

NATIONAL NEWS

NEW PROJECT INDEX MOVES UPWARD. Meanwhile, the Dodge Momentum index, a monthly measure tracking first reports of nonresidential building projects in the planning pipeline, appears to have resumed its upward track after weather-induced declines in February and March. The index, which leads construction spending for nonresidential buildings by a full year, rose 2% in May to 125.2 following a strong rebound in April, according to McGraw Hill Construction. The index is now 17.6% higher than a year earlier and “the growing volume of commercial and institutional projects at the planning stage and strengthening market fundamentals such as occupancy rates and rents suggest that nonresidential construction starts should be headed higher over the remainder of the year,” according to McGraw Hill. - Randy Drummer, CoStar Group

U.S. RECORDS FASTEST OFFICE OCCUPANCY COST GROWTH IN THE WORLD. While major U.S. office markets still haven’t made the list for the world’s top 10 most expensive rents, the country leads in having the fastest growing occupancy costs. London continues to dominate CBRE’s top 10, with the world’s highest overall office occupancy costs at \$277/SF according to the firm’s semi-annual Global Prime Office Occupancy Costs survey. Asian cities rounded out the most of the rest of the top 10. Moscow ranked five, with \$165.02/SF. and Paris was number 10 at \$124.32/SF. In the U.S., New York City’s Midtown Manhattan market came in at number 11, with \$120.65/SF. The last time a U.S. market (Midtown Manhattan) broke into the top 10 was in the 2013 mid-year survey. - Robert Carr, National Real Estate Investor

TAMPA NEWS

PLETHORA OF NEW JOBS. Hillsborough’s economic developers have much to cheer. The list of companies announcing expansions or relocations in 2013 and the jobs they represent include: Bristol-Myers Squibb, opening its 70,000-sq. ft. North American Capability Center with 250 employees and plans to add up to 325 more by 2017; HealthPlan Services, expanding its headquarters and creating 1,000-plus jobs by 2017; USAA (United Services Automobile Association) investing \$164.3 million to grow local operations and add 1,215 jobs by 2019; ConnectWise planing to hire 112; and Amazon, planning to build a fulfillment center in Ruskin with the promise of 1,000 jobs. - Janet Ware, NEED PUBLISHER NAME

TAMPA RANKS NO. 3 BEST CITY TO FIND A JOB. Tampa was ranked no. 3 best city for employment in the nation by WalletHub. WalletHub also ranked the Tampa workforce as the No. 8 best paid, when cost of living is taken into account, and No. 9 for the most diverse industrial mix. During the Great Recession, Tampa lost 140,700 jobs and saw real estate process drop nearly 20 percent. For the study, WalletHub ranked 60 of the nation’s largest cities in order based on 13 different metrics, including job openings per capita, industry variety, cost of living and employer-provided health benefits. The list was organized on the city’s strength of the job market, and greatest prospects for long-term financial security. Two other Florida cities on the list were Miami at No. 30 and Jacksonville at No. 35. Washington, D.C. ranked No. 1 on the list. - Martha Guta, Tampa Bay Business Journal

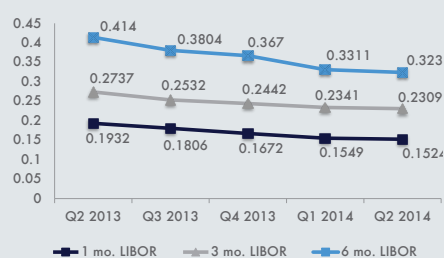
THE BIG PICTURE. PNC OUTLOOK: TAMPA BAY ECONOMY ON THE UPSWING.

- The Tampa Bay economy is set to climb more quickly than the rest of the united States the rest of 2014 and 2015.
- Jobs: The region’s job growth is outpacing the nation. Payroll growth was a full percentage point faster than the national average in 2013. Professional services are expanding at a rapid clip while finance - a large part of which in insurance - is adding payrolls. Construction employment, which fell by 45% during the recession, is turning up.
- Income: Income growth locally, however, is restrained by an outside share of jobs created in low-wage industrial industries such as retail, leisure and hospitality. Florida’s minimum wage is higher than the federal minimum, yet the gap between living income and living costs remains wide.
- Housing: The area’s housing market is gaining momentum as steep price discounts attract new buyers. Despite double digit price gains in the past year, housing remains much more affordable now than it was before the recession. The median price home is 1.6 times median income. - Bruce Erhardt, Cushman & Wakefield of Florida, Inc.

