

Memorandum



Date: March 6, 2012

Agenda Item No. 2B1

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Report: Miami-Dade County Retail/Entertainment District Assessment

On June 30, 2009, the Board adopted Resolution No. 871-09 directing the Mayor or designee to conduct a feasibility study regarding the creation of a mega shopping district. The study, which was presented to the Board on May 25, 2010, identified the area bounded on the north by NW 41st and 36th Streets, on the south by SR 836, on the east by Miami International Airport, and on the west by NW 117th Avenue ("the Study Area") as one of the areas appropriate for a mega shopping district. On December 09, 2010, the Board adopted Resolution No.1233-10 directing the Mayor or designee to study the feasibility of a retail/entertainment district (a.k.a. Mega Mall) within the Study Area with the goal of bolstering the existing retail venues and providing a world-class entertainment and shopping experience in Miami-Dade County. A detailed report is provided in the attached and is summarized below.

Overall Market for a Retail and Entertainment District (RED)

- Retail demand in Miami-Dade County will be strong over the next five years. It is estimated to grow from 94.5 million square feet of retail space in 2011 to 112.1 million in 2016.
- There are three principal drivers of retail demand: residents, visitors and nonresident workers.
- International visitors account for two-thirds of all visitor shopping expenditures.
- Visitors will account for nearly half of the total increase in retail space over the next five years.
- Visitors to Miami-Dade County spend substantially more on shopping per person per day than in almost any other major tourist destination in the country including New York City, Honolulu, Las Vegas, and Los Angeles.
- In contrast to these other markets, visitors, particularly those from Latin America, which make up two-thirds of all international visitors, shop for daily supplies such as clothing, furniture, electronics, and other non-perishable purchases.
- It is increasingly difficult to develop a new big box retail center because most of the major mall tenants are already located in Miami-Dade County.
- New entertainment venues must have an educational component, flexible space to adapt and stay relevant, and high quality architecture.

RED Study Area (west of Miami International Airport, east of Florida Turnpike, north of SR 836 and south NW 41st Street)

- The study area is one of the strongest major retail nodes in the County largely as a result of the investment made by two major mall developers, the area's central location, and access to major roadways.

- Population within a 20 minute drive of the study area is in excess of 1.8 million residents with an average household income of \$61,500.
- The Miami International Airport hotel submarket, in which the RED Study Area is located, has the most hotel rooms of any submarket in the County and the highest room occupancy.
- The area is well positioned to attract furniture and home goods retailers, restaurants, clubs, entertainment activity centers and hotels. The study area could support 380,000 to 480,000 square feet of retail development over the next five years.

Possible Next Steps

- All report recommendations including studies, plans and regulatory amendments should be coordinated with the property owners, City of Sweetwater and City of Doral.
- The report found that traffic congestion is one of the principal challenges in the area and that investment in infrastructure improvements is necessary to support retail development. The County should coordinate with the cities of Sweetwater and Doral to develop a master plan to address traffic congestion for the RED Study Area, determine the need for regulatory amendments, and establish the cost and scope of transportation improvements. Funding will need to be identified for such an effort.
- The County should continue efforts to develop a transit link with a major station between the Dolphin and International Malls.
- An internal circulating shuttle service should be provided linking the two existing malls.
- The Dolphin and International malls should strengthen pedestrian linkages to the property line of the malls either through walkway improvements or by adding more retail/entertainment in a linear fashion. This should be further explored in a physical planning effort.
- The County and municipalities should advocate with the Beacon Council and State of Florida economic development entities to classify and recognize large scale retail development as a primary industry which is helping drive the local economy
- The County should consider developing a series of workshops focusing on planning for potential RED districts elsewhere in the County.



Deputy Mayor

Miami-Dade County Retail/Entertainment District Assessment



Lambert Advisory

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EXECUTIVE SUMMARY

Miami-Dade County Board of County Commission Resolution 871-09 called for a study of the opportunity to designate and promote a Retail/Entertainment District (RED) within the County. The six objectives of the study are:

- To determine market viability of a RED within Miami-Dade County;
- To determine the market viability of the RED specifically in an area west of Miami International Airport (MIA) which had been designated by the County as the principal location for the district;
- To recommend changes in land use regulations to accommodate the RED in the identified area which generally lies between the Dolphin and International Malls;
- To assess the improvements needed to transportation associated with the RED with particular focus on the area between the Dolphin and International Malls.
- To identify the positive or negative market and economic implications to other major retail centers of the development of the RED; and,
- To identify how government may play a broader role than only amending land use regulations to serve as a catalyst for the development of the RED.

As a subset of the overall study, Lambert Advisory (Lambert) was engaged by Miami-Dade County (County) to develop an assessment of the future market opportunity associated with a RED within the County. Specifically, Lambert was engaged to:

- Determine the base demand for a RED in relation to existing and proposed supply of quality competitive space and entertainment venues at a regional and countywide level;
- Attempt to define, along with experts empanelled for the study, what a "Retail/Entertainment District" might be in the context of the South Florida market and looking forward over the next ten years given the evolution in the entertainment arena as a result of the ubiquity of gaming, video, and high quality entertainment at home and via the internet; and,
- Determining the market viability of a Retail/Entertainment District in a specified area west of MIA and generally lying between the Dolphin and International malls.

Our analysis herein, and summarized below, provides the findings associated with our scope of work. In summary, our analysis does indicate that it would be prudent to further define the physical and transportation needs to support and enhance the existing and targeted new retail/entertainment development opportunities in the west Miami-Dade RED Study Area, to broaden the notion of establishing "a single" RED to a "series of" RED's in several areas of the County, and to explore the County playing a more active role in promoting the RED concept through focused planning, infrastructure and investment given the importance of retail and entertainment as it relates to international tourism and expenditure in Miami-Dade County. However, as detailed below, the analysis indicates that the creation of and success of the Districts are unlikely to take the form of a traditional fortress like mall with traditional mall tenants, but rather become areas where a mix of retailers not currently in the market will be complimented by new hotels, restaurants, clubs and activities. We believe these areas centered around traditional malls will only strengthen the draw and attraction of Miami for visitors and locals alike, particularly if venues are developed which allow for cutting edge entertainment to be modified over time.

Key findings of our analysis are as follows.

Miami-Dade County Retail/Entertainment District (RED) Assessment

Overall Market for a Retail/Entertainment District

Our conclusions from our analysis of the overall county/region wide market associated with the demand for a new or expanded Retail/Entertainment District include the following:

- Retail demand will be a bright spot over the next five years in the Miami-Dade economy. We estimate demand to grow from 94.5 million square feet of retail space in 2011 to 112.1 million in 2016. The 2016 estimated demand for 112.1 million square feet of space is greater than the estimated 107.2 million square feet of existing retail space. Additionally, the estimated demand for an additional 17.6 million square feet of space between 2011 and 2016 is in excess of the amount which can be absorbed by well located vacant retail space in the County. As a result, we estimate that substantial new retail space will need to be built in the County over the next five years to keep pace with demand.

- There are three principal drivers of retail demand in the County: residents, visitors and non-resident workers with residents and visitors accounting for over 99 percent of retail sales. What is extraordinary, both in terms of existing demand, and in terms of growth, is the importance of overnight visitors, and primarily international overnight visitors to the Miami-Dade retail market. Data from the Greater Miami Visitors Bureau suggests that international visitors account for two-thirds of all visitor shopping expenditures in the County, and we estimate that visitors will be responsible for nearly half of the total increase in retail space demanded over the next five years.

- As the data in this report indicates, visitors to Miami spend substantially more on shopping per person per day than in almost any other major tourist destination in the country including New York City, Honolulu, Las Vegas, and Los Angeles.

We estimate retail demand in Miami-Dade to grow from 94.5 million square feet in 2011 to 112.1 million in 2016. The 2016 estimated demand is nearly 5.0 million square feet above existing supply.

Miami-Dade is certainly lacking in its variety of options for family entertainment and this plays itself out in expenditure on entertainment and potentially length-of-stay among visitors.

- In contrast to these other markets, visitors to Miami, particularly those from Latin America, which make up two-thirds of all international visitors, are doing their day-to-day clothing, furniture, electronics, and other non-perishable purchases in Miami given the lack of quality and variety in the visitors' home markets. This is unlike European visitors to New York or Japanese visitors to Honolulu who have high quality and diversified shopping options at home. Many Latin American visitors to Greater Miami act more like the cross border travelers to the US along the Mexican or Canadian borders although Miami has a substantially more affluent Latin American shopper profile, especially when compared to shoppers from Mexico who shop in border cities in Texas, Arizona, and California.

- Large scale entertainment, as a standalone business from retail, does not generate the degree of expenditure in Miami-Dade as it does in other visitor markets. While difficult to compete with a Las Vegas or Orlando, Miami-Dade is certainly lacking in a variety of options for family entertainment, and this plays itself out in visitor expenditure on entertainment and potentially length-of-stay. Beyond visitors, the lack of product translates into a lack of opportunity to capture local expenditure as well, particularly as it relates to family entertainment. The water park proposal at Zoo Miami, expansion of the children's museum, and

construction of a new science museum among other family entertainment activities should all help expand this market over the next five years to the extent that they are well implemented and come on-line in short order. However, one of the key aspects of this analysis is to define what is an entertainment district today and how does it relate to retail, if at all. This is discussed in more detail in the Future of Retail/Entertainment Roundtable Section;

- Large scale mall type retail continues to be concentrated in the northern and central portions of the County, and we expect that this concentration will continue with the market focusing on infill development or expansion of existing centers as opposed to a single new suburban style mall in the central or northern areas of the County. The recent announcements around a major new retail development in the Brickell area, Miami Herald site redevelopment, repositioning of the Design District, proposed expansion of Midtown, and the continued focus on the Biscayne Landing site in North Miami all speak to the focus on infill sites given the lack of suburban large scale developable parcels north of Kendall Drive. One area which will increasingly be underserved when the housing market recovers and the area begins to grow again is the southern area of the County (south of Kendall Drive). We expect that existing centers will be able to be repositioned and improved over the next decade in the southern portion of the County and focused new development; particularly in centers where retail, entertainment, and eating and drinking are integrated are likely to be developed on a modest scale.

- While the demand for retail locally is quite strong, there is a systemic problem in the retail industry which slows the expansion of new large mall development in any mature market in the US similar to Miami no matter the strength of the market. The increasingly limited number of quality mall type tenants has plagued the shopping center industry for over a decade now. There are only so many Banana Republic's, Macy's or Apple stores which can be located in a 10 or 15 mile radius even when there is

a distinction between full priced and discount stores. The number of strong national brand name retailers has actually decreased over the past few years, and the existing malls have a built in advantage to be able to attract strong retailers who are not yet in the market (i.e., H & M). As a result, no matter how strong the demand, it is increasingly difficult to develop a retail center today beyond several hundred thousand square feet often anchored by big box stores unless the center is being built in a chronically underserved high density area of the County such as Downtown and Midtown Miami.

Overall (all categories) international visitor expenditure in Greater Miami surged 15.1% annually from \$4.2 billion in 2003 to \$4.2 billion in 2009. International visitors accounted for two-thirds of all visitor expenditure in 2009.

We estimate that by 2016, total retail related (food and beverage, shopping, entertainment) expenditure for both domestic and international visitors will exceed \$14.5 billion; the majority of which (\$11.0 billion) will come from international visitors.

Future of Retail/Entertainment Roundtable

The future of retail and entertainment roundtable was held between March 28, 2011 and March 29, 2011 with three leading experts of entertainment and retail projects throughout the world: Tom Gilmore of Madison Marquette, Jack Illies of Urban California, and Denis Laming of Laming Architects. The principal goal of the roundtable was to attempt to define what a cutting edge Retail/Entertainment District might look like over the next decade. Detailed presentations of each of these experts are attached as Addendum D, with the primary conclusions from the Roundtable as follows:

- While entertainment venues (movie theatres, bowling, clubs) support large retail development and retail and restaurants supports major entertainment venues, a clear conclusion of the roundtable was that either retail or entertainment are almost always the dominant driver of a project and the other a supporting actor. There is no reason to believe that this relationship will not continue in the future as the business models and investors are quite different between the two activities and while the two can co-exist side-by-side they often have a different revenue and investor profile which keeps either retail or entertainment as the principal revenue generator;

- One of the key underlying themes of the discussion as it related to retail was the need to keep it interesting, exciting and authentic. One way this is increasingly being accomplished is by focusing on restaurants,

clubs and other food and beverage establishments to set the tone of a project. This is largely a result of the much greater high quality variety and innovation found in the restaurant and club business compared to traditional mall retail stores. Likewise, integrating retail districts into existing urban spaces, which although often restricting the size of a development, provides an authenticity and sense of place which is difficult to create in greenfield markets;

- The days of pure mid-scale entertainment venues (i.e. Jazzland in New Orleans) is waning given the quality of the experience provided at home or in small scale venues, which are improving at a rapid pace. While potential patrons cannot experience a roller coaster ride at home, these type of entertainment venues have proved difficult to profit from except on a very large scale in a US context (i.e. Disney, Universal Studios) and with very substantial investment. They are not easy to replicate and by their nature are very limited in number, although there appears to continue to be a need for a major water park given the size of the overall Miami market. At the same time, people continue to want to congregate and do things together at a community setting and entertainment is moving into two key directions at this level. First it must have an education component. Given the cost of the investment and price of ticket, parents are expecting more for their money today and are looking for their children to be educated while they are entertained. Second, technology is advancing so rapidly that the spaces which accommodate entertainment venues must be flexible in order to be able to adapt and stay relevant...the black box. In this regard, the building itself and quality of the architecture and scale are increasingly important in the sense that whatever is

A clear conclusion of the roundtable was that either retail or entertainment (not both) are almost always the dominant driver of a project.

The days of pure mid-scale entertainment venues (i.e. JazzLand in New Orleans) is waning given the quality entertainment experience families now have at home or in small scale venues.

inside is due to change while the physical structure and development plan will set the stage over the long term for whatever happens inside;

- The area between the Dolphin and International malls has potential to support additional entertainment venues in the form of restaurants, clubs and potentially a ride, water feature, or themed experience; however, this will be strengthened through the further development and potential co-development of more hotel rooms in the area to both serve the entertainment and existing malls. Additionally, any future planning with the existing malls in the area should try to make transit and pedestrian connections from the malls through any new development in between. This may help alleviate traffic, and to the extent that there is a real differentiation of experience and offerings in the area, potentially lengthen the stay of visitors, which is of broad benefit to the community and in many cases the new and existing businesses in the area. One existing gap in the retail market which was noted in this area was in the home goods and furniture category. It was felt by the panelists given the mix of visitors and reasonably affluent residents in the area, that once the local housing market recovers, there is an opportunity to attract a handful of these retailers to the area.

The study area is one of the strongest major retail nodes in the County largely as a result of the investment made by two major malls, the area's central location, and terrific access.

RED Study Area

Key conclusions associated with the RED Study Area are as follows:

- The study area is one of the strongest major retail nodes in the County largely as a result of the investment made by two major mall developers, the area's central location, and terrific access.
- Population within a 20 minute drive time of the study area is in excess of 1.8 million residents with an average household income of \$61,500;
- As it relates to visitors, the MIA hotel submarket in which the RED Study Area is located has the most rooms of any submarket in the County and has the highest occupancy. In 2010, the submarket had over 11,000 hotel rooms and nearly 80 percent occupancy for a total 3.0 million visitor nights in the area. The area is a hub for international visitors.
- The area is well positioned to attract furniture and home goods retailers that have yet to stake out a presence in the area as well as restaurants and clubs to secure the large population and visitor base, as well as one more stand alone entertainment activity center, such as a ride or water themed venue that will enhance the area's draw.
- One of the principal challenges in the area is traffic congestion. Expansion or construction of any substantial new retail in the area is only going to exacerbate the problem. A traffic analysis should be completed which would indicate methods the county could employ to alleviate the congestion in the short term and the extent different build out scenarios on available sites would impact overall traffic with and without various traffic and intra-area transit improvements;

- A second challenge as it relates to new retail in the area is the challenge of identifying new retailers who are not already present in the market. The suggestions of the Future of Retail/Entertainment Roundtable regarding the opportunity to develop additional retail and entertainment venues in the RED Study Area as noted above addresses this challenge to some extent. However, we do not believe there is an inherent opportunity for developing another large fortress mall in the area specifically because there are few "missing" tenants. While our experience is that it is nearly impossible, and may be counterproductive for government, to successfully manage the competitive retail market through regulatory constraints on the type of tenants which are to be located in any certain center despite a very strong retail market, the development of another fortress like mega-mall in the area would impact the existing malls given that the exercise may end up moving tenants like chess pieces from parcel A to parcel B to parcel C. If a broad number of new tenants are identified which are not currently in the market (and beyond the furniture, house goods, and restaurant/entertainment venues noted above) are identified and can be lured to Miami, the study area presents a tremendous market opportunity for new strong retailers who are not yet here;

We do not believe there is an inherent opportunity for developing another large fortress mall in the RED Study Area specifically because there are few mall-type tenants who do not already have a presence in the area.

