

NATIONAL NEWS

SMALLER OFFICE SPACES SLOW RECOVERY. Even as U.S. employment pushes past its pre recession levels, employers are remaining frugal when it comes to office space. But during this economic cycle, companies have been more reluctant than usual to expand, which many in the sector believe reflects a trend by companies to pack a greater number of employees into tighter spaces. This is partly a cost savings measure but it is also a strategy that some companies are using to encourage employees to collaborate. Seyfarth Shaw, LLP, a Chicago based law firm, announced in April that it was moving to the Willis Tower, where it would occupy 195,000 SF from a nearby building where it occupies 300,000 SF despite employing a steady number of lawyers. The firm plans to shrink workspaces, cut back space devoted to a law library, and in a rarity for the profession, it is considering taking some lawyers out of private offices and placing them in cubicles. "We have an obligation to our clients to reduce our overhead and be more efficient," Mr. Miller said adding it would save "multiple millions per year". - Eliot Brown, Wall Street Journal

ATTRACTIVE YIELDS CONTINUE TO PULL INVESTORS TO THE RETAIL SECTOR. Sales of retail properties continue to accelerate, with most investor groups now on the lookout for more attractive retail assets. According to the most recent report from Real Capital Analytics (RCA). For the entire third quarter of 2014, ended Sept. 30, the CoStar Group reports that retail sales reached more than \$11 billion and involved 166 properties. The dollar volume was down from \$14.1 billion in the third quarter of 2013 but the number of properties represented an increase from 134 last year. - Elaine Misozhnik, National Real Estate Investor

TAMPA NEWS

WESTSHORE PIONEER AL AUSTIN'S OFFICE BUILDINGS UNDER CONTRACT FOR REDEVELOPMENT DEAL. The complex of office buildings that late Westshore pioneer Al Austin started developing in the 1960's is under contract to be sold. Redstone Investments, which has offices in Tampa and Youngstown, Ohio, plans to buy the five buildings that make up the Austin Center, according to real estate sources who asked not to be named because of the sensitivity of the deal. The Austin Center's location in Westshore - home to 12 million SF of office space and more than 93,000 office workers, as well as a population base of nearly 14,000 and growing with several apartment developments in the works - makes an ideal redevelopment play for a mixed-use project. Add in the potential of a multimodal hub and the location is even more desirable. - Ashley Gurbal Kritzer, Tampa Bay Business Journal

WHY VINIK'S PLANS FOR DOWNTOWN COULD LIFT ALL OF TAMPA BAY. No matter where you live and work in Tampa Bay, even if you never go near Downtown or the Channel district, the magnitude of Jeff Vinik's plans for the area will almost certainly affect you. Vinik, owner of the Tampa Bay Lightning, has formed a partnership for the development of his downtown real estate holdings with Cascade Investment, LLC which is controlled by Microsoft founder Bill Gates. The plans for Vinik's real estate - about 25 acres plus the ground lease on Channelside Bay Plaza - is potentially a "billion dollar" deal, Lightning CEO Tod Lieweke said. The potential ripple effects are huge: Lieweke said Vinik and the team he's put together intend to join economic development efforts to attract more corporate headquarters to Tampa, hoping to lure more high wage jobs to the city. The plans to build a live-work-play neighborhood on downtown Tampa's waterfront couldn't have come at a better time, as it aligns with a national urbanization trend. The Millennial workforce prefers a walk able, urban environment, and where that exists, companies tend to go, too, hoping to attract the best and brightest talent. Taken with the endorsements of Gates' investment firm and the leadership of Mayor Bob Buckhorn - known for an unyielding enthusiasm for downtown revitalization - Vinik's plans could mean more than just a cool neighborhood. The alignment of those events could add up to unprecedented growth for downtown Tampa which would raise the entire region's stature on a national level. If the development comes to fruition and is a success it will spur other developers to look at Tampa. Lieweke said the project - which is far too large in an unproven market for a traditional developer - is not a philanthropic endeavor for Vinik. The intention is to demonstrate the commercial viability and financial success that draws other developers to the area. - Ashley Gurbal Kritzer, Tampa Bay Business Journal

STATISTICS

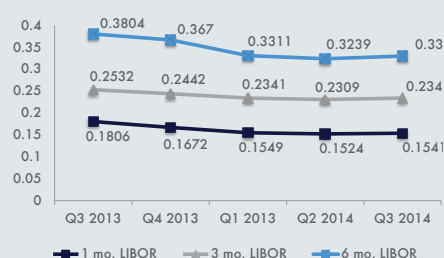
Market Tracker
*Arrows = Current Qtr Trend

