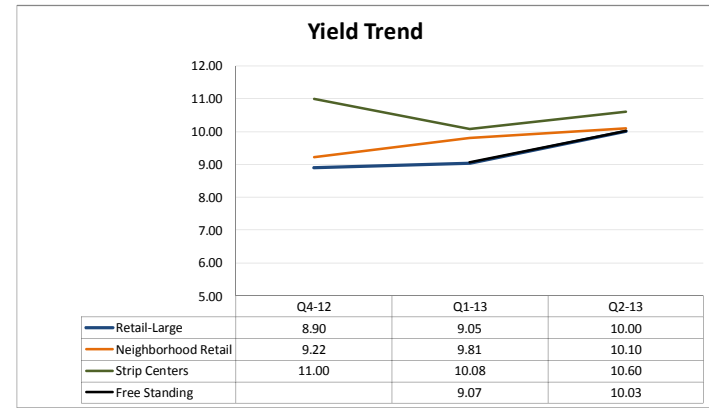
# Regional Market Report for Tampa

Retail Properties

**Cap Rate Trend**

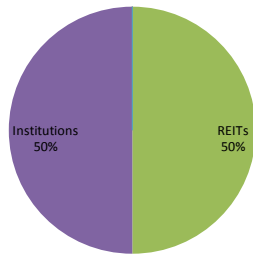


**Yield Trend**

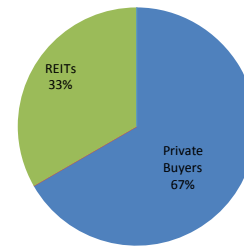


Future Expectations				
	<i>Retail-Large</i>	<i>Neighborhood Centers</i>	<i>Strip Centers</i>	<i>Free Standing</i>
Cap Rates	↑	↑	↔	↓
Yields	↓	↑	↔	↓
Investment Outlook				
Occupancy	↑	↑	↑	
Rents	↔	↔	↑	

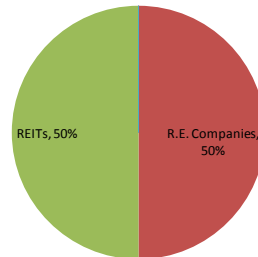
**Investor Profile - Retail-Large**



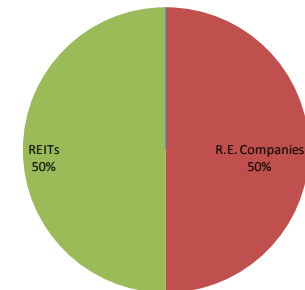
**Investor Profile - Strip Centers**



**Investor Profile - Neighborhood Center**

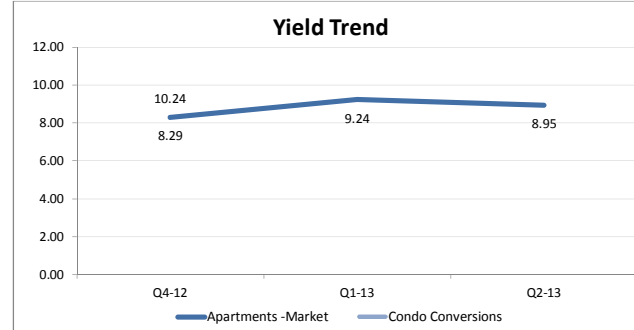
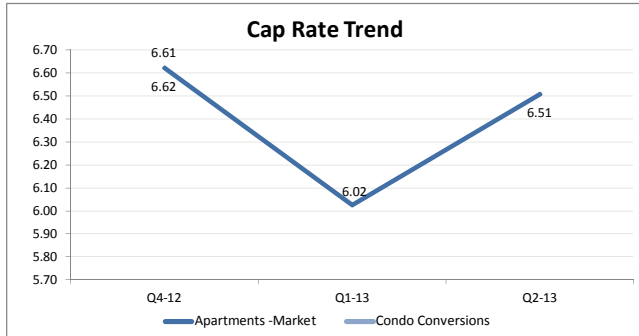


**Investor Profile - Free Standing**



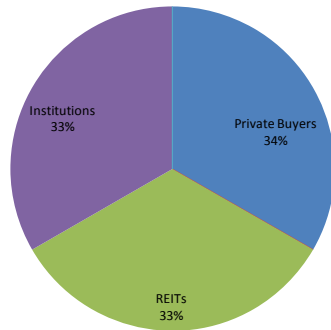
# Regional Market Report for Sarasota

Multi-Family Properties



Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↓	→
Yields	→	→
Investment Outlook		
Occupancy	↑	
Rents	↑	

Investor Profile - Apartments



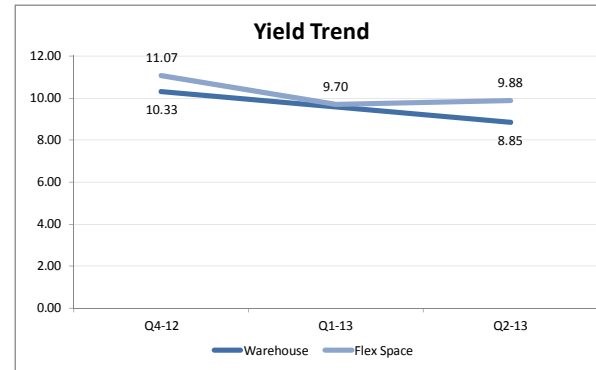
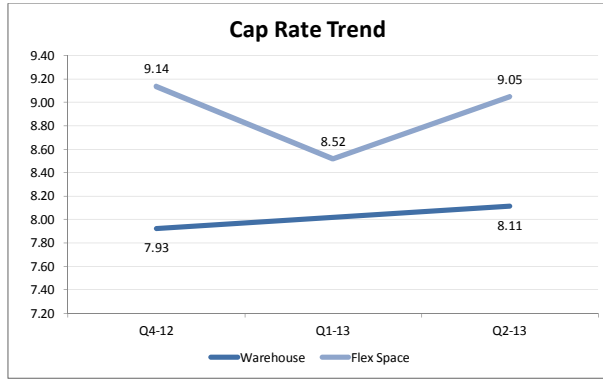
Investor Profile - Condo Conversion