However, we estimate that the RED Study Area could support the addition of between 380,000 and 480,000 square feet of retail space between now and 2016, primarily in eating and drinking, entertainment, and home goods categories as the housing market recovers.

- New hotel development should be encouraged in the area. All signs are that the MIA submarket will continue to strengthen and as our market analysis has shown, shopping is a key activity for tourists in Miami-Dade County. Any investment in hospitality and family oriented hotels will only further enhance retail expenditure and future investment.

- Currently, the study area contains 4 percent of total retail space in the County. Taking into account a 5 percent frictional vacancy factor countywide and given the strength of the area as a retail activity center to potentially attract modestly more than its fair share of demand, we estimate that the study area could support the addition of between 380,000 and 480,000 square feet of retail space between now and 2016. Importantly and has been highlighted in this report, this assumes that an appropriate mix of retail tenants and entertainment venues can be identified and secured that are differentiated from the existing centers in the area.

In addition, given that IKEA is not yet present in Miami-Dade County and give the Study Area's central location and proximity to both the Airport and Port, it is well positioned to attract an IKEA, which has a unique regional and indeed international draw. If IKEA were to identify a reasonable property (valued and located) in the RED Study Area, we believe this one retailer could be supported in addition to the demand range noted above. Currently, and with the exception of the Dominican Republic, there are no IKEA stores located in Latin America or the Caribbean. While styles and local quality offerings in Latin America and the Caribbean may be in contrast

to the Scandinavian design ascetic of IKEA, the store has such a large following throughout the world even a very tiny percentage of the Caribbean and Latin American households will drive substantial sales in a Miami location. A typical IKEA ranges between 300,000 and 350,000 square feet; however, stores have been built as small as 185,000 square feet (Pittsburgh, PA) and as large as 450,000 square feet (Chicago, IL metro area).

Other Conclusions and Recommendations

Other conclusions and recommendations which were not directly called for in our scope of services but we believe are important to convey as a result of our work and finds from this project include the following:

- Given the strong market demand which exists, it would be prudent to engage a traffic consultant and to develop a master plan for the RED Study Area to establish the need for any regulatory amendments, establish the cost and scope of transportation improvements that will allow the area to continue to develop while mitigating traffic congestion, and define the extent to which City and County government can serve as a catalyst for area improvements. We do believe that there are several options to develop additional retail, particularly in the furniture and household goods categories, hospitality product which would support retail in the area, and restaurant, clubs, and even family entertainment oriented product in the area which could be differentiated from what already exists and will only add to the area's attraction as a retail/entertainment draw;

- County and city government may have a role to play in this process more than planning alone. As this report shows, retail, unlike for most other cities throughout the United States, is of net positive benefit to the local economy given that visitors drive a large proportion of retail expenditure in Miami. As a result, the industry is worthy of focus in promotion and investment in infrastructure to support retail development in key districts by government. To be perfectly clear, had we

been asked to provide similar analysis by – say – the City of Indianapolis or City of Jacksonville, where the health and growth in retail development almost entirely depends upon the investment in other industries and population growth in the community, we would not be making this recommendation. However, all of the data collected and developed for this study indicates that shopping is an important and even principal draw for many visitors to Miami and therefore it is an economic driver in its own right.

Any Investment in hospitality and family oriented hotels will only further enhance retail expenditure and future investment

County and city government may have a role to play in this process more than planning alone. As this report shows, retail, unlike for most other major cities throughout the US, is of net positive benefit to the local economy given that visitors drive a large portion of retail expenditure in Miami

- While the RED Study Area west of MIA and between the Dolphin and International malls has many elements which support the RED concept, there are other areas of the county where support for this type of district could be warranted. This extends beyond the investment and activity which is occurring in redeveloping areas within the City of Miami and other older eastern urban communities. The effort the County is putting into the development of the Zoo Miami property around entertainment and retail, the concept of developing entertainment and retail within the parking lots of Sun Life Stadium, the development or revitalization of properties including the Southland Mall as the housing market recovers, all lend themselves to being modest to major entertainment/retail

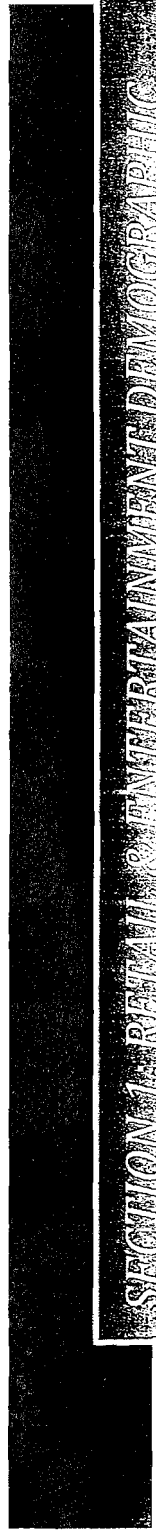
Miami-Dade County Retail/Entertainment District (RED) Assessment

districts if well planned and provided with adequate access infrastructure and focus.

- Additionally, and given the importance of retail to the local economy, we recommend that the municipalities and the County focus effort and resources on the following:
 - o As it relates to the RED Study Area and cities of Sweetwater, Doral, and Miami-Dade County, beyond the transportation analysis noted above and the continued encouragement of a transit link with a major station to be located between the Dolphin and International Malls, any further development of the area between the malls and effective link is also going to require a street which has retail on both sides of the road thereby creating an vehicular as well as pedestrian experience. This would require either encouraging the replatting of the parcels to the north of NW 14th Street and eventual vacating of streets to make these parcels deeper thereby more amenable to retail development, and streetscaping on NW 14th Street, or insuring that whatever is developed south and facing NW 14th Street is consistent with a quality pedestrian experience. If this cannot be accomplished due to the industrial nature of the area north of NW 14th Street then the two sided vehicular/pedestrian experience will have to occur internally within what is commonly known as the Balzebre property.
 - o Even if the pedestrian experience is improved between the International and Dolphin Malls the large surface parking lots at both malls eliminates any positive experience a pedestrian would have walking from one property to another or between properties despite the fact that the distances from property line to property line is approximately half of a mile. The municipalities and

County through their approval processes going forward should encourage the malls to strengthen the pedestrian linkages to the property line of the malls either through walkway improvements or by adding more retail/entertainment in a linear fashion which would link to or near too the edge of the property. This should be further explored in a physical planning effort.

- o If a broader regional transit link is not forthcoming in the short term, an internal circulating shuttle service should be provided linking the two existing malls and then linking each of the malls to any quality retail, entertainment, and hospitality development which occurs between the malls. In this regard, visitors can park once and visit multiple properties without adding trips to the roadway network.
- o The County and municipalities should advocate with the Beacon Council and State of Florida economic development entities to classify and recognize large scale retail development as a primary industry which is helping drive the local economy.
- o The County should develop a series of workshops focusing on planning for RED districts elsewhere in the County. This would include south Dade including the Southland Mall area, Homestead, Zoo Miami, NW area of the County, and Coconut Grove. The core of Miami, South Beach, and Aventura already enjoy a vibrancy and momentum which should be supported but does not require the focus on overall planning which several of these newer districts could benefit from.



SECTION 1. RETAIL & ENTERTAINMENT DEMOGRAPHIC

SECTION 1A: ECONOMIC AND DEMOGRAPHIC PROFILE

As the basis for evaluating the opportunity to create a Retail/Entertainment District (RED) in Miami-Dade County, Lambert first assessed population, household, economic trends and forecasts for Miami-Dade and Broward counties, as well as comparable retail supply in Greater Miami. The economic profile herein focuses on those variables that "drive" demand for retail, restaurants, and entertainment and how the level of demand present in the market compares to existing supply on a market wide scale.

There are three principal drivers of retail and entertainment expenditure in the context of Miami-Dade County: residents, non-resident workers who commute into the County, and visitors/tourists. Our analysis herein attempts to estimate the demand from each of these groups and in total over the next several years.

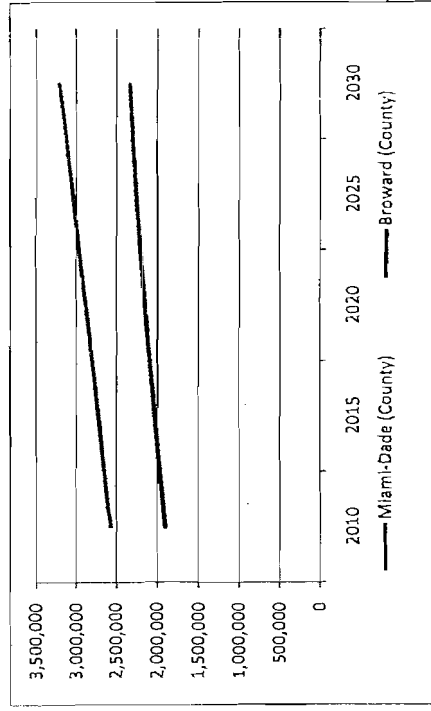
Population Trends and Forecasts

Miami-Dade County grew from 1.9 million residents in 1990 to 2.3 million residents in 2000, an average 31,600 persons per annum or at a 1.5 percent compound average annual growth rate. From 2000 to 2010 population increased to 2.5 million residents, or an average 27,400 residents per year at a somewhat slower 1.1 percent compound average annual growth rate. Comparatively, between 1990 and 2000, Broward County, which both feeds and draws from Miami-Dade County's retail market, grew at a compound annual rate of 2.6 percent, from 1.3 million to 1.6 million residents. Over the period between 2000 and 2010, Broward County grew to 1.8 million residents, adding 16,000 people per year; or, a compound annual rate of only 0.85 percent. A major variable fueling the growth of Broward County during the 1990s (and suppressing overall growth in Miami-Dade) was the outflow of population from southern Miami-Dade County due to the destruction caused by Hurricane Andrew in August of 1992. Once the impact from Andrew waned, growth in Miami-Dade County exceeded levels experienced in Broward.

The planning departments of both counties prepare growth projections. The Miami-Dade County Planning Department's most recent projection estimates an increase of 32,000 residents per year (1.2 percent annually), with population in the County totaling 2.9 million people by 2020. The Broward County Planning Department projections indicate an increase of 1.3 percent per year, for a total of 2.2 million residents in 2020. While these projections were calculated prior to the release of the 2010 Census, and there may be adjustments to actual population counts or projections, we do not believe the adjustments will have a material impact on the analysis herein as the analysis is based on long term trends.

Figure 1: Miami-Dade County & Broward County Population Projections, 2010-2030

Source: Florida EDR, Broward County Planning Dept.; Miami-Dade County Planning Dept.

**Household Incomes**

Household income represents a critical element of retail and expenditure demand as it indicates the amount and nature of expenditure potential in a given market.

Miami-Dade County Retail/Entertainment District (RED) Assessment

Section 1

According to the US Census Bureau (based on the 2005-2009 American Community Survey), the 2009 median household income in Miami-Dade County was estimated to be just under \$43,000, approximately 17 percent lower than the Broward County median (\$51,731) and 9.4 percent lower than the State (\$47,450). When determining retail demand, however, it is important to focus on average as oppose to median income levels to more accurately obtain a picture of spending potential by residents in the area. Considering the economic nature of South Florida in terms of the divide between affluence and poverty, it is not particularly surprising that the average household income for Miami-Dade County is 32 percent higher than the median and the average household income for Broward 28 percent higher than that of Broward's median household income. As a result, while the median household income in Miami-Dade is 9.4 percent lower than the State's, average household income is only 4.2 percent lower.

Figure 2: Miami-Dade County & Broward County Household Income Profile, 2009

Source: US Census (2005-2009 ACS)

	Miami-Dade County	Broward County
Less than \$15,000	17.4%	11.9%
\$15,000 to \$24,999	12.7%	11.1%
\$25,000 to \$34,999	11.5%	10.8%
\$35,000-\$49,999	14.7%	14.7%
\$50,000-\$74,999	16.9%	18.7%
\$75,000-\$99,999	10.1%	11.8%
\$100,000-\$149,999	9.6%	12.3%
\$150,000 or more	7.2%	8.8%
Median Household Income	\$42,969	\$51,731
Average Household Income	\$63,299	\$71,771

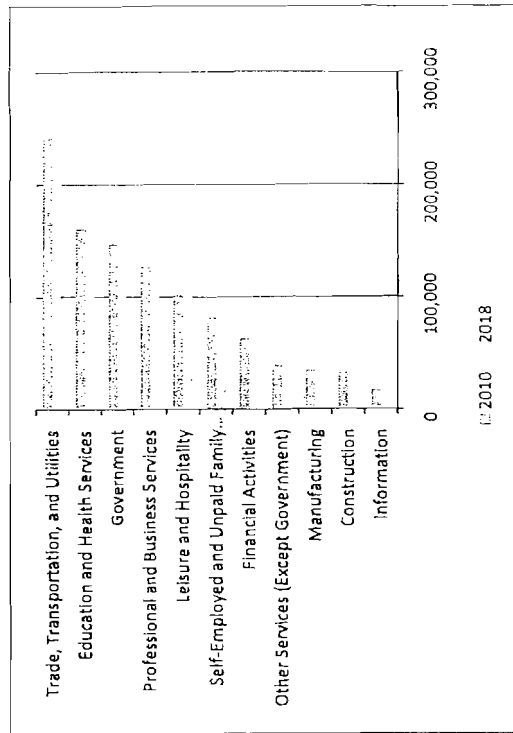
Employment and Labor

Employment growth has a dual impact on retail expenditure. On the one hand, if working age residents are not employed, their spending is dramatically curtailed. On the other, workers spend a portion of their income on food, drinking and retail close to work. Furthermore, the more

vibrant the employment picture, the better retail sales. Since 2008, the local, regional, and national economy experienced a major recession. Miami-Dade County unemployment increased from 4.0 percent in January of 2007 to 13.2 percent in December of 2010; moreover, Broward County experienced a similar increase from 3.2 percent in January of 2007 to 10.2 percent in December of 2010.

Figure 3: Miami-Dade County Employment by Industry, 2010 to 2018

Source: Florida Agency for Workforce Innovation



Currently, total employment in Miami-Dade County is over 1 million persons. As illustrated in Figure 3, Miami-Dade County is projected to add over 14,000 jobs (in all sectors) within the next 8 years, a growth rate of 1.4 percent annually. The strongest growth is projected to occur in the professional and business services and construction sectors, with 2.7 and 2.4 percent annual growth rates, respectively.

Daytime Worker Population

According to analysis by the South Florida Regional Planning Council, and based on Census Data from 2000, Miami-Dade County imports more workers than it exports to Broward and Monroe Counties. In total, Miami-Dade County enjoys net additional daytime population of between 45,000 and 70,000 workers per weekday. This is compared to Broward County, which exports 73,000 workers each weekday. Although the net number of workers flowing into Miami-Dade County is relatively small, these workers add additional support to retailers and restaurants in key employment nodes throughout the County.

Visitor Trends & Projections

Greater Miami is one of the premiere tourist destinations in the U.S. The market is served by two of the busiest airports in the nation, Miami International Airport (MIA) and Fort Lauderdale International Airport (FLL). The market benefits from strong day visitor and overnight visitor traffic attracted to the beaches, ecotourism, shopping, and entertainment.

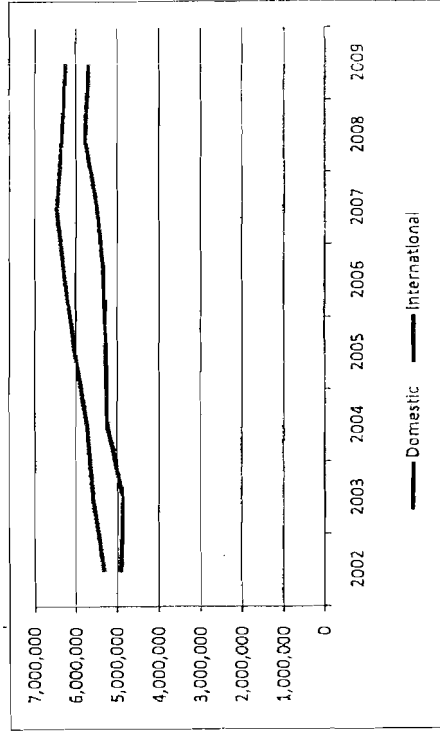
Miami is also the cruise capital of the world, with over 4 million cruise passengers per year, and one of the key reasons the world's three major cruise lines are headquartered here. For purposes of this analysis, our focus is on overnight visitors, and their spending patterns on shopping, food and beverage, and entertainment while in the Greater Miami Area. The Greater Miami CVB conducts and publishes regular surveys of visitors to Miami-Dade County. These surveys are the backbone of our assessment of retail demand driven by visitors. Overnight visitors are classified as visitors who spend at least one night in the Greater Miami area and are further broken down into domestic visitors and international visitors, an important distinction in the context of Miami as will be readily apparent.