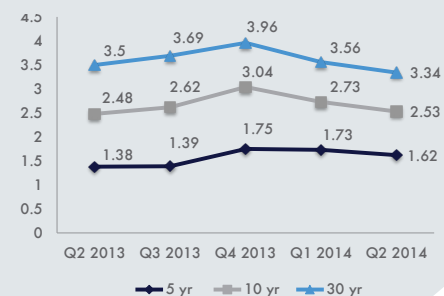
STATISTICS

Market Tracker *Arrows = Current Qtr Trend
 S&P 500 +6.5% YTD
 DOW Jones 1.5% YTD
 Nasdaq 5.54% YTD

Interest Rates



Treasuries



	KEY RATES	US Q1	Tampa Bay Q1	US Q2	Tampa Bay Q2
▲	Unemployment Rate	6.7%	6.5%	6.1%	6.3%
Vacancy Rates					
▼	Class A Office	12.8%	13.1%	12.8%	12.8%
▼	Class B Office	12%	14.3%	11.9%	14.5%
▼	Industrial	7.8%	9.4%	7.7%	9.0%
▼	Retail	6.5%	6.9%	6.4%	6.6%
Rental Rates					
▲	Class A Office	\$28.16	\$23.79	\$28.31	\$23.94
▲	Class B Office	\$19.96	\$17.91	\$19.95	\$17.92
▲	Industrial	\$5.39	\$5.14	\$5.44	\$5.19
▲	Retail	\$14.63	\$13.56	\$14.81	\$13.57
Net Absorption					
▲	Office	21,679,097	226,407	24,525,921	195,453
▲	Industrial	46,960,231	1,075,508	53,932,767	1,126,631
▲	Retail	24,410,667	561,048	21,284,564	1,046,145

REGIONAL NEWS

FDOT SHOOT'S DOWN PLAN FOR TOLL ROAD IN PASCO COUNTY. The Florida Department of Transportation is saying "no" to a plan for a private company to build a toll road in south Pasco County. The proposal by International Infrastructure Partners, LLC would have stretched about 33 miles and connected U.S. Highway 19 to U.S. Route 301, the Tampa Bay Times said. It would have been the first privately funded and operated toll road in Florida. However, the plan was criticized by some Pasco County residents who complained about the location, impact on property values and disruption from construction. FDOT Secretary Anath Prasad said questions about financing and feasibility sunk the project. - Tampa Bay Business Journal

FLORIDA RANED 2ND BEST STATE FOR BUSINESS BY CEO'S. The state of Florida ranks second in the nation for business according to a recent survey from ChiefExecutive.net. The business website and magazine surveyed 500 CEOs across the U.S. for the 10th annual survey, which asks CEOs their views of the best and worst states for business. The survey measures tax and regulatory regime, the quality of the workforce and the quality of the living environment. Texas is once again the best state for business, a position it has held since the survey began. Florida comes in at No. 2 on the list, including a ranking higher than Texas in terms of quality of living environment. - Matt Mauney, Orlando Sentinel

ST. PETERSBURG/ PINELLAS COUNTY. Tourism continues as an economic driver for Pinellas which collected a record \$31.8 million in bed taxes last year. Officials credit more focused advertising. The success has won Pinellas state designation as a "high tourism impact" area, enabling the county to raise its bed tax from 5% to 6%. In November Pinellas will vote on a 1% increase to the county wide sales tax to pay for enhanced bus service and light rail connecting St. Petersburg to Clearwater. - Florida Trend

KEY TRANSACTIONS

RENTAL PROPERTY	Type	SF	TENANT	TRANSACTION TYPE	SUBMARKET
100 Legacy Park	Office	99,039	General Dynamics	Renewal	I-75 Corridor
Rivergate Tower	Office	50,916	Katz Craig LLP	Lease	Tampa CDB
Commerce Center	Office	47,207	ValPak	Lease	Pinellas Gateway
NNN SALE PROPERTY	\$/SF	SF	CAP RATE	PRICE	SUBMARKET
Auto Zone	\$313.62	6,840	6.27%	\$2,145,136	Clair Mel
IHOP	\$598.72	2,806	6.17%	\$1,689,000	Busch Gardens
7-11	\$498.35	4,244	6.01%	\$2,115,000	Citrus Park
Dollar General	\$215.38	9,100	6.28%	\$1,960,000	Wimauma

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

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