

NATIONAL NEWS

Price Momentum Continues to Build for Commercial Real Estate. Latest CoStar Commercial Repeat Sale Analysis Finds Property Pricing Benefitting from Broad Recovery in Market Fundamentals.

This month's CoStar Commercial Repeat Sale Indices (CCRSI) provides more evidence of two broad trends in the commercial real estate investment market: the continued strong demand for top quality institutional-grade assets by big investors, and widening investor demand for mid- and lower-quality commercial property as the pricing recovery extended to smaller markets and secondary property types. The momentum shift to lower quality and smaller properties also appeared in the rent growth of the General Commercial segment, which grew by a similar 15.7% over the previous year, while its counterpart, the Investment Grade Index, advanced by an equally strong 15% over the same period. In reporting on commercial property pricing trends, CoStar's CCRSI made note of the continued positive net absorption within the General Commercial segment rose 48% during the same period, compared with a 5% annual gain for the same period in the Investment Grade segment. In keeping with the pattern set in previous years, the number of properties trading hands over the first three months of year is typically one-third lower than year-end sale volume. However, despite the slowdown, the CCRSI noted that transaction activity through February 2014 suggests that the year as a whole will be very active for commercial real estate investment. Having racked up a composite pair volume of nearly \$10 billion through the first two months of the year, 2014 has already exceeded first quarter 2013 totals. - Tim Trainor, CoStar Group

TAMPA NEWS

Tampa Bay Was Number Eight On The New Forbes List Of Most Affordable Large U.S. Metropolitan Areas. Forbes looked at the country's 100 largest metropolitan areas, then factored in housing affordability, cost of living index, as well as, the cost of food, utilities, gas,

transportation, medical expenses and miscellaneous expenses. The least affordable areas were New York City and Honolulu. The most affordable metro areas were Buffalo, Memphis and Cincinnati. - Tampa Bay Times

Tampa Among Nation's Best Places To Find A Job. A new report by the online financial advice site Wallet Hub ranks Tampa third nationally as the best city to find a job. The study evaluated 60 cities based on 13 metrics including the number of job openings, unemployment rate trends, cost of living and prevalence of employer-based health benefits. Tampa was ranked behind only Fort Worth, TX and Washington, D.C. - Tampa Bay Times

Take-aways from The Downtown Partnership, 18th Annual Development Forum, held on March 21, 2014:

- The Tampa Airport is planning a 2.3 million square foot expansion to the South.
- The Airport Authority is the largest port in Florida by acreage with 5,000 acres.
- They also own 46.8 acres within Channelside District of downtown Tampa.
- Condominium prices continue to rise with the current highest price paid was \$345/sf at the Towers at Channelside. Condo prices downtown have increased 20% in the last 24 months.
- Tourism is the largest employer in Tampa Bay. In 2013, there were 94.5 million visitors to Florida.
- For the first time since the 1920s, urban areas are growing faster than suburban.

Study: Tampa Among 'Cost-Friendly' Business Locations Due To Low Labor Costs. Thanks to low labor costs, Tampa has been named one of the top ten places viewed as "cost-friendly" for business. According to a study released by KPMG LLP, Tampa is No. 6 of the 31 largest metros areas in the United States, those with a population more than 2 million. Tampa's higher rating was attributed to it having the third-lowest labor costs in the U.S. according to Yahoo Finance. Other factors the study looked at included costs associated with taxes, facilities, transportation and utilities, the statement said. - Jo-Lynn Brown, Tampa Bay Business Journal

STATISTICS

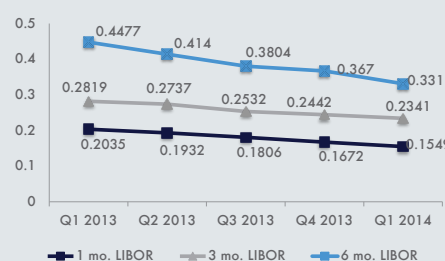
Market Tracker
*Arrows = Current Qtr Trend