Greater Miami had total overnight visitation in 2009 of 11.9± million, of which 52 percent were domestic visitors. Overall, from the period between 2002 and 2009 (and despite a small decrease in 2008 as a result of the recession), visitation to Greater Miami increased 1.9 percent

annually for all visitors, or an average increase of 213,000 visitors per year. When broken down, international visitation grew at a rate of 1.8 percent per year, while domestic visitation grew at 2.1 percent per year between 2002 and 2009.

Figure 4: Miami-Dade County Visitor Trends, 2002 to 2009

Source: Greater Miami CVB



Based on previous growth patterns in visitation to Greater Miami, 2010 hotel occupancy data, and forward looking third party projections, Lambert developed visitor estimates from 2011 through 2016 in order to estimate future retail demand by the visitor market in Miami-Dade County (discussed further in Section 1C). By 2016, we estimate that 15 million people will visit Greater Miami, or an increase of 2.6 percent annually. As shown in Figure 5, and for purposes of this analysis, it is expected that the split between domestic and international visitors will remain at their current proportions.

Figure 5: Miami-Dade County Visitor Projections, 2011 to 2016

Source: Greater Miami CVB; PKF Occupancy Projections; HVS Occupancy Projections; Lambert Advisory

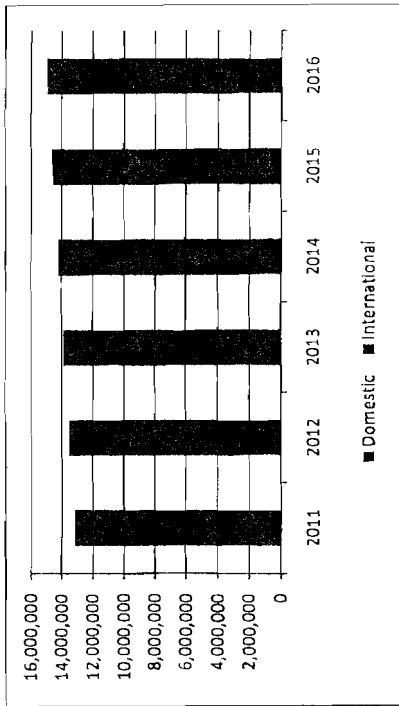
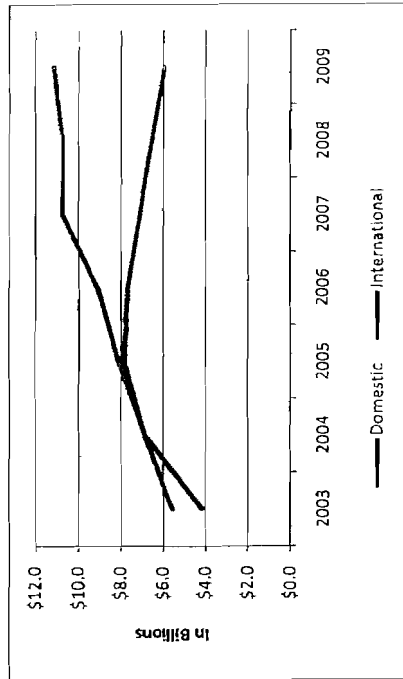


Figure 6: Miami-Dade County Total Overall Visitor Expenditure, 2003 to 2009

Source: Greater Miami CVB



During the period between 2003 and 2009, total overall visitor expenditure experienced very strong growth, increasing from \$9.9 billion in 2003 to \$16.6 billion in 2009, or an increase of 8.94 percent annually (nearly 4 times visitor growth).

Almost all of the growth in expenditure came from international visitors. Domestic expenditure increased only 0.95 percent per annum between 2003 and 2009.

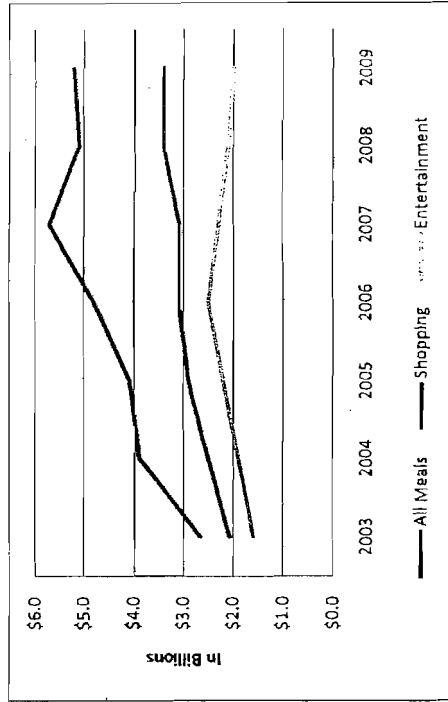
Overall international visitor expenditure surged 15.1 percent annually from \$4.2 billion in 2003 to a record \$11.2 billion in 2009. Despite accounting for only 48 percent of the visitors to Greater Miami in 2009, international visitors accounted for two-thirds of all visitor expenditure in that year.

During the 2003-2009 period, total retail and entertainment related expenditures among all visitors (all meals, shopping, and entertainment), which comprised 64 percent of total visitor expenditure in 2009, grew at a combined rate of 8.96 percent annually; however, when accounting for only meals and shopping, expenditure grew an extraordinary 10.5 percent per annum.

Overall international visitor expenditure in Greater Miami surged 15.1 percent annually from \$4.2 billion in 2003 to a record \$11.2 billion in 2009. Despite accounting for only 48 percent of the visitors to Greater Miami in 2009, international visitors accounted for two-thirds of all visitor expenditure in that year.

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Figure 7: Miami-Dade County Retail Type Visitor Expenditure, 2003 to 2009
Source: Greater Miami CVB

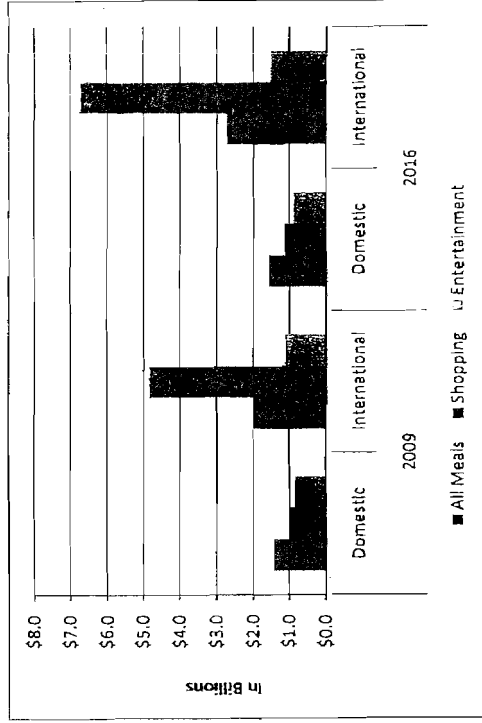


There is a growing divide between domestic and international visitors as it relates to retail and related expenditure. Retail and entertainment expenditures for domestic visitors actually declined slightly on average between 2003 and 2009 to \$3.3 billion in 2009, or an average decline of 0.24 percent annually since 2003.

While domestic visitor expenditure during the period has remained stagnant, international visitor retail related expenditure has increased 15.3 percent annually, to a total of \$7.9 billion, with the largest increasing seen

in the shopping category. Shopping expenditures increased 16.3 percent annually from \$1.7 billion in 2003 to \$4.8 billion in 2009. By 2009, international visitors accounted for 71 percent of all retail related spending by visitors in the Miami-Dade market.

Figure 8: Miami-Dade County Domestic & International Retail Related Visitor, 2010 to 2018
Source: Greater Miami CVB



We estimate that by 2016, total retail related (shopping, meals and entertainment) expenditure for both domestic and international visitors will exceed \$14.5 billion, the majority of which (\$11.0 billion) will come from international visitors.

Based on historic growth trends and estimates for 2010, and under the broad assumption that there is no unique economic or political crisis in our international feeder markets over the next five years which would restrict expenditure locally, Lambert estimated visitor retail expenditure for both domestic and international visitors. We estimate that by 2016, total retail related (shopping, meals and entertainment) expenditure for both domestic and international visitors will exceed \$14.5 billion; the majority of which (\$11.0 billion) will come from international visitors.

As shown in Figure 8, it is anticipated that retail related expenditure by international visitors will be an increasingly important force in the retail market in Miami-Dade County as expenditure on shopping and meals are estimated to increase to \$6.8 billion and \$2.7 billion, respectively.

Greater Miami Visitor Expenditure Comparison with Other US Destinations

When compared to other tourist destination throughout the country, visitors to Greater Miami spend a considerable amount more on retail related expenditures. As shown in Figure 9, Greater Miami visitors spend an average of \$156

Compared to other major US tourist destinations, visitors to Miami spend on average 65 percent more on shopping.

per day on shopping, meals and entertainment, 14 percent higher than the next strongest tourist destination – Las Vegas (not including gaming). In other U.S. tourist destinations, visitors tend to spend the majority of their recreation budgets on food and beverage, with Honolulu and Los Angeles visitors spending more than 50 percent eating out. In comparison, visitors to Miami spend almost 50 percent of their budget on shopping. As it relates to entertainment, visitors to Las Vegas spent on average 40 percent more

on entertainment than any other destination and 50 percent more on entertainment than visitors to Greater Miami.

Figure 9: Greater Miami Visitor Expenditure Comparison, Per Person Per Day Expenditure

Source: Greater Miami CVB; Las Vegas CVB; LA CVB; NYCCVB; Hawaii Dept. of Tourism



On a per day/per visitor basis, domestic visitors spend an average of \$35 on shopping, while international visitors spend \$122, 3.5 times higher than domestic visitors. Although this seems extraordinary, the fact that 66 percent of international visitors (35 percent of total visitors) originate from Latin America, means a vast majority of shopping purchases by Latin American visitors in Miami are intended for day-to-day overseas consumption. It is much more common for Latin American visitors to make ordinary purchases in the US in comparison to European visitors to New York, or Japanese visitors to Honolulu. Unlike Europe of Japan, the range of products and retailers is still much better in the U.S. in comparison to most Latin American countries, and despite the continuing reduction in tariffs, prices for U.S. and European brand goods still tend to be cheaper than in Latin America.

Economic and Demographic Conclusions

A summary of key economic/demographic characteristics within the local and regional market that will affect the Miami-Dade County retail, restaurant, and entertainment market going forward include:

- The region experienced relatively strong population growth during 1990s and between 2000 and 2010, with more modest but steady growth expected in the foreseeable future for both Miami-Dade and Broward counties;
- Miami-Dade County's median household income, while below that of the State, should strengthen with expansion in the professional and business service sector jobs, and strong growth in financial sector. Moreover, unemployment is expected to decline, and the job market should continue to recover correspondingly with current national and State economic trends. However, Miami still has a very bifurcated income profile with an unusually large number of both wealthy and poverty stricken residents in comparison to other major Southeastern US cities;
- Visitation to Greater Miami will continue to be a major driver for retail, and visitation is expected to increase 2.6 percent annually over the next 5 years. Furthermore, visitor expenditure figures, particularly from international travelers, represent a large portion of retail demand in Greater Miami. Total visitor retail/restaurant/entertainment expenditure is projected to increase from \$11.2 billion in 2009 to over \$14.5 billion in 2016. As a result, and as it relates to the growth of the retail and entertainment sectors, it is critical to continue to find ways of supporting and enhancing the visitor experience and corresponding expenditure in the Miami-Dade local economy; and,
- Compared to other tourist destinations in the US, visitors to Miami spend on average 65 percent more on shopping. The high

level of visitor expenditure on shopping is attributed to international visitors originating from still developing economies in Latin America which do not have the same widely available range of products at similar price points.

SECTION 1B: MIAMI-DADE COUNTY RETAIL AND ENTERTAINMENT SUPPLY***Miami-Dade Retail/Entertainment Supply by Zone and City***

In order to estimate the supply of existing retail space in Miami-Dade County, Lambert utilized the Miami-Dade Property Appraiser's (MDPA) database, selecting all properties that have a restaurant/retail or entertainment Department of Revenue Code.¹ Based on this analysis, the County as a whole has 114.8 million square feet of gross retail space within 7,000+ parcels. However, this requires adjustments. For example, the County counts structured parking within its total square footage and measures square footage against the gross area of the building. Therefore, Lambert subtracted the gross area of centers with structured parking reported by MDPA, then added the net leasable space as reported by each center back into the total, translating into 107.2 million square feet of usable retail space in the County, or gross leasable area (GLA).² Lambert also benchmarked data from CoStar Group, a nationally recognized commercial real estate information company, in order to compare the MDPA Database with CoStar research in an effort to get a more accurate and refined picture of leasable retail space in Miami-Dade County. In total, the CoStar reports approximately 121.3 million square feet (GLA) of existing retail in Miami-Dade County.

There is clearly a considerable difference between the MDPA database and the square footage reported by CoStar. In order to try to understand this difference, Lambert performed thorough checks of the largest 200 retail properties in the CoStar database for Miami-Dade County and noted certain discrepancies that result in the CoStar data overstating total retail square footage for purposes of this analysis. Such discrepancies are partially a result of the overstating of retail space in certain mixed-use

¹ For a complete list of all DOR codes included in this analysis, see Addendum A.

² CoStar reports this figure as rentable building area (RBA); however, given retail space is the focus of this analysis, Lambert is reporting it as GLA. There is no appreciable difference between these terms; RBA is usually utilized when discussing commercial/office real estate, while GLA is used to report retail space.

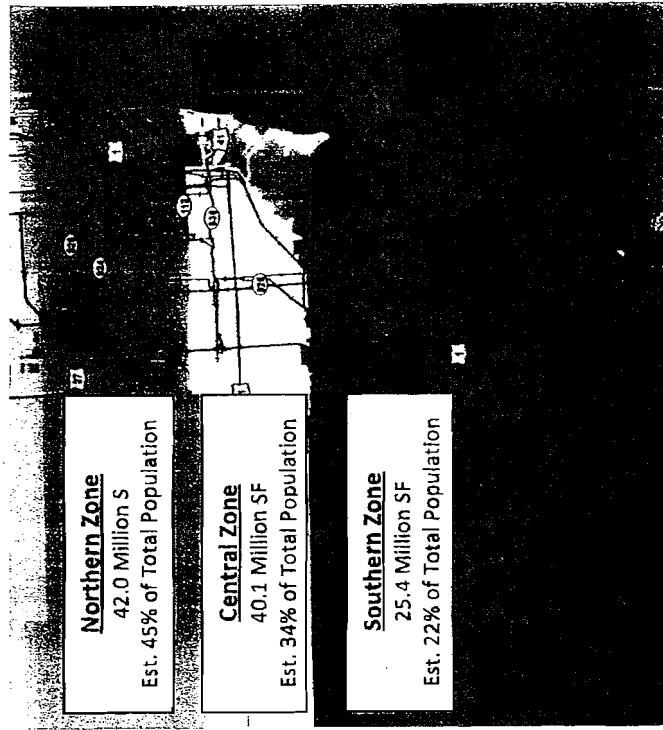
office buildings, hotels, and/or condominiums. For example, the property at 50 Biscayne Blvd. is a 54 story residential building with limited retail; however, CoStar lists the property as having over 1 million square feet of retail space; moreover, CoStar reports that the Miami-Dade College main building as having over 700,000 square feet of retail, which is not the case. Additionally, while the MDPA database categorizes auto dealers and car rental lots as a separate category, CoStar includes auto dealers and car rental as retail, which needed to be excluded from this analysis given that the focus of this study is on non-auto retail sales. Based upon the two sources and our assessment of the information, we performed our analysis based on 107.2 million square feet of existing retail space throughout the County, which is believed to be the most accurate estimate of existing space.