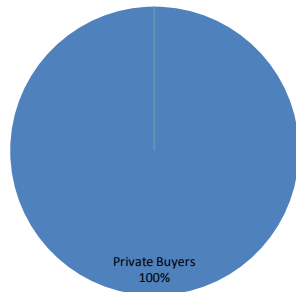
# Regional Market Report for Sarasota

Industrial Properties

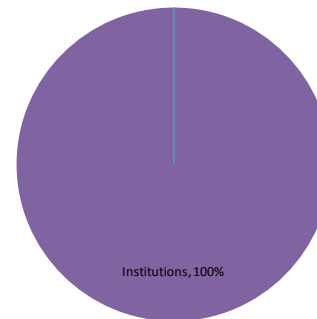


Future Expectations		
	Warehouse	Flex Space
Cap Rates	↔	↔
Yields	↔	↔
Investment Outlook		
Occupancy	↓	↑
Rents	↓	↔

Investor Profile - Warehouse

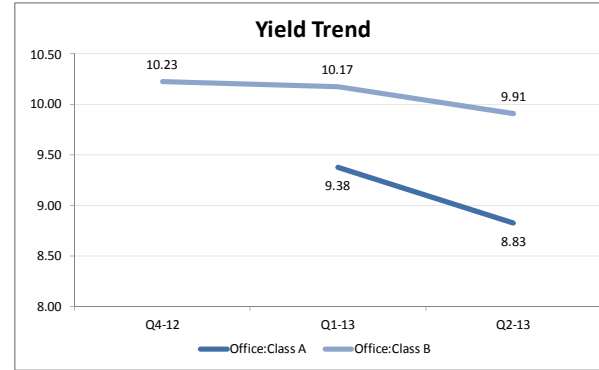
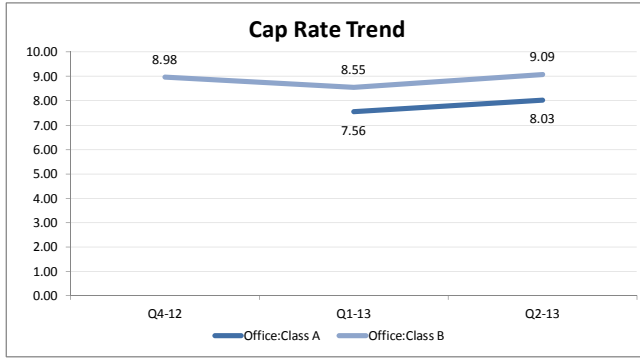


Investor Profile - Flex Space



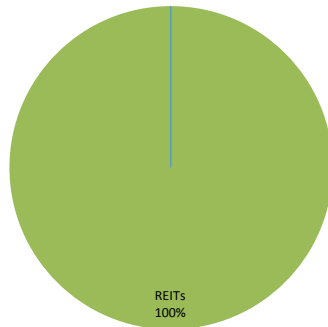
# Regional Market Report for Sarasota

Office Properties

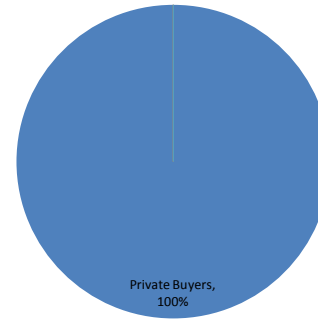


Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	→	↘
Yields	→	↘
Investment Outlook		
Occupancy	→	↑
Rents	→	↗