S&P 500
+0.7% YTD

DOW Jones
-1.3% YTD

Nasdaq
-0.5% YTD

Interest Rates



Treasuries



	KEY RATES	US Q4	Tampa Bay Q4	US Q1	Tampa Bay Q1
▲	Unemployment Rate	6.7%	6.0%	6.7%	6.5%
Vacancy Rates					
▼	Class A Office	12.8%	13.7%	12.8%	13.1%
▼	Class B Office	12.1%	14.4%	12%	14.3%
▼	Industrial	8.0%	9.7%	7.8%	9.4%
▼	Retail	6.6%	7.0%	6.5%	6.9%
Rental Rates					
▲	Class A Office	\$27.89	\$23.57	\$28.16	\$23.79
▲	Class B Office	\$19.93	\$17.85	\$19.96	\$17.91
◆	Industrial	\$5.36	\$5.04	\$5.39	\$5.14
◆	Retail	\$14.59	\$13.68	\$14.63	\$13.56
Net Absorption					
▲	Office	25,621,357	636,968	21,679,097	226,407
▲	Industrial	78,394,511	83,316	46,960,231	1,075,508
▲	Retail	21,284,564	698,181	24,410,667	561,048

REGIONAL NEWS

Huge new rail hub opens in Winter Haven. An affiliate of railroad behemoth CSX has begun operations at a state-of-the-art intermodal terminal just off State Road 60 in Winter Haven, CSX said in a statement. Evansville Western Railway has dubbed the 318-acre facility the Central Florida International Logistics Center. It will serve as a centralized hub for transportation, logistics and distribution for Orlando, Tampa and South Florida. The facility features five 3,000-foot loading tracks and two 10,000-foot arrival and departure tracks. The company expects the terminal to handle up to 300,000 containers a year. Containerized freight that was previously processed at CSX's Intermodal terminal in Orlando is being shifted to the Winter Haven operation. There were no details about the cost to complete the facility. While Evansville Western owns the terminal, it's being operated by CSX International Terminals Inc. with rail service provided by CSX Transportation. The terminal is surrounded by 930 acres earmarked for development of up to 7.9 million square feet of warehouse light industrial and office. - Eric Snider, Tampa Bay Business Journal

Highlights from The Florida Forecast 2014 - 2017, Institute for Economic Competitiveness, College of Business Administration, University of Central Florida, March 2014:

- As of January 2014, 49.1% of single family home transactions are cash sales, down slightly from 50.5% a year earlier. This suggests a continuing high level of investor activity in Florida's housing market.
- Payroll job growth year over year should average 2.5% in 2014, 2.7% in 2015, 2.4% in 2016 and 2.1% in 2017. It will be the first quarter of 2016 before payrolls recover to their pre-recession highs.
- Labor force growth in Florida will average 1.6% from 2014-2017. This will dramatically slow the pace of decline for the unemployment rate (U-3) in the state. Labor force growth will have average just 0.8% during 2010-2013, and is in large part responsible for the rapid pace of the decline in the unemployment rate during that time period.

KEY TRANSACTIONS

RENTAL PROPERTY	Type	SF	TENANT	TRANSACTION TYPE	SUBMARKET
11208 Blue Heron Blvd N	Office	35,863	Southeastern College	Lease	Pinellas
Tampa City Center	Office	27,334	Ernst & Young	Lease	Central Tampa
Forest Lakes Plaza	Retail	19,000	ALDI Super Market	Lease	Oldsmar
SALE PROPERTY	TYPE	SF/ACRES	CAP RATE	PRICE	SUBMARKET
Preserve at Mobbly Bay	Apts.	339,720	6.00%	\$33,750,000	NW Hillsborough
Chipotle, Matress Firm	Retail	10,750	7.50%	\$4,500,000	Citrus Park
Eden Apartments	Apts.	19,600	7.27%	\$1,245,000	Tampa
Tiger Direct.Com	Retail	25,000	7.84%	\$4,750,000	Westshore

Jack A. Cohen | Cohen Commercial Real Estate Group

I WANT TO REPRESENT YOU IN THE FOLLOWING TRANSACTIONS:

- TENANT REPRESENTATION
- LANDLORD REPRESENTATION
- SITE SELECTION
- INVESTMENT PURCHASES AND SALES
- LEGAL AND MEDICAL LEASING
- GROUND UP DEVELOPMENT
- LAND PURCHASES AND SALES
- OFFICE, RETAIL AND INDUSTRIAL

Join Jack on LinkedIn 

In The Know is produced for Cohen Commercial Real Estate Group, LLC. In the Know is, for the most part, derived from secondary sources. Cohen Commercial Real Estate Group, LLC is not responsible for the accuracy of any item taken from these sources.