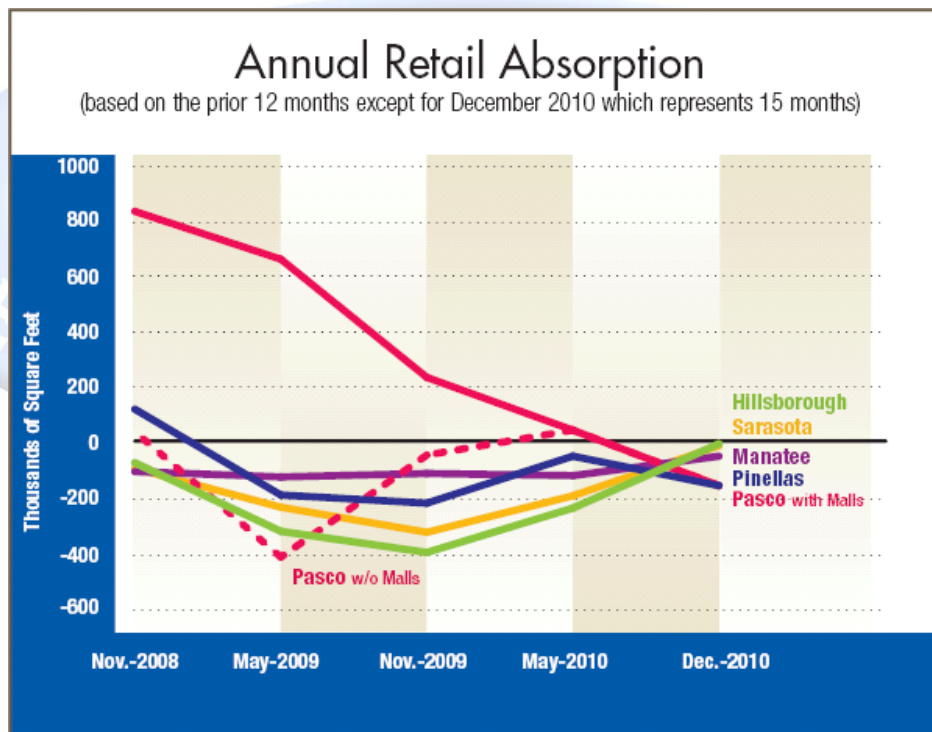


## RETAIL MARKET OVERVIEW

The compilation of the *Maddux Report* survey, a local real estate monthly publication, includes all shopping centers with five or more tenants and a minimum of 40,000 square feet. Therefore, we have considered the Maddux data accordingly. The subject property is located in the Mid Pinellas County Retail Submarket.

According to the *Maddux Report*, as of December 2010, the Tampa Bay Region retail market had a total inventory of 67.9 million square feet, of which 6.58 million square feet is located in Mid Pinellas County. Vacancy was reported at 8.0% for Mid Pinellas County, which is the lowest in the county (with an average of 9.5%) and below the average vacancy rate of the region of 10.8%. The Mid Pinellas County Retail Submarket experienced a 12 month negative absorption of 76,670 square feet. There was reportedly no space under construction within the county.



Tampa Bay Retail Market								
	Existing Leasable Space (S.F.)	Existing Vacant Space (S.F.)	% Vacant	Total Space Under Construction	Net 9-Month Absorp.	Annual Absorp.*	Weighted Average Rents	Weighted Average CAM
Northeast	4.63-mil.	743,340	16.1%	0	179,460	76,230	\$13.05	\$3.88
Northwest	9.08-mil.	574,030	6.3%	0	30,280	-33,650	\$15.27	\$4.79
Southeast	8.61-mil.	809,230	9.4%	0	-49,020	-41,210	\$17.04	\$4.38
Southwest	2.57-mil.	135,370	5.3%	0	13,130	-5,220	\$21.25	\$6.24
<b>TOTAL Hillsborough</b>	<b>24.89-mil.</b>	<b>2.26-mil.</b>	<b>9.4%</b>	<b>0</b>	<b>173,850</b>	<b>-3,850</b>	<b>\$17.28</b>	<b>\$4.61</b>
North	5.43-mil.	684,710	12.6%	0	-45,110	-97,050	\$17.73	\$5.33
Mid	6.58-mil.	526,460	8.0%	0	-72,700	-76,670	\$17.35	\$4.32
South	6.41-mil.	538,515	8.4%	0	18,190	19,475	\$18.22	\$4.59
<b>TOTAL Pinellas</b>	<b>18.42-mil.</b>	<b>1.75-mil.</b>	<b>9.5%</b>	<b>0</b>	<b>-99,620</b>	<b>-154,245</b>	<b>\$17.75</b>	<b>\$4.67</b>
MANATEE	5.85-mil.	527,045	9.0%	0	17,110	-48,265	\$15.10	\$5.12
SARASOTA	9.63-mil.	1.22-mil.	12.7%	0	27,480	-11,020	\$15.82	\$3.94
PASCO	9.14-mil.	1.56-mil.	16.9%	870,775	-61,120	-154,330	\$15.39	\$3.84
<b>REGION</b>	<b>67.9-mil.</b>	<b>7.31-mil.</b>	<b>10.8%</b>	<b>870,775</b>	<b>57,700</b>	<b>-371,710</b>	<b>\$17.09</b>	<b>\$4.47</b>

\*Annual absorption represents 15 months this period only.

Mid Pinellas County reported a decline in December 2010, with a 9 month negative absorption of 72,700 square feet compared to a negative 6-month absorption of 3,970 in May 2010 and a 6-month positive absorption of 26,150 square feet in November 2009. The submarket's vacancy rate rose slightly from the last survey in May 2010 to a current vacancy of 8.0%. However, this is the third lowest vacancy rate in all of the Tampa Bay region submarkets. Mid Pinellas County's asking rent reportedly increased \$0.40 per square foot since the last survey in May 2010. We have compiled the data from the Maddux Business Report over the last five years, as summarized below.

<b>MID PINELLAS RETAIL MARKET</b>		
6 Months Ending	Vacancy Rate	6 Month Absorption
* Dec-10	8.0%	-72,700
May-10	7.7%	-3,970
November-09	7.2%	26,150
May-09	7.6%	-91,540
November-08	6.0%	71,325
May-08	6.7%	-40,150
November-07	5.6%	21,910
May-07	4.8%	77,175
November-06	4.1%	13,520
May-06	5.8%	54,690

\* This survey period included 9 months of data

In conclusion, the subject's retail market experienced a significant negative absorption of space in mid 2008 and mid 2009 with the most recent data indicating a significant negative absorption. The vacancy rate has risen since a low in November 2006 to a current high of 8.0%. It is difficult to estimate if and when we have hit the bottom of the retail market in the county. However, the above information indicates that the declining trend may be slowing down as can be seen from May 2009 to December 2010. We expect this submarket to continue to struggle until the market and economy begin a recovery and the excess inventory of space is absorbed.