Investor Profile - Office: Class A



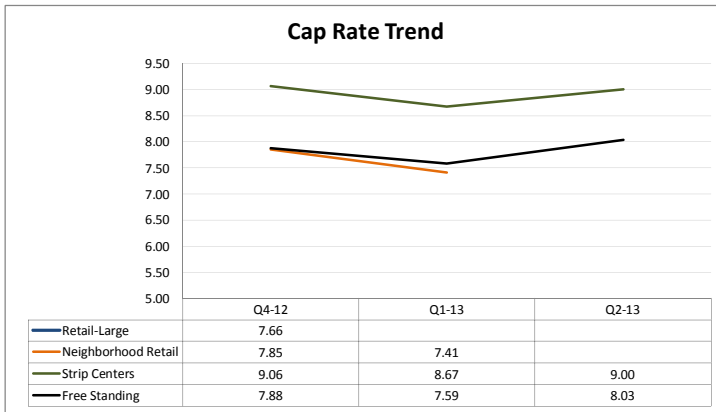
Investor Profile - Office: Class B



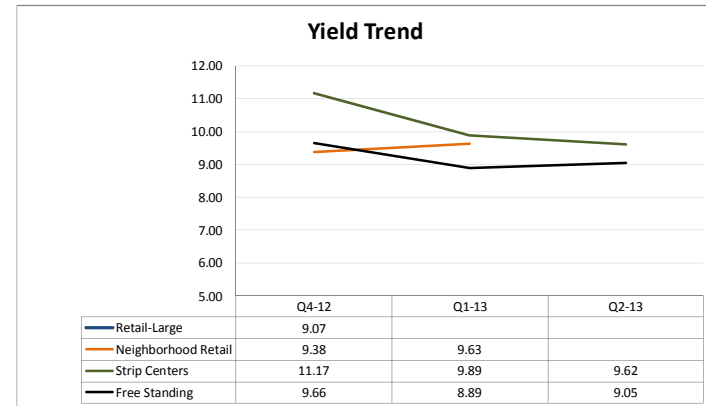
# Regional Market Report for Sarasota

Retail Properties

Cap Rate Trend



Yield Trend



Future Expectations				
	Retail-Large	Neighborhood Centers	Strip Centers	Free Standing
Cap Rates	↕	↕	↕	↕
Yields	↕	↕	↕	↕
Investment Outlook				
Occupancy			↕	
Rents			↕	

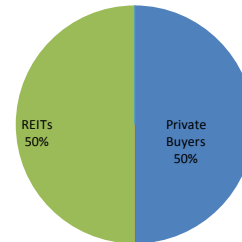
Investor Profile - Retail-Large



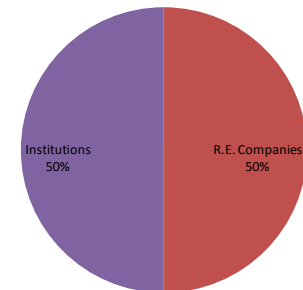
Investor Profile - Neighborhood Center



Investor Profile - Strip Centers

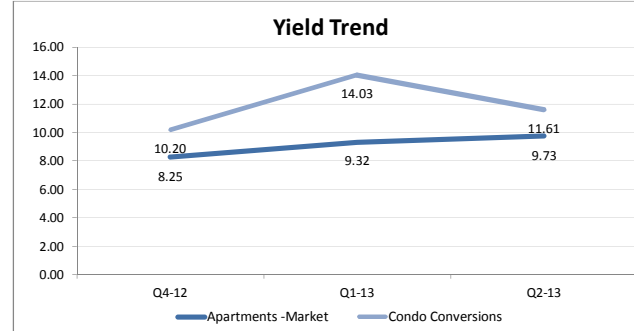
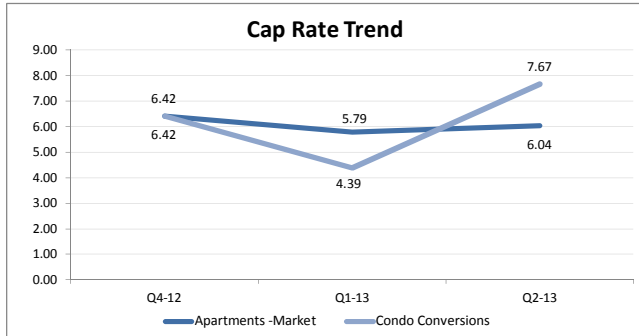


Investor Profile - Free Standing



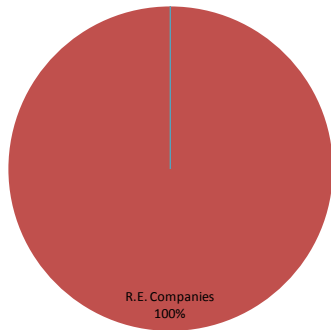
# Regional Market Report for Jacksonville

Multi-Family Properties

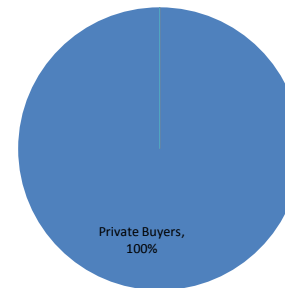


Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↑	→
Yields	↑	→
Investment Outlook		
Occupancy	↓	↓
Rents	↓	↓

Investor Profile - Apartments

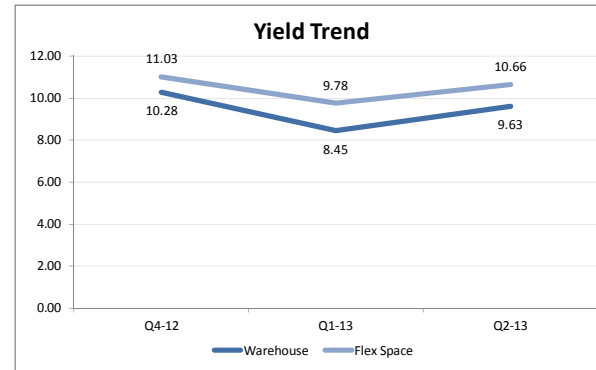
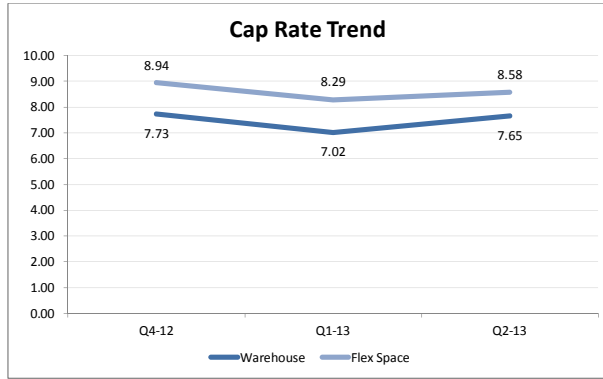