Once the total county inventory was determined, it was geographically divided into three rough zones throughout the County, as shown in Figure 10:

- **Northern Zone:** The Northern Zone stretches from the County line in the north to NE/NW 36th/41st Street to the south and has 42.0 million square feet of retail, the most of any zone in the County based on the MDPA database. Municipalities with more than 1 million square feet retail/entertainment in this zone include Aventura, Hialeah and North Miami Beach.
- **Central Zone:** The Central Zone of the County begins south of NE/NW 36th/41st Street and stretches south to Kendall Drive (SW 88th Street), with retail/entertainment parcels along both sides of Kendall Drive included in the Southern Zone of the County. Incorporated municipalities with more than 1 million square feet of retail/entertainment in the central zone include the City of Miami, Coral Gables, Miami Beach (South Beach) the City of Doral. There is a total of 40.1 million square feet of retail/entertainment space.

- Southern Zone: As noted above, the Southern Zone includes all retail from Kendall Drive to the Florida Bay. Homestead and Cutler Bay are incorporated areas in the Southern Zone that have more than 1 million square feet of retail/entertainment space. This Zone is served by 25.4 million square feet of retail/entertainment space based on the MDPA database.

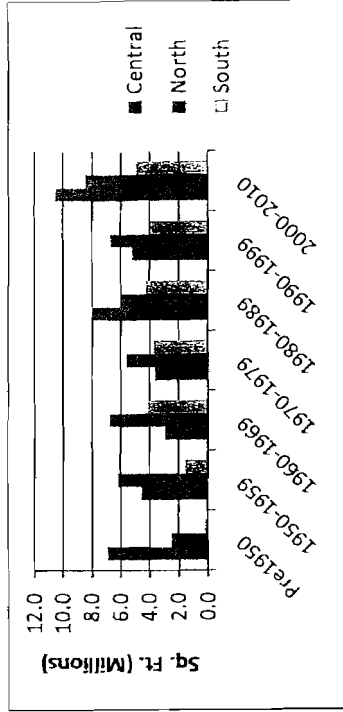
Figure 10: Miami-Dade County by Retail Zone
Source: Miami-Dade Property Appraiser; US Census



In order to gain a historical perspective, Lambert analyzed retail development per decade throughout the County among buildings which continue to operate as retail. In buildings built before 1950, there is a total

of 9.6 million gross square feet of retail space in Miami-Dade County, although only 225,000 square feet in the Southern Zone. Since then, growth in new retail/entertainment space built has increased on average 16 percent per decade; or an average of approximately 15 million gross square feet of space delivered in the County per decade. The past decade (2000 to 2010) saw a total of 24.0 million square feet of gross space delivered, most of which was developed in the Central Zone (10.5 million SF); furthermore, this was a 34 percent increase from the 1990s.

Figure 11: Miami-Dade County Retail/Entertainment Square Feet Delivered by Decade by Zone
Source: Miami-Dade Property Appraiser



To further dissect the County, Lambert utilized the MDPA Municipalities Codes to identify cities with a large supply of retail space.³ Considering 88 percent of the land area of the County continues to be unincorporated (albeit this includes areas beyond the urban development boundary), it is no surprise that the majority of retail space lays outside of the municipalities; however, given the size of the unincorporated land and its noncontiguous nature, it is difficult to identify certain clusters of retail within unincorporated Miami-Dade County. As shown in Figure 12, there are a total of 16 municipalities (in addition to unincorporated Miami-Dade County) with over 1 million square feet of retail space; moreover, these

³ For a detailed list of Municipality Codes, see Addendum B.

cities combined with the County house approximately 95 percent of all retail space in the County; furthermore, 64 percent of Miami-Dade County's retail space is in three areas: unincorporated Miami-Dade County (35 percent), the City of Miami (18 percent) and the City of Hialeah (9 percent).

Figure 12: Miami-Dade County Cities with more than 1 Million Gross Square Feet of Retail/Entertainment Space

Source: Miami-Dade Property Appraiser; Lambert Advisory

City	Square Feet ⁴
Unincorporated	34,779,000
Miami	19,743,000
Hialeah	9,924,000
Aventura	4,684,000
Miami Gardens	4,719,000
Doral	4,456,000
Coral Gables	3,889,000
Miami Beach	3,273,000
North Miami Beach	2,834,000
Cutler Bay	2,473,000
Homestead	2,400,000
North Miami	2,210,000
Sweetwater	1,703,000
Palmetto Bay	1,340,000
Pinecrest	1,293,000
Florida City	1,133,000
Hialeah Gardens	1,065,000
Other	5,316,000
Total	107,236,000

⁴ Figures rounded to nearest thousandth.

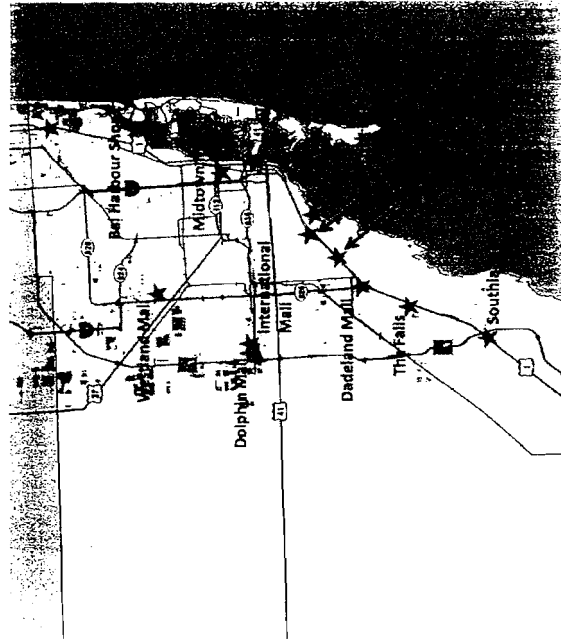
Major Miami-Dade Retail/Entertainment Centers

In order to better comprehend the organization of Miami-Dade County's retail, the concentration of retail throughout the County was examined by profiling the 14 largest retail/entertainment centers or destinations in Miami-Dade County. The destinations range from 2.7 million square feet (leasable) to 187,000 square feet, with an average size of approximately 917,000 square feet (GLA). The largest center in the County is Aventura Mall, which is comprised of 2.7 million leasable square feet and is also a major draw among tourist. For example, 24 percent of visitors to Greater Miami visited the Aventura Mall in 2009, second only to Bayside among visitors reporting retail destinations. According to Village Solutions, 40 percent of Aventura sales are generated by international visitors, while Bal Harbour Shops generates half of its sales from international visitors. Figure 13 shows a map of the major privately developed retail centers in Miami-Dade County (Florida Keys Outlet Center in Florida City is not shown).

24 percent of visitors to Greater Miami visited the Aventura Mall in 2009, second only to Bayside among visitors reporting retail destinations.

According to Village Solutions, 40 percent of Aventura sales are generated by international visitors, while Bal Harbour Shops generates half of its sales from international visitors.

Figure 13: Miami-Dade County Major Retail Centers



Together, these 14 centers comprise 13.0 million leasable square feet, or an estimated 12 percent of the County's leasable retail/entertainment space. Aventura Mall with 2.7 million square feet (GLA); or 2.5 percent of total retail space in the County, is approximately 50 percent larger than the next largest retail center, Dadeland Mall. Not included in this group, although critical to the tourist market are Lincoln Road and South Beach (63 percent of visitors report going to South Beach and 28 percent to Lincoln Road) given that they are quite unique but are accounted for in the

Together, the largest 14 centers in Miami-Dade comprise 13.0 million leasable square feet, or approximately 12 percent of the County's leasable retail entertainment space.

broader analysis. As shown below, there are 6 centers with at least 1 million square feet of leasable area.

Figure 14: Miami-Dade County Major Retail Centers

Source: Miami-Dade Property Appraiser; Coconut Grove BID; Various Retailers; Lambert Advisory; CoStar

Retail Center	Gross Sq. Ft. ⁵	Leasable Sq. Ft.
Aventura Mall	5,313,277	2,700,000
Dadeland Mall	2,858,447	1,460,000
Dolphin Mall	2,127,142	1,408,000
Westland Mall	1,470,174	1,160,000
The Falls	1,703,326	821,000
International Mall	1,435,010	1,100,000
Southland Mall	1,191,964	1,000,000
Midtown Miami	887,191	645,000
Bal Harbour Shops	777,889	540,000
Merrick Park/Miracle Mile	754,883	740,000
CocoWalk/Mayfair	677,458	467,000
Bayside	571,802	230,000
Shops at Sunset Place	516,656	500,000
Florida Keys Outlet Center	234,124	187,300
Total	20,519,343	12,958,300

The oldest of these centers is Bal Harbour Shops, which opened in 1965; furthermore, the newest major retail center is the Shops at Midtown opened in 2006. The majority of these centers were built more than 20 years ago. The average size of centers that were built before 1990 are 52 percent larger than centers built during the 1990s and 2000s, although many of these larger malls continue to go through periodic expansions given that they build a powerful base of consumer traffic and name recognition which fuels faster growth. However, as a result of design and necessity Miami, not unlike the rest of the nation, has followed a national

⁵ Centers with substantial structured parking such as Aventura and Dadeland have a much greater gap in net to gross area as a result of MDPA records counting structured parking (although not surface parking) in building gross area calculations.

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trend toward smaller retail/lifestyle and entertainment complexes in the recent past.

Miami-Dade Major Center Sales Estimates

Average sales within major retail centers in Miami-Dade County range from approximately \$400 per square foot to over \$2,000 per square foot. The retail center with the highest sales per square foot in the County is Bal Harbour Shops. Indeed, according to Women's Wear Daily, Bal Harbour shops is actually the most productive center on a per square foot basis in the U.S. In the mid 2000s, per square foot sales exceeded \$1,400; however, in 2008 sales jumped to \$2,000 per square foot. This is the result of the center's composition, which is largely luxury boutiques such as Cartier, and Harry Winston. For comparison purposes, Ala Moana (Honolulu, HI), perennially one of the most successful shopping destinations in the US, generates \$1,125 in sales per square foot (US News). Aventura Mall is the second strongest performing center in the county on a square foot basis, with reported sales ranging from \$900 to \$1,000 per square foot, making Miami-Dade County home to two of the best performing retail centers in the nation. Dadeland Mall also continues to rank among the best performing centers in the country.

Dolphin Mall, principally an outlet and entertainment center intended to compete with Sawgrass Mills in Broward, and one of the few large scale indoor shopping centers opened during the past 20 years in Miami-Dade County, had an estimated \$564 per square foot in sales, according to an interview conducted by the Miami Herald in February, 2011.

Sales per square foot figures rely heavily on the mix of retail tenants and the overall size of the center. For example, jewelry stores on the scale of Van Cleef & Arpels have very small footprints, but average sales can be comparably stratospheric. Likewise, anchors such as Macy's or Nordstrom, which carry a variety of goods perform at a lower sales per foot ratios but tend to be key draws to malls for shoppers and are of critical importance in success of traditional malls. The great business insight of successful mall developers is their ability to attract and plan for the right mix of tenants to

maximize the customer draw while achieving increasingly growing revenue.

Miami-Dade County Major Non-Retail Attractions

Aside from major retail centers, Miami-Dade County is home to a number of large entertainment attractions that do not focus on retail. Gated attractions are major draws to certain areas people otherwise would not travel too; therefore, they can act as a driver for retail and restaurant demand in certain submarkets. There are over seven major single site entertainment ("gated") attractions in Miami-Dade County that are not geared toward sports/performance (e.g., American Airlines Arena, Adrienne Arsht Center) or shopping (e.g., Bayside Marketplace).

- *Zoo Miami* – The largest of these gated attractions is Zoo Miami, located in south Miami-Dade County west of the City of Cutler Bay. The 740 acre zoo (300 of which are developed) is visited by over 800,000 people annually and features over 81 exhibits for about 1,100 species. Admission to the Park is \$12 for children under 13 years of age and \$16 for adults. Group discounts are offered, as well as discounts for seniors, tour groups, Miami-Dade County residents and other cohorts.
- *Miami Seaquarium* – In terms of visitation by tourist, the Miami Seaquarium was visited by 7.4 percent of surveyed domestic and international visitors to Greater Miami in 2009. The facility sits on 34 acres and hosts daily events and interactive educational programs and entertainment, such as swimming with dolphins. According to the facility's website, the Miami Seaquarium's average annual attendance is over 600,000 patrons, with a significant portion of that figure driven by overnight visitors and tour/school groups. The Seaquarium charges \$37 for adult admission and \$27 for children (under 10). Annual passes and group rates are also offered.

- Jungle Island* – Jungle Island is an interactive zoological park that has been in operation since 1936, although moved from its original location in 2003. According to the Greater Miami CVB, of those visitors surveyed, 5.1 percent reported they visited Parrot Jungle. The facility has space for events, such as weddings and conferences, and also hosts zoological shows daily and is famous for housing a Liger, which is a rare mix breed between a lion and a tiger. It is important to note that Jungle Island, which was named Parrot Jungle until recently, was originally located in the Village of Pinecrest, and largely destroyed by Hurricane Andrew. The facility moved to its current location in 2003 between the City of Miami and Miami Beach. Ticket prices range from \$31 for adults and \$23 for children under 11 years old. Similar to Miami Seaquarium, Jungle Island offers an annual pass for \$43 (adults) or \$32 for children. According to management, the park receives 450,000 patrons per year.
 - Monkey Jungle* – Monkey Jungle is a 30 acre monkey preserve with nearly 400 primates roaming freely through the park. The park is located roughly 7 miles north of the City of Homestead in unincorporated Miami-Dade County. Similar to Zoo Miami, the park is located away from the major activity centers and is not easily accessible to tourist unless they rent transportation; therefore, overnight visitors to Greater Miami do not significantly affect attendance figures at Monkey Jungle. General admission prices range from \$24 for children between 3 and 9 years old to \$30 for adults. The park was devastated by Hurricane Andrew and has yet to fully recover.
 - Miami Children's Museum and Science Museum* – These two museums represent the largest museum attractions among Miami-Dade County's collection of museums. The Miami Children's Museum is located on Watson Island and is adjacent to Jungle Island. According to the American Association of Museums, the average attendance at the Children's Museum is over 75,000 annually and is comprised of general admission
- attendance and groups/tours. General admission costs \$15 (\$12 for Florida residents); moreover, the facility can be rented out for parties and other events. The Science Museum is located in Coconut Grove and is adjacent to Vizcaya. According to the Miami Herald, the Museum is attended by 150,000 people annual although attendance is projected by the museum to increase to roughly 600,000 after relocation and expansion plans are completed in 2014. Currently, admission to the Museum costs \$15 for adults and \$11 for children and students. Memberships are also available.
- In total, these gated attractions are visited by approximately 2 million people per year. Gated attractions, while offering concession services and souvenir shops, generally do not have large retail complexes associated on the premise; therefore, retail in places immediately surrounding such facilities can benefit from the demand generated by the influx of people to the area, particularly when multiple venues are heavily concentrated in a small area. Additionally, there are attractions without gated entrance that are significant drivers for retail demand in the Miami-Dade market:
- South Beach/Lincoln Road* – South Beach is the premier tourist destinations in Greater Miami. South Beach is home to the historical Art Deco District, a collection of shopping and dining destinations and extremely active nightlife. According to the Greater Miami CVB, 63 percent of overnight visitors went to South Beach, and 26 percent reported visiting Lincoln Road. This translates to over 7.5 million overnight visitors visiting South Beach and 3.1 million to Lincoln Road.
 - Miami-Dade County Beaches* – The beaches are the County's most important amenity in terms of drawing tourism. Miami-Dade beaches stretch from the County line (north) down to the southernmost part of Miami Beach. According to the Greater Miami CVB, over 6 million overnight visitors went to the beach in 2009.

Miami-Dade County Retail/Entertainment District (RED) Assessment

Section 1

These non-gated attractions are the backbone to the Greater Miami tourist market and help drive retail from residents and visitors alike. South Beach and the County's beaches are the most consistently visited destinations in the County and have not been affected as significantly by the economic downturn as some retail centers.