S&P 500
+6.7% YTD

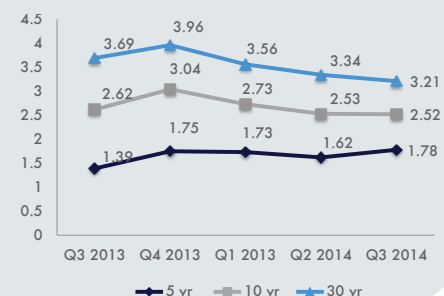
DOW Jones
+2.8% YTD

Nasdaq
+7.60% YTD

Interest Rates



Treasuries



	KEY RATES	US Q1	Tampa Bay Q1	US Q2	Tampa Bay Q2
▼	Unemployment Rate	6.1%	6.3%	5.9%	6.2%
Vacancy Rates					
▼	Class A Office	12.8%	12.8%	12.5%	11.9%
▼	Class B Office	11.9%	14.5%	11.7%	13.9%
▼	Industrial	7.7%	9.0%	7.5%	8.4%
▼	Retail	6.4%	6.6%	6.3%	6.4%
Rental Rates					
▲	Class A Office	\$28.31	\$23.94	\$28.55	\$24.22
▲	Class B Office	\$19.95	\$17.92	\$20.07	\$17.98
▲	Industrial	\$5.44	\$5.19	\$5.47	\$5.17
▲	Retail	\$14.81	\$13.57	\$14.84	\$13.70
Net Absorption					
▲	Office	24,525,921	195,453	27,555,343	655,651
▲	Industrial	53,932,767	1,126,631	64,714,821	2,523,047
◄	Retail	21,284,564	1,046,145	26,476,900	330,047

REGIONAL NEWS

FLORIDA IS HOME TO 2,113,334 SMALL BUSINESSES. The Office of Advocacy, an independent office within the Small Business Administration, released a report entitled Small Business Profiles for the States and Territories, an annual analysis of each state's small business activities. In a new and improved format, the profile includes information on the number of firms, employment, demographics, and other topics using the most recently available government data. "Florida's small businesses contribute so much to the states economy," said Dr. Winslow Sargeant, Chief Council of Advocacy. "Representing 42.8% of the state's private workforce, no one can doubt the significant role small businesses play in our economic landscape. I hope our state and national leaders will continue to recognize the importance of the American entrepreneur and utilize today's research to move forward constructive policies for America's financial foundation - our small businesses." - Orlando Advocate

FLORIDA LEADS THE NATION IN ALL-CASH HOME PURCHASES. In Florida, cash is still king. According to a new report by RealtyTrac, a real estates researcher, Florida leads the nation in all-cash home sales. In fact, the top six metros in the country for those types of home sales were all in Florida. Overall, the state saw 61.5% of its sales sold in all-cash transactions during the second quarter rate that was down from 65% in the first quarter, but still well above the national average. Tampa-St. Pete-Clearwater was ranked fourth among metro areas at 54.6%. - Tampa Bay Business Journal

FLORIDA'S ENERGY. Florida ranks second in power generation from natural gas, 62% of the states total electric generation last year. Texas was No. 1. Coal accounts for 21% of electric generation in the state. Renewable energy accounts for 2.2% of power generation statewide. The average Florida household spends \$1,900 a year on electricity costs, 40% above the national average. - Florida Trend


KEY TRANSACTIONS

RENTAL PROPERTY	Type	SF	TENANT	TRANSACTION TYPE	SUBMARKET
Avon Park	Office	175,998	Laser Spine	Lease	Westshore
LakePointe Two	Office	48,000	myMatrixx	Lease	Westshore
LakePointe One	Office	28,819	Financial Info	Lease	Westshore
NNN SALE PROPERTY	\$/SF	SF	CAP RATE	PRICE	SUBMARKET
Multi-Family C	\$39.97	76,300	9.96%	\$3,050,000	USF
Multi-Family C	\$48.89	21,600	9.41%	\$1,056,000	USF
Multi-Family "B"	\$50.19	26,400	10.23%	\$1,325,000	USF
Town Homes "C"	\$51.59	20,352	7.69%	\$1,050,000	Temple Terrace

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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