Investor Profile - Condo Conversion



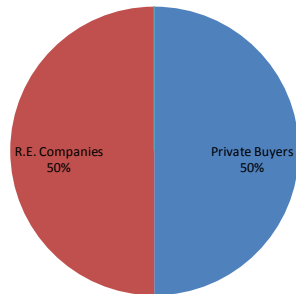
# Regional Market Report for Jacksonville

Industrial Properties

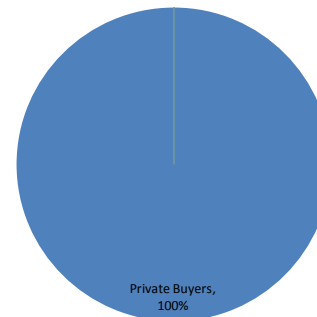


Future Expectations		
	Warehouse	Flex Space
Cap Rates	↑	→
Yields	↓	→
Investment Outlook		
Occupancy	↑	↑
Rents	→	→

Investor Profile - Warehouse

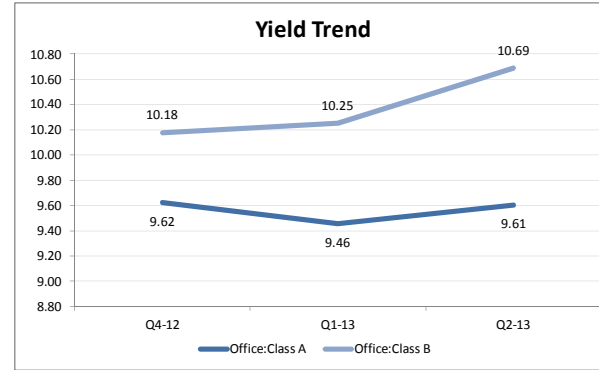
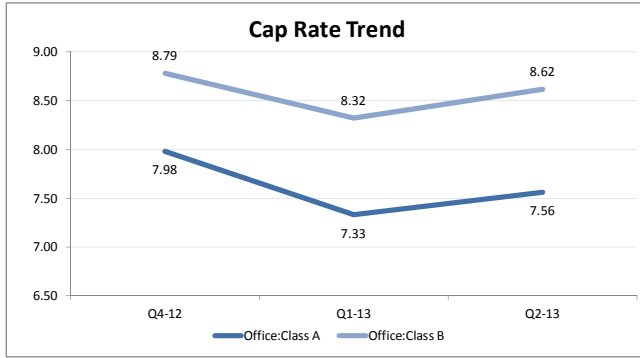


Investor Profile - Flex Space



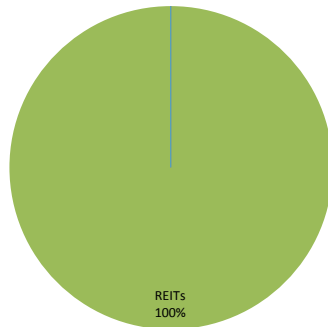
# Regional Market Report for Jacksonville

Office Properties

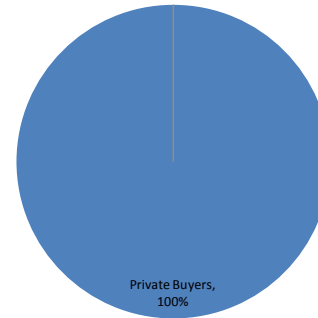


Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	↔	↗
Yields	↔	↗
Investment Outlook		↑
Occupancy	↑	↑
Rents	↑	↔

Investor Profile - Office: Class A



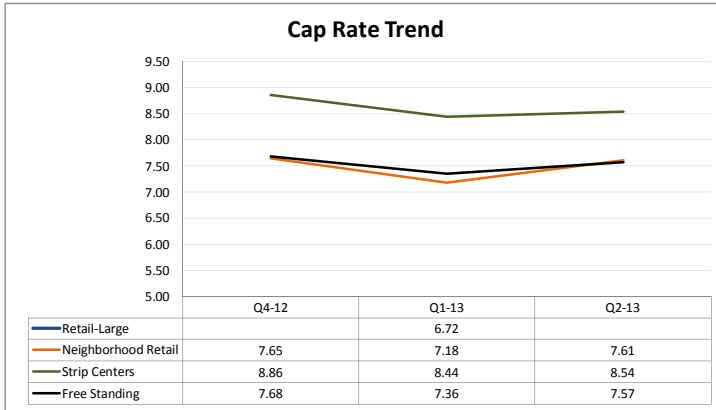
Investor Profile - Office: Class B



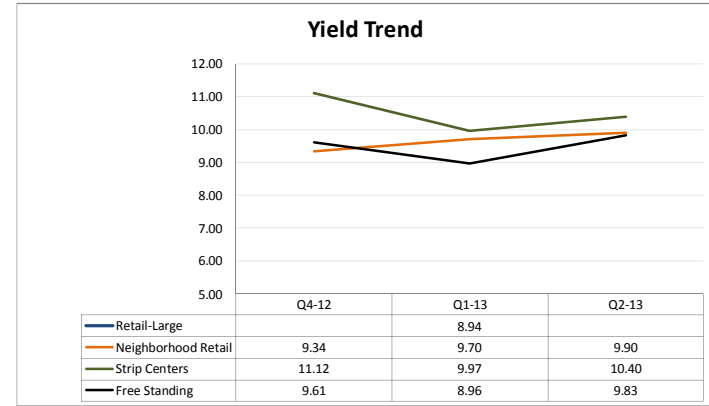
# Regional Market Report for Jacksonville