Miami-Dade Retail/Entertainment Supply Conclusions

The retail supply analysis above provides considerable insight into the long and short term trends of retail development throughout Miami-Dade County. Moreover, it provides key perspective as to the future planning and promotion initiatives for the County going forward. The following are key retail supply factors for Miami-Dade County:

- Based upon the MDPA database CoStar, there is an estimated 107.2 million leasable non-auto related square feet throughout the County, with the majority of that space north of Kendall Drive;
- The last decade saw the most new retail/entertainment construction since the 1980s with over 24 million gross square feet constructed since 2000. In total, 55 percent of all retail in the County was built after 1980, with the Northern Zone experiencing the most retail/entertainment growth over that period (57 percent);
- Throughout the County there are 14 major destination retail centers totaling nearly 13.0 million leasable square feet, or 12 percent of the County's retail/entertainment space. Recent trends (with the exception of Dolphin Mall) indicate destination retail/entertainment centers developed over the last 20 years are considerably smaller than those that opened before 1990;
- The major retail centers are also major tourist attractions, as 25 percent of all visitors to Greater Miami report visiting Bayside Marketplace, 24 percent report shopping at the Aventura Mall, and 23 percent report visiting CocoWalk/Mayfair;
- Two of the top performing large retail centers in the US (Aventura Mall and Bal Harbour Shops) generate sales in excess of \$900 per square foot and rely heavily on visitor expenditure to drive those sales, further supporting the notion that visitors, particularly international visitors, are central to the vitality and growth of the Miami retail market; and,
- Attendance at Miami-Dade County gated attractions is strong among residents and overnight visitors alike. Attractions that are not gated are extremely popular among overnight tourists, particularly due to their proximity to hotel supply and easier accessibility.

SECTION 1C: MIAMI-DADE COUNTY RETAIL AND ENTERTAINMENT DEMAND

The retail demand analysis takes into account demand generated by three groups:

1. **Miami-Dade County Residents** – over 2.5 million people who are in the County on a daily basis, year-round and do the vast majority of their retail spending within the County while accounting for some leakage and inflow to and from Broward and Monroe counties and outflow due to local resident vacation expenditure outside the region;
2. **Visitors to Miami-Dade County** – Includes both domestic and international overnight visitors; and,
3. **Non-Resident Workers in the County** – Miami-Dade County has a net gain of 60,000± people each workday. Employees typically spend a small portion of their income close to where they work, including goods such as lunch or dinner and day-to-day items such as convenience and supermarket goods.

Utilizing a variety of data sources, we have built a series of models that estimates expenditures by each of these groups and translates it into demanded square feet of retail space by merchandise category. The detailed resident model can be found in Addendum C. We have estimated demand for the current year, and estimated it for 2016.

Miami-Dade Retail/Entertainment Demand by Residents

For the purposes of this study, the residential trade area includes the entire County. Local residents' expenditures are a key potential driver of demand for retailers within Miami-Dade County. Although utilizing large amounts of data from a variety of sources, the way the retail trade model derives the estimated space demand is actually quite simple. The methodology is described in detail below.

- **Total Personal Income** – In 2010, there were over 2.5 million residents in Miami-Dade County with per capita income of approximately \$24,000 (distinct from average household income detailed in Section 1), which yields \$61.7 billion in total personal income.
- **Total Non-Auto Retail Expenditure** – An estimate of non-automobile retail expenditure for the trade area is made by multiplying the Total Personal Income by the percent of income that is spent on non-auto retail purchases in a given year. The percent of household income spent on non-auto retail purchases was derived from the Department of Commerce 2008-2009 Consumer Expenditure Survey, which is both region- and income cohort-specific based upon data from the Department of Commerce, Miami-Dade County residents are estimated to spend approximately 28 percent of their income on non-auto related retail goods.
- **Expenditure by Store Type** – Non-auto expenditure by store type for the market area is estimated using the percentage of total non-auto store sales by store type for the State of Florida (as a proportion of total non-auto sales) based on an analysis of the 2007 Census of Retail Trade. County level data is available to some degree but many retail categories are not separable due to the fact that the Census Bureau maintains limits on how much data is provided at the county level for categories where there are only a few companies.
- **Primary Market Area Retention** – This is estimated based upon fieldwork and stakeholder interviews, and is an estimate of the degree of leakage which may occur from Miami-Dade County by store type. All merchandise categories have high retention rates due to the size of the County and despite the fact that Broward County to the north has a robust retail market.

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- **Percent Sales Inflow from Secondary Market** – While there is resident expenditure leakage from the trade area there is also inflow from residents that live outside the bounds of the trade area. This is accounted for in the resident model. However, the majority of inflow demand will come from visitors and to lesser extent non-resident daytime workers in the County, which has been separated out of the resident model and into specific segment models detailed below.
- **Sales per Square Foot** – The sales per square foot figures are estimated average sales per square foot figures for stores in the trade area based on interviews and other sources of information, including the Urban Land Institute's Dollars & Cents of Shopping Centers.
- **Warranted Square Feet** – Is calculated using the following formula: $\text{Net Sales Potential (by category)} / \text{Sales per Square Foot (by category)}$
- **Non-Retail Space** – Is calculated assuming that there is an additional 10 percent of "retail" space demanded in traditional retail space that is utilized for non-retail uses such as doctor's offices, hair salons, or other personal services.

As shown in Figure 15, Miami-Dade County Residents currently account for 57 percent of total retail demand in the County. By 2016, we expect demand of retail space will increase 17 percent, or by 9.4 million square feet. The majority of demand by residents is in the Shoppers Goods category, which includes apparel, accessories, and general merchandise for instance. In total, the model estimates County residents can absorb an additional 9.4 million square feet of retail space (including the leasing of vacant space) over the next five years. Note all numbers in the following Figures are rounded to the nearest thousandth.

Figure 15: Miami-Dade County Retail Demand - Residents

Source: U.S. BLS; US Census; Lambert Advisory

	2011	2016	Change
Estimated Population	2,596,000	2,757,000	161,000
Per Capita Income	\$23,764	\$26,237	\$2,473
Total Personal Income (TPI)	\$61,691,677,000	\$72,330,884,000	\$10,639,207,000
% of TPI Spent on Non-Auto Retail	27.6%	27.6%	
Total Retail Exp. Potential	\$17,035,237,000	\$19,973,095,000	\$2,937,858,000
Exp. Potential by Category (net of resident loss/inflow)			
Food & Drinking Places	\$2,714,063,000	\$3,182,124,000	\$468,061,000
Shoppers Goods	\$8,037,439,000	\$9,423,557,000	\$1,386,119,000
Convenience Goods	\$4,925,159,000	\$5,774,541,000	\$849,382,000
Sales per Square Foot by Category			
Food & Drinking Places	\$365	\$365	
Shoppers Goods	\$268	\$268	
Convenience Goods	\$372	\$372	
Supportable Square Footage by Category			
Food & Drinking Places	7,436,000	8,718,000	1,282,000
Shoppers Goods	30,011,000	35,046,000	5,035,000
Convenience Goods	13,097,000	15,355,000	2,259,000
Total Supportable Retail SF	50,544,000	59,120,000	8,576,000
Non-Retail Multiplier	1.1	1.1	
Total Supportable Retail Space	55,598,000	65,032,000	9,434,000

Miami-Dade Retail/Entertainment Demand by Visitors

Our estimate of gross retail demand generated by visitors is based on estimates and projections derived from information provided by the Greater Miami Conventions and Visitors Bureau (See Section 1A for detailed visitor profile). As noted in Section 1A, it is estimated that visitors currently spend \$11 billion on retail/entertainment related activity; that number is expected to increase to \$14.5 billion in 2016, with most of the growth attributable to international visitors. The demand estimate is based on numbers of visitors, their average expenditure rates, and estimated capture rates, which is assumed to be 90 percent. Dividing the potential gross spending figures by annual sales per square foot estimates

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yields approximately 38.4 million square feet total retail demand in 2011 and 46.5 million square feet total in 2016. A summary of the demand generated by visitors appears below. Considering expenditure figures are given in three categories, and shopping is not further broken down, all shopping related expenditure falls under Shoppers Goods. Also, Entertainment demand is calculated for visitors as oppose to Convenience Goods demand.

Figure 16: Miami-Dade County Retail Demand - Visitors

Source: Greater Miami CVB; Lambert Advisory

	2011	2016	Change
Total County Visitors	13,201,000	15,009,000	1,808,000
Total Visitor Retail Expend.	\$12,050,292,000	\$14,590,683,000	\$2,540,391,000
Retail/Ent. Expend. Per Visitor	\$913	\$972	\$59
Visitor Expenditure Capture	90%	90%	
Food & Drinking Places	\$3,267,590,000	\$3,867,744,000	\$600,154,000
Shoppers Goods	\$5,718,048,000	\$7,107,433,000	\$1,389,385,000
Entertainment	\$1,859,625,000	\$2,156,438,000	\$296,813,000
Sales per Square Foot by Category			
Food & Drinking Places	\$365	\$365	
Shoppers Goods	\$268	\$268	
Entertainment	\$230	\$230	
Supportable Square Footage by Category			
Food & Drinking Places	8,952,000	10,597,000	1,644,000
Shoppers Goods	21,336,000	26,520,000	5,184,000
Entertainment	8,085,000	9,376,000	1,290,000
Total Supportable Retail SF	38,374,000	46,493,000	8,119,000

Miami-Dade Retail/Entertainment Demand by Non-Resident Daytime Workers

The worker demand model is summarized in Figure 17. This category of retail demand is derived from net new employees that work in Miami-Dade County but reside somewhere else. To estimate the number of net new workers to Miami-Dade County, Lambert used Census data from 2000 and analysis performed by the South Florida Regional Planning Council.

According to this data, more than 57,000 net new workers commute to Miami-Dade County for work. Using historical trends, County employment and population projections, we have estimated the current number of net new workers to the County at 60,000 in 2011 and increased that figure marginally in 2016.

Figure 17: Miami-Dade County Retail Demand – Non-Resident Daytime Workers

Source: South Florida Regional Planning Council; US Census; Lambert Advisory

	2011	2016	Change
Estimated Net New Workers	60,000	61,553	1,553
Spending per employee			
Lunches	\$1,286	\$1,350	\$64
Shoppers Goods	\$785	\$824	\$39
Convenience	\$559	\$587	\$28
Dinner/Drinks after work	\$157	\$165	\$ 8
Total	\$2,786	\$2,926	\$139
Expenditure Potential			
Food & Drinking Places	\$86,580,000	\$93,263,000	\$6,683,000
Shoppers Goods	\$47,077,000	\$50,710,000	\$3,634,000
Convenience Goods	\$33,517,000	\$36,104,000	\$2,587,000
Total Potential Expenditures	\$167,174,000	\$180,077,000	\$12,903,000
Sales per Square Foot by Category			
Food & Drinking Places	\$365	\$365	
Shoppers Goods	\$268	\$268	
Convenience Goods	\$372	\$372	
Supportable Square Footage by Category			
Food & Drinking Places	237,000	256,000	18,000
Shoppers Goods	176,000	189,000	14,000
Convenience Goods	90,000	97,000	7,000
Total Supportable Retail SF	503,000	542,000	39,000
Non-Retail Multiplier	1.1	1.1	
Total Supportable Retail Space	553,000	596,000	43,000

The International Council of Shopping Centers regularly publishes a survey of downtown and suburban workers that contains average annual retail

expenditures near workers' offices. Purchases by category (food & beverage, shoppers' goods, convenience goods) were estimated based on these average annual expenditure figures, inflated to 2011 dollars based on actual CPI. Dividing the potential gross spending figures by annual sales per square foot estimates yields the square footage implied by net new worker demand, approximately 553,000 square feet in 2011 and 596,000 square feet in 2016 – representing a relatively small portion of overall retail demand in Miami-Dade County.

Miami-Dade County Retail and Entertainment Demand Conclusions

Figure 18 highlights the total retail demand by all three sectors involved with this analysis. The Non-Retail Multiplier accounts for professional service oriented establishments within retail nodes and shopping centers. This multiplier is applied only against local and worker expenditure. These include businesses such as doctor's offices, insurance agencies and real estate brokers who sometimes occupy retail spaces. Considering establishments of this nature are not generally reliant on, or frequented by visitors to Miami-Dade County, a Non-Retail Multiplier was not applied to the visitor model, and it not taken into account for the overall retail demand for the County. Therefore, as shown in Figure 18, the 10 percent factor to supportable retail space demanded by visitors is excluded from our calculations.

In 2010, there were over 2.5 million residents in Miami-Dade County with \$61.7 billion in total personal income

As shown in Figure 18, residents account for 57 percent of all demand, while visitors account for 42 percent of current demand

Figure 18: Miami-Dade County Retail Demand – Total

Source: South Florida Regional Planning Council; US Census; Greater Miami CVB; Lambert Advisory; BLS

	2011	2016	Change
Resident Market			
Food & Drinking Places	7,436,000	8,718,000	1,282,000
Shoppers Goods	30,011,000	35,045,000	5,035,000
Convenience Goods	13,097,000	15,355,000	2,259,000
Supportable Leasable SF	50,544,000	59,120,000	8,576,000
Visitor Market			
Food & Drinking Places	8,952,000	10,597,000	1,644,000
Shoppers Goods	21,336,000	26,520,000	5,184,000
Entertainment	8,085,000	9,376,000	1,290,000
Supportable Leasable SF	38,374,000	46,493,000	8,119,000
Net Non-Resident Workers			
Food & Beverage	237,000	256,000	18,000
Shoppers Goods	177,000	189,000	14,000
Convenience Goods	90,000	97,000	7,000
Supportable Leasable SF	503,000	542,000	39,000
Total Food & Beverage SF	16,625,000	19,570,000	2,945,000
Total Shoppers Goods SF	51,523,000	61,756,000	10,233,000
Total Convenience Goods SF	13,187,000	15,452,000	2,266,000
Total Entertainment SF	6,939,000	8,046,000	1,108,000
Total Supportable Retail SF	89,424,000	106,155,000	16,551,000
Non-Retail Multiplier (Except Visitors)	1.1	1.1	
Total Supportable Retail Space	94,526,000	112,121,000	17,595,000

As shown in Figure 18, residents account for 57 percent of all demand, while visitors account for 42 percent of current demand, and non-resident workers represent marginal retail demand. Both due to constraints on available financing and existing available vacant space, we expect that delivery of retail space will not be warranted over the next year or so. However, as 2014 and beyond approaches we should expect much of the quality vacant space to evaporate and new development to occur at a reasonably rapid pace to both secure growing demand and replace tired

supply as markets tend to do. As our broader analysis also indicates, a key focus on supporting the local retail market and growth should be placed on creating a more robust entertainment sector.

Figure 19: Miami-Dade County Retail Demand – Total

Source: Lambert Advisory

	2011	2016
Miami Dade 2011 Retail Supply	107,200,000	107,200,000
Retail Trade Model Demand Estimate	94,500,000	112,100,000
Over/(Under) Supply	12,700,000	(4,900,000)

Given the estimated retail demand from all three drivers, as shown in Figure 19, by 2016 it is estimated that total retail demand will be approximately 4.9 million square feet over the current supply. Currently, there is 2.4 million square feet of major new retail entitled in the County; however, because this analysis is quantitative rather than qualitative, our sense of the market is that there will be substantially greater demand for well positioned newly constructed retail space by 2016 than this 4.9 million figure would indicate. Within the 107.2 million square feet there is a lot of older aging stock which exists outside of solid retail corridors and has difficulty competing as new investment occurs as is the natural progression in any market economy.

Currently the study area contains 4 percent of total retail space in the County. Taking into account a 5 percent frictional vacancy factor countywide and given the strength of the area as a retail activity center to potentially attract modestly more than its fair share of demand, we estimate that the study area could support the addition of between 380,000 and 480,000 square feet of retail space between now and 2016. Importantly and has been highlighted in this report, this assumes that an appropriate mix of retail tenants and entertainment venues can be identified and secured which are differentiated from the existing centers in the area.

In addition, given that IKEA is not yet present in Miami-Dade County and give the Study Area's central location and proximity to both the Airport and Port, it is well positioned to attract an IKEA, which has a unique regional and indeed international draw. If IKEA were to identify a reasonable property (valued and located) in the RED, we believe this one retailer could be supported in addition to the demand range noted above. Currently, and with the exception of the Dominican Republic, there are no IKEA stores located in Latin America or the Caribbean. While styles and local quality offerings in Latin America and the Caribbean may be in contrast to the Scandinavian design ascetic of IKEA, the store has such a large following throughout the world even a very tiny percentage of the Caribbean and Latin American households will drive substantial sales in a Miami location. A typical IKEA ranges between 300,000 and 350,000 square feet; however, stores have been built as small as 185,000 square feet (Pittsburgh, PA) and as large as 450,000 square feet (Chicago, IL Metro area).

**SECTION 2: FUTURE OF RETAIL/ENTERTAINMENT
ROUNDTABLE**

FUTURE OF RETAIL/ENTERTAINMENT ROUNDTABLE

As part of Lambert's assessment for a Retail/Entertainment District in Miami-Dade County, a Roundtable discussion was held on March 29, 2011 to gain insight from retail and entertainment experts from around the world and was preceded by an internal discussion of the state of retail/entertainment in Greater Miami on March 28, 2011. The Roundtable featured three prominent figures in this field who have worked on innovative retail/entertainment projects worldwide who offered insight into how Greater Miami can build upon the region's current strength to create a world-class retail/entertainment destination. Below is a brief overview of the Future of Retail/Entertainment Roundtable participants:

- **Thomas Gilmore** is Senior Vice President for the Southern California Division of Madison Marquette, a leading U.S. retail and mixed use developer known for creating special places. Mr. Gilmore has also been intimately involved in the company's Asbury Park Boardwalk (NJ) project highlighted in an article in the New York Times last month regarding the renaissance of the City of Asbury Park along the New Jersey shore.