Retail Properties

Cap Rate Trend



Yield Trend

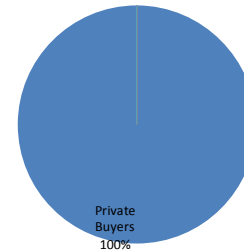


Future Expectations				
	Retail-Large	Neighborhood Centers	Strip Centers	Free Standing
Cap Rates	↕	↕	↕	↕
Yields	↕	↕	↕	↕
Investment Outlook				
Occupancy		↕	↕	
Rents		↕	↕	

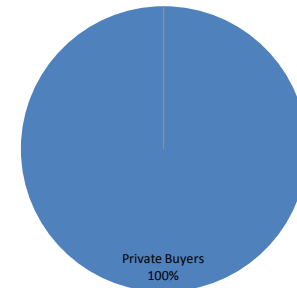
Investor Profile - Retail-Large



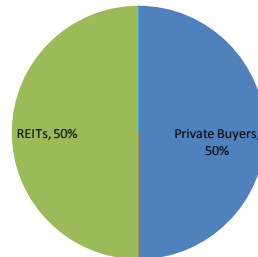
Investor Profile - Strip Centers



Investor Profile - Free Standing

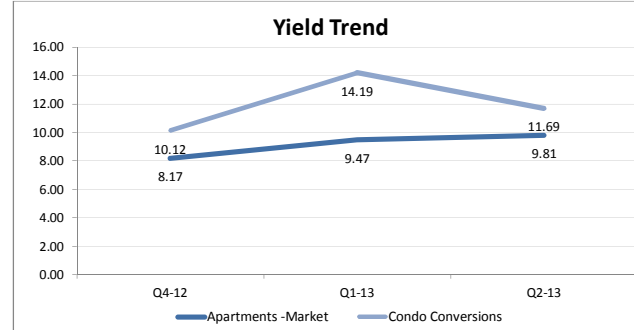
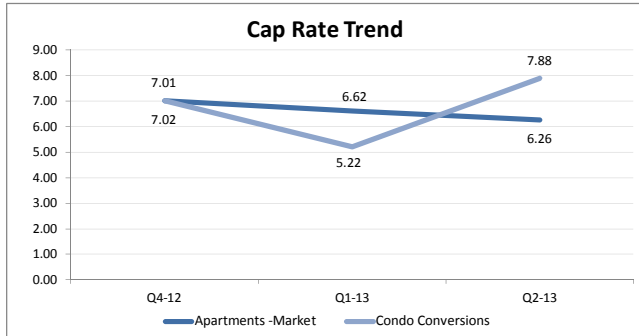


Investor Profile - Neighborhood Center



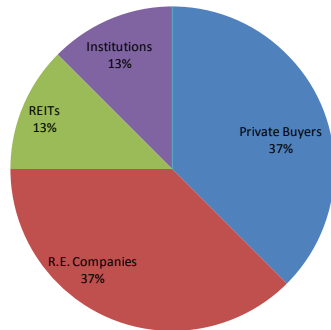
# Regional Market Report for Gainesville/Ocala

Multi-Family Properties

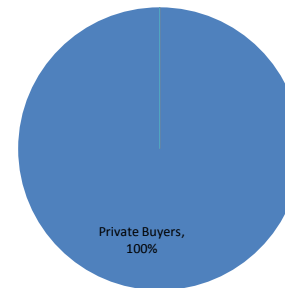


Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↔	↔
Yields	↑	↔
Investment Outlook	↑	
Occupancy	↑	↑
Rents	↑	↑

Investor Profile - Apartments



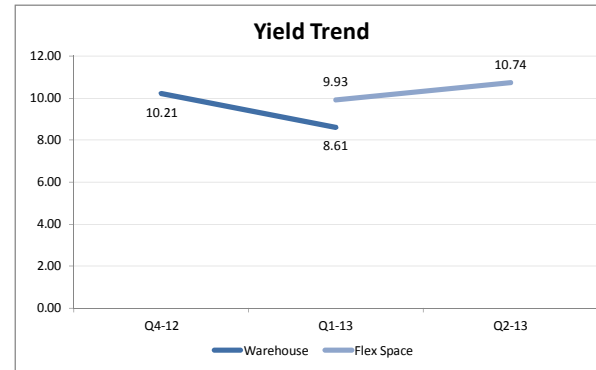
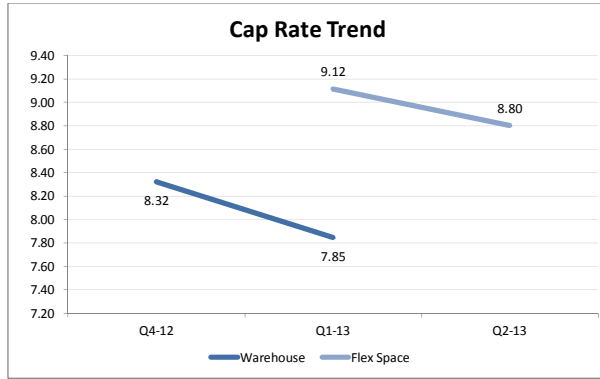
Investor Profile - Condo Conversion





# Regional Market Report for Gainesville/Ocala

Industrial Properties

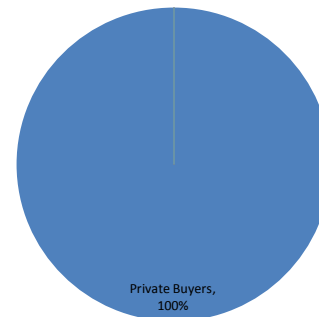


Future Expectations		
	Warehouse	Flex Space
Cap Rates	➔	⬆
Yields	➔	➔
Investment Outlook		
Occupancy		⬇
Rents		⬇

Investor Profile - Warehouse

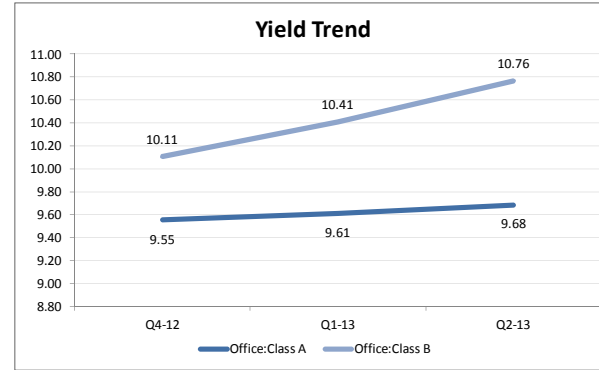
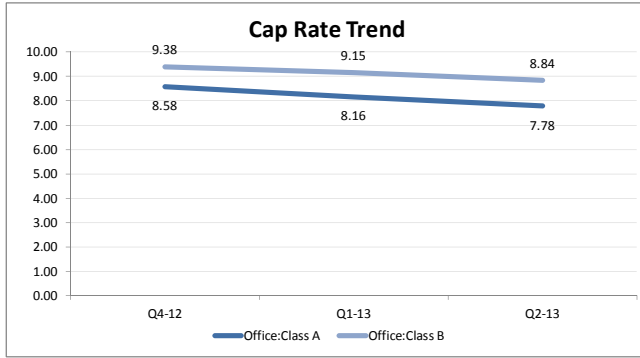


Investor Profile - Flex Space



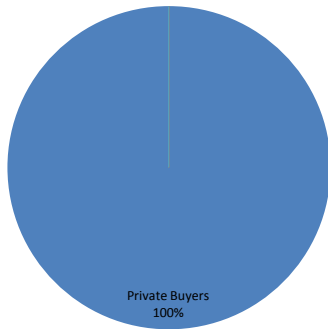
# Regional Market Report for Gainesville/Ocala

Office Properties

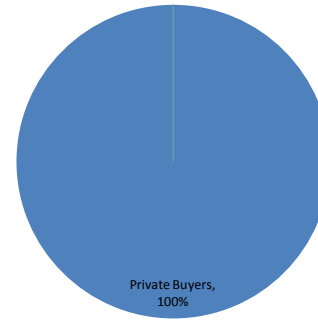


Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	↓	→
Yields	↑	→
Investment Outlook	↑	↑
Occupancy	↑	↑
Rents	→	↓

Investor Profile - Office: Class A



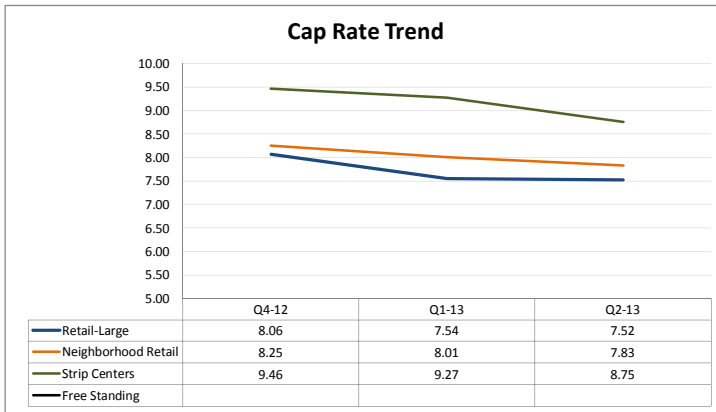
Investor Profile - Office: Class B



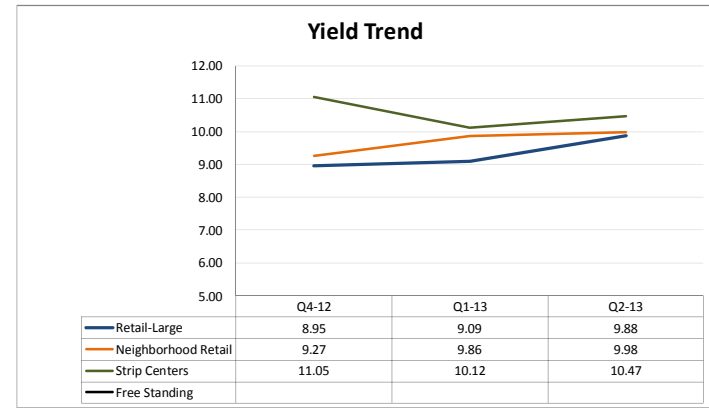
# Regional Market Report for Gainesville/Ocala

Retail Properties

**Cap Rate Trend**

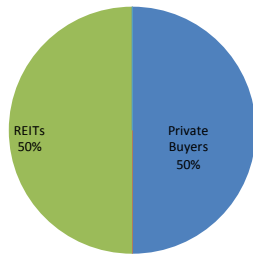


**Yield Trend**

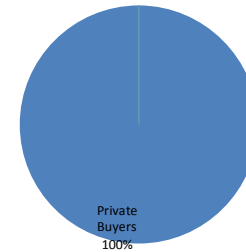


Future Expectations				
	<i>Retail-Large</i>	<i>Neighborhood Centers</i>	<i>Strip Centers</i>	<i>Free Standing</i>
<b>Cap Rates</b>	+	+	+	+
<b>Yields</b>	+	+	+	+
<b>Investment Outlook</b>			+	
<b>Occupancy</b>	+	-	+	
<b>Rents</b>	+	-	+	