Prior to joining Madison, Mr. Gilmore worked with Universal Studios for seven years in the planning, development and operating phases of CityWalk. Recognized as the first "Urban Entertainment Center," CityWalk is a 380,000 square foot entertainment center located at the entrance to Universal Studios. Previously, Mr. Gilmore held a variety of positions with highly regarded shopping center developer and operator The Rouse Company of Columbia, Maryland. Over a 9-year period, he was responsible for the strategic planning and

marketing for operating projects including Faneuil Hall Marketplace in Boston (MA), Santa Monica Place (CA) and The Citadel in Colorado Springs (CO).

- **Jack Illes** had a 17 year career with The Ernest Hahn Company, participating in the creation of many award-winning retail and entertainment projects in Southern California, across the US and abroad. Initial responsibilities for the leasing of then-groundbreaking urban projects such as Horton Plaza in downtown San Diego (CA), led to roles in strategic planning, conceptual design and development management for new projects in New York (NY), Boston (MA), Denver (CO), Mexico City, Toronto, Las Vegas (NV), Los Angeles and San Diego (CA), as well as Europe and Asia.

After founding Urban Labs in 2001, Mr. Illes secured the contract to create a strategic plan for the six-block Waikiki Properties of The Queen Emma Foundation and later served as Design Principal for the proposed International Market Place redevelopment in Waikiki (HI). Mr. Illes also led the Urban Labs development planning and design efforts for a number of mixed-use and hospitality projects for leading hospitality, real estate and gaming companies including Harrah's Entertainment, Madison Marquette, Alexander & Baldwin, and DMB Associates.

Jack Illes, whose projects include International Marketplace in Honolulu, which incorporates the history and culture of the Hawaiian Islands, believes a geotouristic concept is Miami's strongest opportunity for a retail/entertainment district

- **Denis Laming**, a Paris based architect is known for his work in designing and building the pavilions of Futuroscope, one of the world's most innovative and successful entertainment and business development projects located in France. Most recently, in December 2009, Mr. Laming opened the new attraction of Futuroscope - the vessel Atlantis.

Mr. Laming is currently working in China and the UAE. In March of 2007, Mr. Laming received the Apollo Award, one of China's most prestigious prizes awarded by the Chinese Ministry of Construction to reward his work in urban planning, sustainable development and architecture. Laming is the first foreigner to receive this honorary award. Today, Mr. Laming develops "green cities" in China, renewable energy projects, and builds public awareness and innovative visions around these issues. Mr. Laming is also a professor at the University of Architecture of Tianjin (China) and Valencia (Spain).

One of the main objectives of the Roundtable was to obtain an outside perspective on the destination retail market in the Greater Miami area, as such perspectives into a market, void of proximity and strong familiarity with a market, can bring to light new potential opportunities. Another objective was to share with the community innovative retail and entertainment projects implemented in other major urban areas, and have these experts provide insight into the success of these projects and how that can translate into a viable retail/entertainment district for Miami-Dade County, taking advantage of the strengths of the local market. Each of the participants offered a unique perspective on the opportunity for Greater Miami to create a world class retail and entertainment district to attract both visitors and residents based upon previous projects they've developed.

During the two day event, the three participants were given a tour of major retail centers in Miami-Dade County and Broward County. The tour focused on Dolphin Mall, International Mall, Sawgrass Mills, Gulfstream Park, Aventura Mall, Bal Harbour Shops and Design District/Midtown Miami. Upon assessing the major retail/entertainment centers in the market, an internal workshop between Lambert Advisory and the panel of

experts was conducted in order to discuss their perceptions of major centers in the market and try and identify viable opportunities that could be incorporated, without adversely affecting other strong centers in Miami-Dade County.

One of the overriding themes that evolved throughout discussions was the general sameness of the current major retail centers in Greater Miami and its impression on the visitor market in particular, which the analysis shows is extraordinarily important to Miami (particularly the international visitors). While many of the retail centers, particularly Dolphin and Aventura malls, generate a great deal of revenue from visitors to Greater Miami, they offer similar attributes to other major malls anywhere in the country and do not capitalize on the natural ambiance and energy that Miami has to offer. Therefore, while visitor expenditure is captured within the market, incentive is lacking for visitors to Miami, particularly the cruise market, to prolong their stay in the area. For example, while the malls benefit from the visitor market, with the exception of South Beach (mostly oriented to adults), Greater Miami does not have a destination for retail or entertainment that convinces visitors to extend their stay and have a unique experience. In other words, there are currently no "must see" major retail or (family) entertainment destinations, more specifically, destinations that emphasize the character of Miami – its "Sense of Place."

"Technology is advancing so rapidly that the spaces which accommodate entertainment venues must be flexible and changeable to be able to adapt and stay relevant...the black box." – Denis Laming

Jack Ilies, whose projects include International Market Place in Honolulu, which incorporates the history and culture of the Hawaiian Islands, believes this geotouristic concept is Miami's strongest opportunity for a retail/entertainment district. Geotourism is a relatively new concept pioneered by the U.S. Travel Association and National Geographic. The National Geographic Geotourism Charter defines geotourism as tourism that sustains or enhances the geographical character of place — its

environment, heritage, aesthetics, culture, and the well-being of its residents. The goal is essentially to take maximum advantage of territorial assets while continuing to preserve those assets. Geographical character includes natural attributes, of which ecotourism is based in, and cultural and historical attributes unique to that location – music, cuisine, architecture, etc. While there are niches in the tourism industry, such as ecotourism or historical tourism, geotourism is an overarching umbrella that addresses a wide market that is compatible with sustaining a destination's unique characteristics and qualities.

Within geotourism there are several inherent principles and strategies. It is important that the marketing efforts focus on high quality, appealing presentations of the place – known in the industry as 'interpretation.' Interestingly, creating a geotourist-centric destination is not about quantity, but of quality – increased tourist traffic generally pushes quality aside and results in catering to the "packaged resort mass tourism market" that is concerned with cheaper price and generic amenities. While Miami has elements of this; for example, activity surrounding the beach and water, there are currently few notable nodes of activity that highlight Miami's eclectic cultural and historical characteristics where expenditures dollars can be captured at a significant rate.

Another observation discussed in the workshop was the lack of family-oriented entertainment within the Greater Miami market. Central to this discussion was the inherent question of "what is family entertainment in the 21st Century?" With the advent of sophisticated gaming consoles and the increase in opportunities via the internet and other technological avenues, the traditional concept of family entertainment, such as Dave and Busters or Wannado City, is in the process of being reinvented, leading to a

widening disconnect between the generational perceptions of family entertainment. Although it is apparent the market does not have a large scale family entertainment destination (even by traditional standards), the challenge comes in defining what the new concept is (or will become) and developing an innovative destination to successfully capitalize on the budding concept.

Geotourism:
Tourism that sustains or enhances the geographical character of place — its environment, heritage, aesthetics, culture, and the well-being of its residents.

Denis Laming, French architect and innovator, provided excellent insight of his experiences with this concept. Mr. Laming was the chief architect of Futuroscope, a cutting edge family entertainment amusement park in France developed in the early 1980s. To date, the concept of an amusement park revolved around carnival rides and rollercoasters; however, with the emerging technologies came an opportunity to create an innovative family entertainment center that had not been previously attempted. Aside from the parks brilliantly unique architecture, the main attraction was IMAX type theaters, which were at the cutting edge of technology. While the exact orientation of the park is not important, the parallels between its development 30 years ago and the development of family entertainment today are significant. Coming out of the Future of Retail Roundtable discussion, it became clear that going forward this concept would need to be more defined in order to be implementable; moreover, the challenge arose as to how to intertwine the two domains of retail and family entertainment into one successful entity.

Key conclusions from the Roundtable can be summarized as follows:

- While entertainment venues (movie theatres, bowling, clubs) support large retail development and retail and restaurants supports major entertainment venues, a clear conclusion of the

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roundtable was that either retail or entertainment (not both) are almost always the dominant driver of a project and the other a supporting actor. There is no reason to believe that this relationship will not continue in the future as the business models and investors are quite different between the two activities and while the two can co-exist side-by-side they often have a different revenue and investor profile which keeps either retail or entertainment as the principal revenue generator;

- One of the key underlying themes of the discussion as it related to retail was the need to keep it interesting and exciting and authentic. One way this is increasingly being accomplished is by focusing on restaurants, clubs and other food and beverage establishments to set the tone of a project. This is largely a result of the much greater high quality variety and innovation found in the restaurant and club business compared to traditional mall retail stores. Likewise, integrating retail districts into existing urban spaces, which although often restricting the size of a development, provides an authenticity and sense of place which is difficult to create in greenfield markets;

- The days of pure mid-scale entertainment venues (i.e. JazzLand in New Orleans) is waning given the quality of the experience provided at home or in small scale venues improving at a rapid pace. While potential patrons cannot experience a roller coaster ride at home, these type of entertainment venues have proved difficult to profit from except on a very large scale in a US context (i.e. Disney, Universal Studios) and with very substantial investment. They are not easy to replicate and by their nature are very limited in number, although there appears to continue to be a need for a major waterpark given the size of the overall Miami market. At the same time, people continue to want to congregate and do things together at a community setting and entertainment is moving into two key directions at this level. First it must have an education component. Given the cost of the investment and price of ticket, parents are expecting more for their money today

and are looking for their children to be educated while they are entertained. Second, technology is advancing so rapidly that the spaces which accommodate entertainment venues must be flexible and changeable to be able to adapt and stay relevant...the black box. In this regard, the building itself and quality of the architecture and scale are increasingly important in the sense that whatever is inside is due to change while the physical structure and development plan will set the stage over the long term for whatever happens inside;

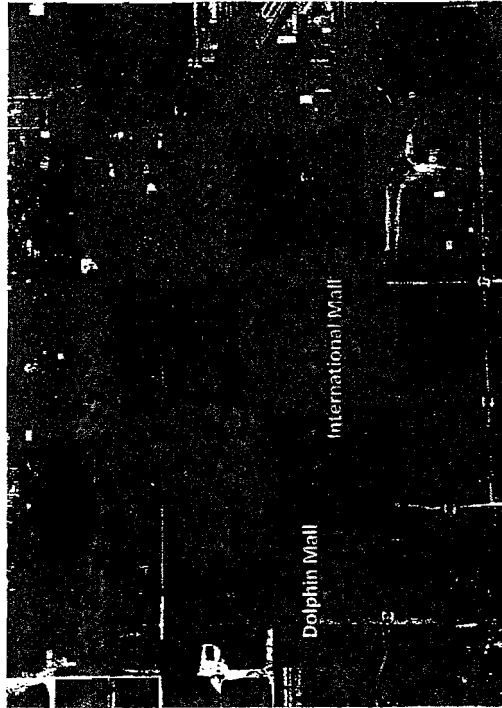
- The area between the Dolphin and International malls has potential to support additional entertainment venues in the form of restaurants, clubs and potentially a ride, water feature, or themed experience; however, this will be strengthened through the further development and potential co-development of more hotel rooms in the area to both serve the entertainment and existing malls. Additionally, any future planning with the existing malls in the area should try to make transit and pedestrian connections from the malls through any new development in between. This may help alleviate traffic, and to the extent that there is a real differentiation of experience and offerings in the area, potential lengthen the stay of visitors, which is of broad benefit to the community and in many cases the new and existing businesses in the area. One existing gap in the retail market which was noted in this area was in the home goods and furniture category and it was felt by the panelists given the mix of visitors and reasonably affluent residents in the area, that once the local housing market recovers, there is an opportunity to attract a handful of these retailers to the area.

SECTION 3: RED STUDY AREA ANALYSIS

RED STUDY AREA ANALYSIS

One of the objectives of Lambert's analyst of a Retail/Entertainment District was to assess the feasibility/viability of locating the district in the area situated between the Dolphin Mall and International Mall in Sweetwater and bordering Doral. The RED Study Area, while not yet served by a planned rail extension, has good accessibility from anywhere in the County, as it is located just off of the Turnpike Extension and Florida State Road 836 (Dolphin Expressway), as shown below in Figure 20.

Figure 20: Potential Retail and Entertainment District General RED Study Area (Red Shaded Area)

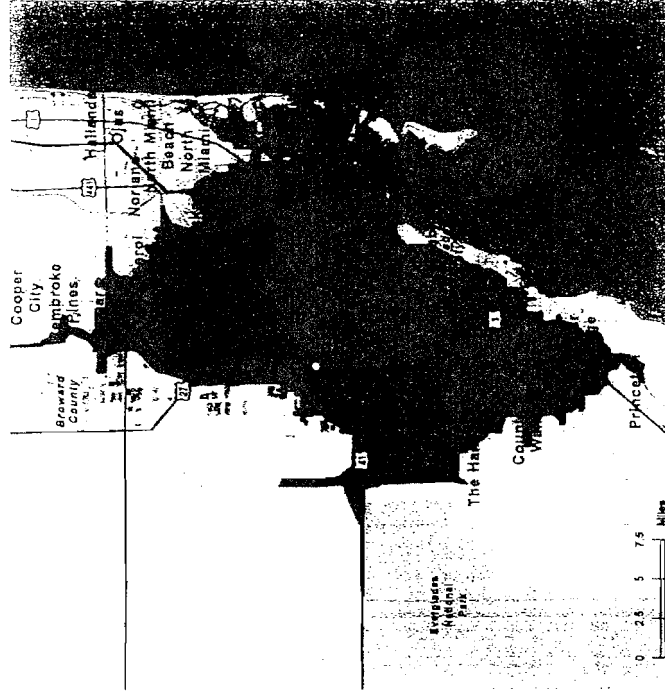


The first step to evaluating market potentials and opportunities for developing a Retail/Entertainment District specific to the Study Area, is an examination of population, household, and economic trends and forecasts for the surrounding area, defined by drive time radii of 10, 15, and 20 minutes from the RED Study Area. This demographic and economic profile

focuses on those variables that "drive" demand for retail and entertainment, including population and household growth trends, as well as household income growth.

Figure 21: RED Study Area Drive Time Radius Map ~ 10, 15, 20 Minute Drive Time

Source: ESRI⁶



⁶ ESRI estimate. ESRI is a recognized leader in Geographic Information Systems (GIS) technology that also supplies demographic and economic market analysis to both public and private sector entities. ESRI uses US Census data, along with a detailed methodology to derive estimates and projections at multiple geographic levels, which are widely used and highly regarded.

Population, Households & Age

As shown in Figure 20, the majority of Miami-Dade County lives within 20 minutes of the RED Study Area. According to ESRI, in 2010 338,000 people lived within 10 minutes of the Study Area. Because of the Area's accessibility, the population living within 15 minutes more than triples to 1,108,000; moreover, within 20 minutes reaches 1,784,000 residents. As shown below in Figure 21, these population figures are projected to increase modestly each year through 2015.

In 2010, 338,000 people lived within a 10 minute drive of the Study Area. Because of the Study Area's accessibility, the population living within 15 minutes more than triples to 1,108,000; a 20 minute drive encompasses 1,784,000 residents.

growth which yields an average 27,400 persons annually. Moreover, from 2010 to 2015, the County's population is projected to grow to 2.7 million or approximately 1.2 percent per year.

Another demographic relevant to retail and family-oriented entertainment is population age.