**Investor Profile - Retail-Large**



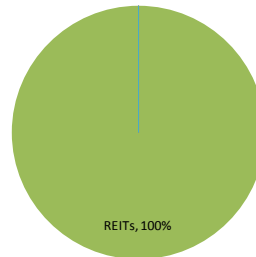
**Investor Profile - Strip Centers**



**Investor Profile - Free Standing**

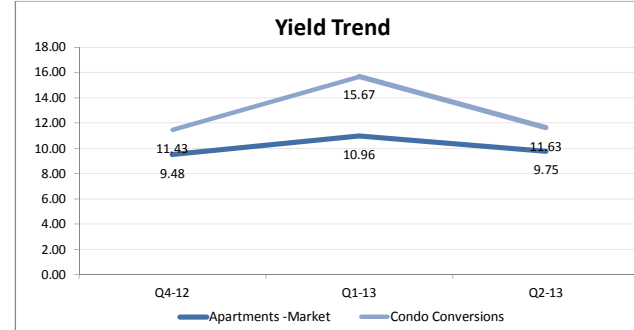
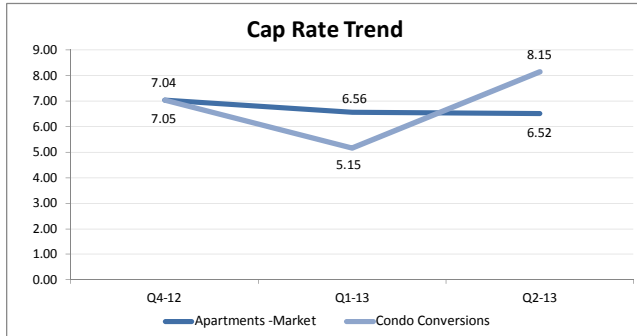


**Investor Profile - Neighborhood Center**



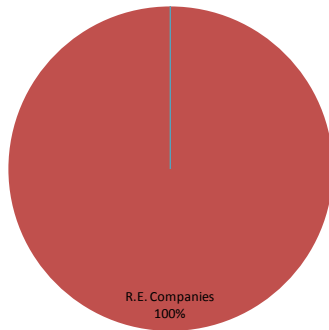
# Regional Market Report for Tallahassee/Panhandle

Multi-Family Properties

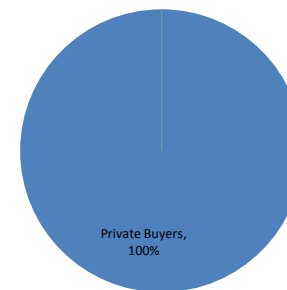


Future Expectations		
	<i>Apartments</i>	<i>Condo Conversion</i>
Cap Rates	↔	↔
Yields	↔	↔
Investment Outlook		
Occupancy	↓	↓
Rents	↓	↓

Investor Profile - Apartments

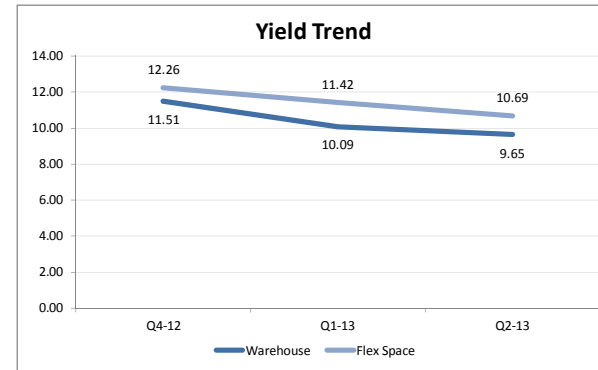
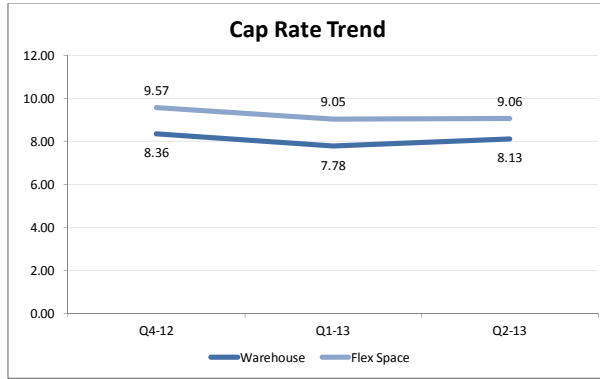


Investor Profile - Condo Conversion



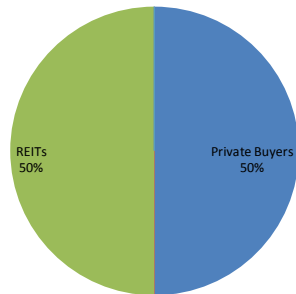
# Regional Market Report for Tallahassee/Panhandle

Industrial Properties

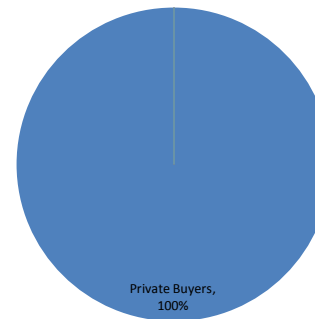


Future Expectations		
	Warehouse	Flex Space
Cap Rates	↑	→
Yields	→	↘
Investment Outlook		↑
Occupancy	↓	→
Rents	↓	↘

Investor Profile - Warehouse

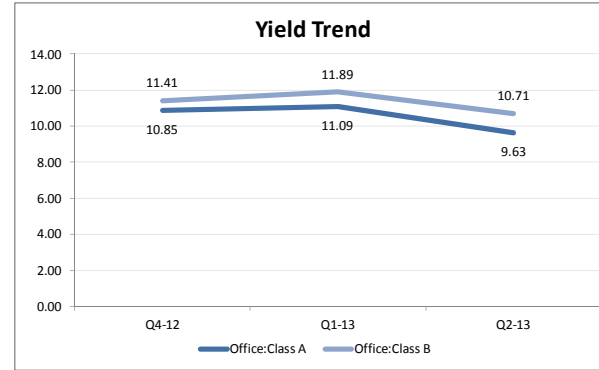
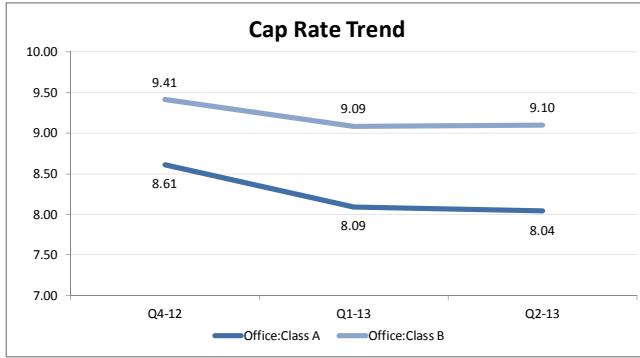


Investor Profile - Flex Space



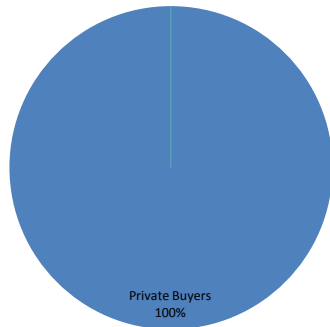
# Regional Market Report for Tallahassee/Panhandle

Office Properties

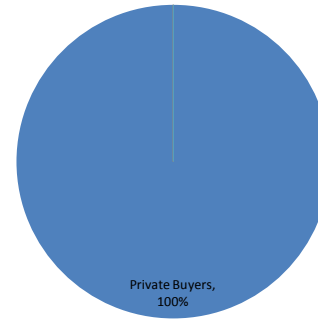


Future Expectations		
	Office: Class A	Office: Class B
Cap Rates	→	↗
Yields	→	→
Investment Outlook		
Occupancy	→	↘
Rents	→	↓

Investor Profile - Office: Class A

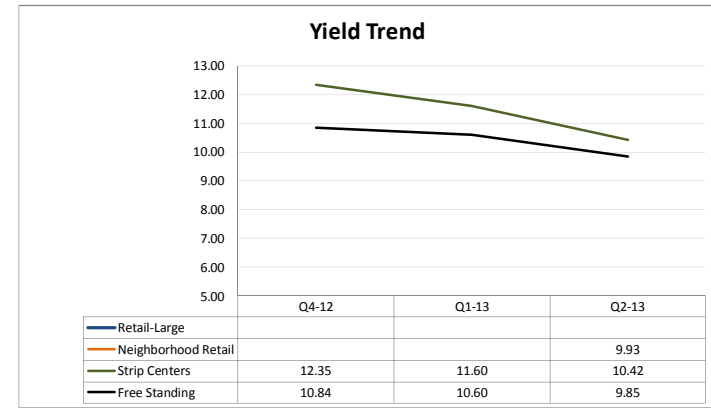
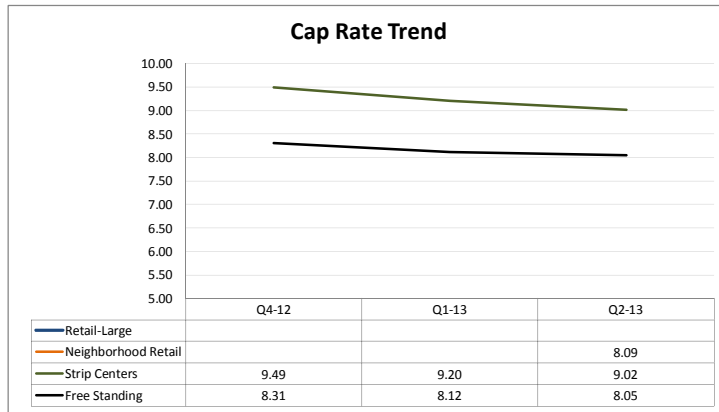


Investor Profile - Office: Class B



# Regional Market Report for Tallahassee/Panhandle

Retail Properties

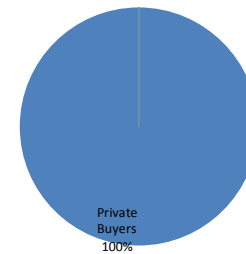


Future Expectations				
	Retail-Large	Neighborhood Centers	Strip Centers	Free Standing
Cap Rates	+	+	↗	+
Yields	+	+	+	+
Investment Outlook			+	
Occupancy		+	↗	
Rents		+	↘	

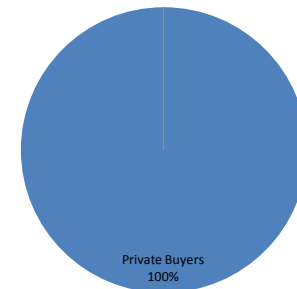
Investor Profile - Retail-Large



Investor Profile - Strip Centers



Investor Profile - Free Standing



Investor Profile - Neighborhood Center