Figure 21: Population Comparison between Drive Times

Source: ESRI

	10 Minutes	15 Minutes	20 Minutes
Population			
2000	317,793	1,043,660	1,643,466
2010	337,524	1,108,118	1,783,507
2015	343,021	1,124,502	1,822,246
Families (2010)	81,756	261,061	430,906
Average HH Size (2010)	2.98	2.87	2.89

As shown above, the population living within 10 minutes of the Study Area is expected to grow by 0.32 percent per annum, while populations in the 15 and 20 minute radii are expected to grow only slightly, by 0.29 percent and 0.43 percent per year, respectively. The projected growth rate for all three radii is expected to be significantly lower than the annual growth rate from 2000 to 2010. Over the previous decade, Miami-Dade County saw considerable development and growth in the western and southern portions of the County, which is reflected in the growth rate for the three radii. Comparatively, from 2000 to 2010, the Miami-Dade County's population increased from 2.3 million to 2.5 million, or 1.1 percent annual

Figure 22: Population Age Cohort Comparison between Drive Times and Miami-Dade County

Source: ESRI; US Census

Cohort	10 Minutes	15 Minutes	20 Minutes	County
<5	6.0%	6.1%	6.5%	6.9%
5-9	5.8%	6.0%	6.3%	6.1%
10-14	5.6%	5.8%	6.1%	6.5%
15-19	5.9%	6.4%	6.6%	6.7%
20-24	6.0%	6.6%	6.8%	6.7%
25-34	13.9%	13.8%	14.3%	14.0%
35-44	14.6%	13.9%	13.8%	15.0%
45-54	14.3%	14.2%	14.2%	13.7%
55-64	11.2%	11.5%	11.1%	10.3%
65+	16.7%	15.7%	14.1%	14.1%
Median Age	39.5	38.7	37.4	37.2

The current median age of Miami-Dade County (37.2 years) is lower than that of the surrounding area (38.7 years for the 15 minute radius). Lambert examined population by age cohort, which is a key barometer of demand for various retail and entertainment uses – illustrated in detail in Figure 22 above. From 2000 to 2010, the median age of the County increased from 35.6 years to 37.2 years, while the 10 minute radius' median age increased by almost two years. Similar age increases can be seen in the 15 and 20 minute radii; however, it is expected that the median

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age for all three radii and the County will only slightly rise over the next 5 years. As it relates to family entertainment, the number of children and younger than 15 is expected to increase 3.7 percent within 10 minutes, 2.7 percent within 15 minutes, and 3.4 percent within 20 minutes by 2015.

Household Incomes

As part of our demographic and economic profile of the RED Study Area, Lambert analyzed household income, which represents a critical element of retail demand as it indicates the amount and nature of expenditure potential in a given market.

According to the US Census, the 2010 median household income in Miami-Dade County was approximately \$43,000, approximately 9.4 percent lower than the State. However, average household income for the County was \$63,300, 32 percent higher than the County's median household income. For the Study Area drive time market, ESRI estimates the median household income for the 5 minute radius is \$48,846, and declines to \$44,224 within 15 minutes and rebounds slightly to \$46,108 within 20 minutes.

Figure 23: Income Comparison Between Drive Times and Miami-Dade County

Source: ESRI; US Census

	10 Minute	15 Minute	20 Minute	County
Median Household Income	\$48,846	\$44,224	\$46,108	\$42,968
Average Household Income	\$60,826	\$57,441	\$61,462	\$63,299
Per Capita Income	\$20,301	\$19,912	\$21,155	\$22,619

As shown in Figure 23, the same pattern holds true for per capita income and average household income: stronger incomes are closer in to the Study Area, while the 15 minute radius income levels dip below that of the County, and income statistics for the 20 minute radius are closer to the County as a whole. The cities relatively close to the Study Area, such as

Doral, and Miami Springs have strong incomes; however, just beyond that range in areas such as Hialeah and western (City of) Miami, incomes are not as strong.

Airport Submarket Hotel Profile

As detailed in (Section 1), the visitor market – particularly international visitors – is a major driving force for retail and entertainment throughout Miami-Dade County; therefore, it is important to examine hotel characteristics of the area surrounding the RED Study Area in order to better understand the area's potential draw among visitors. According to data provided by Smith Travel Research (STR), the Study Area is in the Miami Airport-Civic Center Submarket (Submarket), which is the largest and strongest performing hotel submarket in the County.

Miami-Dade County is comprised of approximately 48,600 total hotel rooms, and the submarket accounts for 24 percent of that inventory in 83 properties. This includes larger quality properties such as the Sofitel and Intercontinental, as well as branded limited service hotels such as Courtyard Marriott, Fairfield and Holiday Inn Express. Based upon data prepared by STR as of third quarter 2010, the submarket achieved average daily rates (ADR) of \$93 with occupancy of 76 percent.

This is down from prior years, which experienced occupancy in the 76 to 78 percent range and ADR in the range of \$110± (2008); however, the submarket is still outperforming the County as a whole. As of third quarter 2010, Miami-Dade County occupancy reached only 59 percent and historically has achieved occupancy rates in the low 70 percent range.

As of third quarter 2010, the MLA hotel submarket achieved average daily rates (ADR) in the \$93 range with occupancy in the 76 percent range.

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Section 3

Accordingly, during peak season (November through March), occupancy in the Submarket can reach the mid 80 percent range, while dropping to the 70 percent range in off-peak periods.

While the Submarket hotels clearly outperform the broader market, the average daily rate is relatively low in comparison to the broader Miami market, which generally achieved ADR in the \$110 range in third quarter 2010; moreover, historically, ADR's have ranged from \$141 to \$160 from 2007 to 2009.

The Miami-Dade County hotel market is largely driven by the leisure traveler segment, of which a large portion of this demand is from pre- and/or post-cruise visitors who prefer the convenience of lodging close to the airport. According to STR, this submarket alone accounted for 3.0 million visitor nights in 2010.

As it pertains to the RED Study Area, hotel performance is a key factor in assessing the potential success of the RED being positioned between the Dolphin and International malls. Based upon our interviews, these two malls generate a substantial portion of their revenue from the visitor market, which tends to be family oriented. The Study Area's accessibility and close proximity to the airport make it ideal to capture this demand; moreover, the strength of the surrounding hotel market allows for a greater capture of visitor expenditure dollars. Also, the hotel market has recovered to the point where it is likely to support additional hotel product, which would increase the number of visitors in close proximity to the Study Area, and can provide significant support to any new and existing retail development.

Key conclusions associated with the RED in the Study Area are as follows:

- The study area is one of the strongest major retail nodes in the County largely as a result of the investment made by two major mall developers, the Area's central location, and terrific access.

- Population within a 20 minute drive time of the study area is in excess of 1.8 million residents with an average household income of \$61,500;

- As it relates to visitors, the Submarket in which the study area is located has the most rooms of any submarket in the County and has the highest occupancy. In 2010, the Submarket had over 11,000 hotel rooms and nearly 80 percent occupancy for a total 3.0 million visitor nights in the area. The area is a hub for international visitors.

- The Area is well positioned to attract furniture and home goods retailers that have yet to stake out a presence in the County as well as restaurants and clubs to secure the large population and visitor base, as well as one more stand alone entertainment activity center, such as a ride or water themed venue that will enhance the area's draw.

- One of the principal challenges in the Study Area is traffic congestion. Expansion or construction of any substantial new retail in the area is going to only exacerbate the problem. A traffic analysis should be completed which would indicate methods the county could employ to alleviate the congestion in the short term and the extent different buildout scenarios on available sites would impact overall traffic with and without various traffic and intra-area transit improvements;

- A second challenge as it relates to new retail in the area is the challenge of identifying new retailers who are not already present in the market. The suggestions of the Future of Retail/Entertainment Roundtable regarding the opportunity to develop additional retail and entertainment venues in the Study Area as noted above addresses this challenge to some extent. However, we do not believe there is an inherent opportunity for developing another large scale mall in the County specifically because there are few "missing" tenants. While our experience is

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that it is nearly impossible, and may be counterproductive, to successfully manage the competitive retail market through regulatory constraints and on the type of tenants which are to be located in any certain center. Despite a very strong retail market, the development of another fortress like mega-mall in the area would negatively impact the existing malls given that the exercise will end up moving tenants like chess pieces from parcel A to parcel B to parcel C, rather than adding to the overall economic engine. If a broad number of new tenants are identified which are not currently in the market (and beyond the furniture, house goods, and restaurant/entertainment venues noted above) and can be lured to Miami, the Study Area presents a tremendous market opportunity for new strong retailers who are not yet here;

- New hotel development should be encouraged in the Area. All signs are that the Submarket will continue to strengthen and as our market analysis has shown, shopping is a key activity for tourists in Miami-Dade County. Any investment in hospitality and family oriented hotels will only further enhance retail expenditure and future investment.

New hotel development should be encouraged in the RED Study Area. All signs are that the MIA submarket will continue to strengthen and as our market analysis has shown, shopping is a key activity for tourists in Miami-Dade County.

Addendum A: Miami-Dade County Property Appraiser Utilized
DOR Codes

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DOR CODE	DESCRIPTION
0111	RESIDENTIAL – SINGLE FAMILY : RETAIL OUTLET
1011	VACANT LAND – COMMERCIAL : RETAIL OUTLET
1101	STORE : RESIDENTIAL – SINGLE FAMILY
1109	STORE : MIXED USE – RESIDENTIAL
1111	STORE : RETAIL OUTLET
1112	STORE : REPAIRS – NON AUTOMOTIVE
1113	STORE : OFFICE BUILDING
1115	STORE : ENTERTAINMENT
1117	STORE : COMMERCIAL – TOTAL VALUE
1118	STORE : CONDOMINIUM – COMMERCIAL
1119	STORE : AUTOMOTIVE OR MARINE
1126	STORE : SERVICE STATION – AUTOMOTIVE
1129	STORE : MIXED USE – COMMERCIAL
1132	STORE : LIGHT MFG & FOOD PROCESSING
1136	STORE : HEAVY IND OR LUMBER YARD
1139	STORE : MIXED USE – INDUSTRIAL
1142	STORE : CLUB OR HALL – PRIVATE
1143	STORE : HEALTH CARE
1144	STORE : RELIGIOUS
1166	STORE : EXTRA FEA OTHER THAN PARKING
1181	STORE : VACANT LAND
1189	STORE : BACK ASSESSMENT
1209	MIXED USE–STORE/RESIDENTIAL : MIXED USE – RESIDENTIAL
1215	MIXED USE–STORE/RESIDENTIAL : ENTERTAINMENT
1309	DEPARTMENT STORE : MIXED USE – RESIDENTIAL
1311	DEPARTMENT STORE : RETAIL OUTLET
1317	DEPARTMENT STORE : COMMERCIAL – TOTAL VALUE
1319	DEPARTMENT STORE : AUTOMOTIVE OR MARINE
1343	DEPARTMENT STORE : HEALTH CARE
1411	SUPERMARKET : RETAIL OUTLET
1413	SUPERMARKET : OFFICE BUILDING
1511	REGIONAL SHOPPING CENTER : RETAIL OUTLET
1512	REGIONAL SHOPPING CENTER : REPAIRS – NON AUTOMOTIVE
1517	REGIONAL SHOPPING CENTER : COMMERCIAL – TOTAL VALUE
1531	REGIONAL SHOPPING CENTER : MINERAL PROCESSING
1607	COMMUNITY SHOPPING CENTER : CONDOMINIUM – RESIDENTIAL
1611	COMMUNITY SHOPPING CENTER : RETAIL OUTLET
1612	COMMUNITY SHOPPING CENTER : REPAIRS – NON AUTOMOTIVE
1615	COMMUNITY SHOPPING CENTER : ENTERTAINMENT

1617	COMMUNITY SHOPPING CENTER : COMMERCIAL – TOTAL VALUE
1619	COMMUNITY SHOPPING CENTER : AUTOMOTIVE OR MARINE
1622	COMMUNITY SHOPPING CENTER : MOTEL
1629	COMMUNITY SHOPPING CENTER : MIXED USE – COMMERCIAL
1689	COMMUNITY SHOPPING CENTER : BACK ASSESSMENT
1711	OFFICE BUILDING – ONE STORY : RETAIL OUTLET
1811	OFFICE BUILDING – MULTISTORY : RETAIL OUTLET
1911	PROFESSIONAL SERVICE BLDG : RETAIL OUTLET
1915	PROFESSIONAL SERVICE BLDG : ENTERTAINMENT
2011	AIRPORT/TERMINAL OR MARINA : RETAIL OUTLET
2101	RESTAURANT OR CAFETERIA : RESIDENTIAL – SINGLE FAMILY
2111	RESTAURANT OR CAFETERIA : RETAIL OUTLET
2112	RESTAURANT OR CAFETERIA : REPAIRS – NON AUTOMOTIVE
2113	RESTAURANT OR CAFETERIA : OFFICE BUILDING
2115	RESTAURANT OR CAFETERIA : ENTERTAINMENT
2117	RESTAURANT OR CAFETERIA : COMMERCIAL – TOTAL VALUE
2119	RESTAURANT OR CAFETERIA : AUTOMOTIVE OR MARINE
2121	RESTAURANT OR CAFETERIA : HOTEL
2129	RESTAURANT OR CAFETERIA : MIXED USE – COMMERCIAL
2142	RESTAURANT OR CAFETERIA : CLUB OR HALL – PRIVATE
2144	RESTAURANT OR CAFETERIA : RELIGIOUS
2165	RESTAURANT OR CAFETERIA : PARKING LOT
2189	RESTAURANT OR CAFETERIA : BACK ASSESSMENT
2211	DRIVE-IN RESTAURANT : RETAIL OUTLET
2217	DRIVE-IN RESTAURANT : COMMERCIAL – TOTAL VALUE
2219	DRIVE-IN RESTAURANT : AUTOMOTIVE OR MARINE
2289	DRIVE-IN RESTAURANT : BACK ASSESSMENT
2311	FINANCIAL INSTITUTION : RETAIL OUTLET
2511	REPAIR SHOP/NON AUTOMOTIVE : RETAIL OUTLET
2711	AUTOMOTIVE OR MARINE : RETAIL OUTLET
2712	AUTOMOTIVE OR MARINE : REPAIRS – NON AUTOMOTIVE
2811	PARKING LOT/MOBILE HOME PARK : RETAIL OUTLET
2911	WHOLESALE OUTLET : RETAIL OUTLET
3011	FLORIST OR GREENHOUSE : RETAIL OUTLET
3211	ENCLOSED THEATER/AUDITORIUM : RETAIL OUTLET
3215	ENCLOSED THEATER/AUDITORIUM : ENTERTAINMENT
3311	NIGHTCLUB LOUNGE OR BAR : RETAIL OUTLET
3315	NIGHTCLUB LOUNGE OR BAR : ENTERTAINMENT
3319	NIGHTCLUB LOUNGE OR BAR : AUTOMOTIVE OR MARINE
3342	NIGHTCLUB LOUNGE OR BAR : CLUB OR HALL – PRIVATE
3415	ENCLOSED RECREATIONAL ARENA : ENTERTAINMENT

3515	TOURIST ATTRACTION/EXHIBIT : ENTERTAINMENT
3715	RACE TRACK : ENTERTAINMENT
3911	HOTEL OR MOTEL : RETAIL OUTLET
4111	LIGHT MANUFACTURING : RETAIL OUTLET
4211	HEAVY INDUSTRIAL : RETAIL OUTLET
4311	LUMBER YARD OR MILL : RETAIL OUTLET
4611	FOOD PROCESSING : RETAIL OUTLET
4811	WAREHOUSE TERMINAL OR STG : RETAIL OUTLET
4911	OPEN STORAGE : RETAIL OUTLET
5011	IMPR AGRI - NOT HOMESITES : RETAIL OUTLET
5015	IMPR AGRI - NOT HOMESITES : ENTERTAINMENT
5111	CROPLAND - SOIL CLASS I : RETAIL OUTLET
6115	IMPROVED PASTURES : ENTERTAINMENT
7211	EDUCATIONAL/SCIENTIFIC - EX : RETAIL OUTLET
7411	HOME FOR THE AGED : RETAIL OUTLET
7511	CHARITABLE - EXEMPT : RETAIL OUTLET
7611	BURIAL GROUND OR VAULT : RETAIL OUTLET
7715	BENEVOLENT - EXEMPT : ENTERTAINMENT
8215	FOREST/PARK OR REC AREA : ENTERTAINMENT
8611	COUNTY : RETAIL OUTLET
8911	MUNICIPAL : RETAIL OUTLET
8915	MUNICIPAL : ENTERTAINMENT
9011	LEASEHOLD INTEREST : RETAIL OUTLET
9015	LEASEHOLD INTEREST : ENTERTAINMENT

Addendum B: Miami-Dade County Property Appraiser City Codes

CODE	CITY
01	Miami
02	Miami Beach
03	Coral Gables
04	Hialeah
05	Miami Springs
06	North Miami
07	North Miami Beach
08	Opa-Locka
09	South Miami
10	Homestead
11	Miami Shores
12	Bal Harbour
13	Bay Harbor Islands
14	Surfside
15	West Miami
16	Florida City
17	Biscayne Park
18	El Portal
19	Golden Beach
20	Pinecrest
21	Indian Creek
22	Medley
23	North Bay Village
24	Key Biscayne
25	Sweetwater
26	Virginia Gardens
27	Hialeah Gardens
28	Aventura
29	Islandia
30	Unincorporated County
31	Sunny Isles
32	Miami Lakes
33	Palmetto Bay
34	Miami Gardens
35	Doral
36	Cutler Bay

Addendum C: Detailed Resident Retail Trade Model

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Resident Expenditure Estimate, By Major Retail Category, Miami-Dade County Trade Area

	2011	2012	2013	2014	2015	2016
Total Population	2,596,014	2,628,155	2,650,304	2,652,461	2,724,623	2,756,786
Per Capita Income	\$23,764	\$24,239	\$24,724	\$25,219	\$25,723	\$26,231
Total Income	\$61,891,676,696	\$63,704,594,928	\$65,773,330,812	\$67,899,354,037	\$70,043,253,802	\$72,330,863,880
% of Total Income Expended on Non-Auto Retail Expenditure	27.6%	27.6%	27.6%	27.6%	27.6%	27.6%
Total Non-Auto Retail Expenditure	\$17,035,236,871	\$17,591,071,472	\$18,162,379,961	\$18,749,560,111	\$19,352,998,093	\$19,973,095,334
Distribution by Store Type - 2007 Census, Miami-Dade County						
Expenditure by Store Type - Detail						
General merchandise stores	\$ 2,647,880,664	\$ 2,734,277,097	\$ 2,820,078,724	\$ 2,914,347,364	\$ 3,008,143,039	\$ 3,104,528,181
Department stores	\$ 1,324,064,075	\$ 1,367,266,329	\$ 1,411,671,292	\$ 1,457,309,878	\$ 1,504,212,099	\$ 1,552,409,174
Other general merchandise stores	\$ 1,323,816,589	\$ 1,367,010,768	\$ 1,411,407,431	\$ 1,457,037,487	\$ 1,503,930,941	\$ 1,552,116,007
Clothing & clothing accessories stores	\$ 2,483,444,586	\$ 2,564,475,712	\$ 2,647,762,668	\$ 2,733,363,434	\$ 2,821,334,302	\$ 2,911,733,828
Clothing stores	\$ 1,710,276,534	\$ 1,768,080,330	\$ 1,823,437,650	\$ 1,882,398,424	\$ 1,942,971,419	\$ 2,005,236,961
Men's clothing stores	\$ 82,930,968	\$ 85,635,953	\$ 88,417,168	\$ 91,275,648	\$ 94,213,274	\$ 97,232,000
Women's clothing stores	\$ 480,960,990	\$ 499,054,036	\$ 512,783,962	\$ 529,361,996	\$ 546,398,040	\$ 563,906,435
Children's & infants' clothing stores	\$ 83,015,268	\$ 85,722,933	\$ 88,508,006	\$ 91,369,423	\$ 94,310,066	\$ 97,331,893
Family clothing stores	\$ 838,964,121	\$ 866,336,281	\$ 894,474,510	\$ 923,392,398	\$ 953,110,960	\$ 983,649,978
Clothing accessories stores	\$ 100,442,733	\$ 103,720,031	\$ 107,088,566	\$ 110,550,683	\$ 114,108,658	\$ 117,754,850
Other clothing stores	\$ 123,963,354	\$ 128,008,095	\$ 132,165,438	\$ 136,438,276	\$ 140,829,421	\$ 145,341,794
Shoe stores	\$ 316,699,528	\$ 320,837,195	\$ 324,837,094	\$ 328,966,450	\$ 332,972,336	\$ 336,282,267
Jewelry, luggage, & leather goods stores	\$ 452,458,524	\$ 477,538,188	\$ 493,067,938	\$ 509,008,560	\$ 525,390,547	\$ 542,224,801
Jewelry stores	\$ 425,178,982	\$ 439,052,977	\$ 453,312,182	\$ 467,967,525	\$ 483,028,643	\$ 498,505,562
Luggage & leather goods stores	\$ 37,289,541	\$ 38,485,211	\$ 39,755,752	\$ 41,041,035	\$ 42,361,904	\$ 43,719,239
Furniture & home furnishings stores	\$ 780,508,751	\$ 805,973,522	\$ 832,149,285	\$ 859,052,231	\$ 886,780,662	\$ 915,111,182
Furniture stores	\$ 454,193,977	\$ 469,013,655	\$ 484,245,859	\$ 499,901,313	\$ 515,990,191	\$ 532,523,244
Home furnishings stores	\$ 326,312,774	\$ 336,959,877	\$ 347,903,386	\$ 359,150,918	\$ 370,789,871	\$ 382,587,937
Floor covering stores	\$ 75,355,379	\$ 77,614,113	\$ 80,341,297	\$ 83,938,888	\$ 87,607,996	\$ 91,350,997
Other home furnishings stores	\$ 250,957,395	\$ 259,345,764	\$ 267,582,689	\$ 276,212,230	\$ 285,101,875	\$ 294,236,940
Electronics & appliance stores	\$ 1,124,967,133	\$ 1,161,673,148	\$ 1,199,401,923	\$ 1,238,117,823	\$ 1,278,026,648	\$ 1,318,976,423
Appliances, television, & other electronics stores	\$ 895,987,967	\$ 925,222,730	\$ 955,271,362	\$ 986,154,779	\$ 1,017,883,293	\$ 1,050,508,028
Computer & software stores	\$ 217,017,350	\$ 224,098,308	\$ 231,376,388	\$ 238,856,664	\$ 246,544,054	\$ 254,443,672
Camera & photographic supplies stores	\$ 11,961,815	\$ 12,352,112	\$ 12,753,273	\$ 13,165,560	\$ 13,589,302	\$ 14,024,723
Sporting goods, hobby, book, & music stores	\$ 427,140,936	\$ 441,077,913	\$ 455,402,883	\$ 470,125,817	\$ 485,296,398	\$ 500,904,996
Sporting goods, hobby, & musical instrument stores	\$ 282,079,076	\$ 291,282,900	\$ 300,742,949	\$ 310,465,800	\$ 320,457,875	\$ 330,795,797
Sporting goods stores	\$ 147,644,968	\$ 152,482,343	\$ 157,413,891	\$ 162,532,959	\$ 167,733,013	\$ 173,107,415
Hobby, toy, & game stores	\$ 82,265,372	\$ 84,945,570	\$ 87,708,493	\$ 90,544,062	\$ 93,458,142	\$ 96,452,673
Sewing, needlework, & piece goods stores	\$ 19,186,266	\$ 19,814,351	\$ 20,457,865	\$ 21,119,257	\$ 21,798,962	\$ 22,497,431
Musical instrument & supplies stores	\$ 32,980,530	\$ 34,056,636	\$ 35,162,700	\$ 36,299,491	\$ 37,467,758	\$ 38,668,278
Book, periodical, & music stores	\$ 145,061,859	\$ 149,795,013	\$ 154,659,834	\$ 159,660,008	\$ 164,798,523	\$ 170,078,900
Book stores & news dealers	\$ 116,208,798	\$ 120,000,519	\$ 123,897,798	\$ 127,903,349	\$ 132,019,804	\$ 136,249,905
Pre-recorded tape, compact disc, & record stores	\$ 28,853,061	\$ 29,794,494	\$ 30,762,135	\$ 31,756,659	\$ 32,778,719	\$ 33,828,995
Miscellaneous store retailers	\$ 544,232,163	\$ 561,989,654	\$ 580,241,496	\$ 599,000,397	\$ 618,278,591	\$ 638,089,212
Florists	\$ 38,660,533	\$ 39,921,969	\$ 41,218,522	\$ 42,551,095	\$ 43,920,584	\$ 45,327,641
Office supplies, stationery, & gift stores	\$ 225,262,145	\$ 232,612,116	\$ 240,166,703	\$ 247,931,165	\$ 255,910,609	\$ 264,110,345
Office supplies & stationery stores	\$ 144,145,621	\$ 148,848,979	\$ 153,683,072	\$ 158,651,564	\$ 163,757,624	\$ 169,004,649
Gift, novelty, & souvenir stores	\$ 81,116,524	\$ 83,763,236	\$ 86,483,631	\$ 89,279,601	\$ 92,152,985	\$ 95,105,697
Used merchandise stores	\$ 44,437,907	\$ 45,887,850	\$ 47,378,158	\$ 48,909,669	\$ 50,483,990	\$ 52,101,968
Other miscellaneous store retailers	\$ 235,871,578	\$ 243,587,719	\$ 251,478,114	\$ 259,808,268	\$ 267,963,529	\$ 276,549,458
Pet & pet supplies stores	\$ 56,251,636	\$ 58,087,044	\$ 59,937,548	\$ 61,912,461	\$ 63,905,058	\$ 65,925,666
Art dealers	\$ 50,861,043	\$ 52,520,564	\$ 54,226,284	\$ 55,979,391	\$ 57,781,098	\$ 59,632,424
All other miscellaneous store retailers	\$ 216,662,178	\$ 222,552,504	\$ 23,078,450	\$ 23,824,564	\$ 24,591,237	\$ 25,379,278
Food & beverage stores	\$ 2,963,186,404	\$ 3,059,870,797	\$ 3,158,246,791	\$ 3,261,383,567	\$ 3,366,348,294	\$ 3,474,210,836
Grocery stores	\$ 2,713,189,200	\$ 2,801,716,553	\$ 2,892,708,424	\$ 2,988,228,156	\$ 3,082,337,251	\$ 3,181,099,679
Supermarkets & other grocery (except convenience) stores	\$ 2,635,941,163	\$ 2,721,948,027	\$ 2,810,349,261	\$ 2,901,206,348	\$ 2,994,579,087	\$ 3,090,529,621
Convenience stores	\$ 77,248,037	\$ 79,768,526	\$ 82,359,163	\$ 85,021,812	\$ 87,758,163	\$ 90,570,058
Specialty food stores	\$ 93,857,987	\$ 96,920,435	\$ 100,068,138	\$ 103,303,288	\$ 106,628,012	\$ 110,064,524
Beer, wine, & liquor stores	\$ 156,139,217	\$ 161,233,809	\$ 166,470,229	\$ 171,852,124	\$ 177,383,031	\$ 183,066,633
Food services & drinking places	\$ 2,624,819,177	\$ 2,710,463,147	\$ 2,798,491,364	\$ 2,888,965,109	\$ 2,981,943,878	\$ 3,077,489,562
Full-service restaurants	\$ 1,256,834,481	\$ 1,297,843,133	\$ 1,339,983,426	\$ 1,383,314,704	\$ 1,427,035,456	\$ 1,473,585,316
Limited-service eating places	\$ 909,396,476	\$ 939,067,709	\$ 969,568,938	\$ 1,000,511,541	\$ 1,033,124,988	\$ 1,066,227,768
Drinking places	\$ 149,515,252	\$ 154,353,713	\$ 159,407,987	\$ 164,561,563	\$ 169,857,830	\$ 175,300,314
Health & personal care stores	\$ 1,935,994,889	\$ 2,061,721,232	\$ 2,128,060,851	\$ 2,196,859,725	\$ 2,267,563,896	\$ 2,340,219,835
Pharmacies & drug stores	\$ 1,668,051,124	\$ 1,722,477,156	\$ 1,778,418,379	\$ 1,835,913,703	\$ 1,895,000,951	\$ 1,955,719,452
Cosmetics, beauty supplies, & perfume stores	\$ 133,405,682	\$ 137,758,512	\$ 142,232,521	\$ 146,830,824	\$ 151,556,443	\$ 156,412,525
Optical goods stores	\$ 90,384,395	\$ 93,333,504	\$ 96,364,714	\$ 99,480,134	\$ 102,681,814	\$ 105,971,884
Other health & personal care stores	\$ 104,153,689	\$ 107,552,049	\$ 111,045,037	\$ 114,635,064	\$ 118,324,491	\$ 122,115,775
Home Centers, Paint & wallpaper stores, Hardware Stores	\$ 902,801,198	\$ 902,801,198	\$ 902,801,198	\$ 902,801,198	\$ 902,801,198	\$ 902,801,198
Building material & garden equipment & supplies dealers	\$ 1,443,064,188	\$ 1,490,149,240	\$ 1,538,545,095	\$ 1,588,285,443	\$ 1,639,402,596	\$ 1,691,931,778
Other building material dealers	\$ 596,002,682	\$ 615,449,369	\$ 635,437,433	\$ 655,980,789	\$ 677,082,946	\$ 698,787,398
Lawn & garden equipment & supplies stores	\$ 49,857,576	\$ 51,884,355	\$ 53,146,422	\$ 54,874,941	\$ 56,641,042	\$ 58,455,901
Outdoor power equipment stores	\$ 11,309,291	\$ 11,878,297	\$ 12,057,575	\$ 12,447,390	\$ 12,847,996	\$ 13,259,666
Nursery, garden center, & farm supply stores	\$ 38,548,285	\$ 39,806,058	\$ 41,098,847	\$ 42,427,551	\$ 43,793,044	\$ 45,196,235

Resident Expenditure Expenditure, By Major Retail Category, Miami-Dade County Trade Area

Expenditure by Store Type - Summary	2011	2012	2013	2014	2015	2016
General merchandise stores	\$ 2,647,880,664	\$ 2,734,277,097	\$ 2,823,078,724	\$ 2,914,347,364	\$ 3,008,143,038	\$ 3,104,528,181
Clothing & clothing accessories stores	\$ 2,483,444,586	\$ 2,564,475,712	\$ 2,647,162,668	\$ 2,733,363,434	\$ 2,821,334,302	\$ 2,911,733,829
Furniture & home furnishings stores	\$ 780,506,751	\$ 805,973,532	\$ 832,149,295	\$ 859,052,231	\$ 886,700,062	\$ 915,111,182
Electronics & appliance stores	\$ 1,124,967,133	\$ 1,181,873,148	\$ 1,198,401,023	\$ 1,238,177,023	\$ 1,278,025,648	\$ 1,318,976,423
Sporting goods, hobby, book, & music stores	\$ 427,140,936	\$ 441,877,913	\$ 455,402,883	\$ 470,125,817	\$ 485,258,908	\$ 500,804,696
Home Centers, Paint & wallpaper stores, Hardware Stores	\$ 602,801,199	\$ 602,801,199	\$ 622,378,485	\$ 642,499,652	\$ 663,177,531	\$ 684,427,046
Miscellaneous store retailers	\$ 544,232,163	\$ 561,989,654	\$ 580,241,496	\$ 599,000,397	\$ 618,278,691	\$ 638,089,212
Shoppers Goods Subtotal	\$ 8,610,973,430	\$ 8,872,268,254	\$ 9,160,414,585	\$ 9,456,565,918	\$ 9,760,917,072	\$ 10,073,670,609
Food & beverage stores	\$ 2,963,186,404	\$ 3,059,870,797	\$ 3,159,246,791	\$ 3,261,383,567	\$ 3,368,348,294	\$ 3,474,210,896
Food services & drinking places	\$ 2,824,819,177	\$ 2,710,463,147	\$ 2,798,491,364	\$ 2,888,965,109	\$ 2,981,943,878	\$ 3,077,489,512
Health & personal care stores	\$ 1,995,994,868	\$ 2,061,121,232	\$ 2,128,060,651	\$ 2,196,359,225	\$ 2,267,563,696	\$ 2,340,219,635
Convenience Goods Subtotal	\$ 7,584,000,450	\$ 7,831,455,176	\$ 8,085,798,806	\$ 8,347,208,401	\$ 8,615,854,871	\$ 8,891,920,033
Building material & garden equipment	\$ 840,262,991	\$ 887,348,042	\$ 916,166,610	\$ 945,785,792	\$ 976,225,065	\$ 1,007,504,892
Primary Market Area Retention						
General merchandise stores	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%
Clothing & clothing accessories stores	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%
Furniture & home furnishings stores	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Electronics & appliance stores	93.00%	93.00%	93.00%	93.00%	93.00%	93.00%
Sporting goods, hobby, book, & music stores	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%
Home Centers, Paint & wallpaper stores, Hardware Stores	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%
Miscellaneous store retailers	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Food & beverage stores	98.00%	98.00%	98.00%	98.00%	98.00%	98.00%
Food services & drinking places	94.00%	94.00%	94.00%	94.00%	94.00%	94.00%
Health & personal care stores	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Building material & garden equipment	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
Inflow from Secondary Market						
General merchandise stores	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Clothing & clothing accessories stores	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Furniture & home furnishings stores	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Electronics & appliance stores	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Sporting goods, hobby, book, & music stores	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Home Centers, Paint & wallpaper stores, Hardware Stores	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Miscellaneous store retailers	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Food & beverage stores	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Food services & drinking places	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Health & personal care stores	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Building material & garden equipment	2.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Net Sales Potential						
General merchandise stores	\$2,696,866,456	\$2,784,861,223	\$2,875,305,680	\$2,968,262,791	\$3,063,793,686	\$3,161,961,952
Clothing & clothing accessories stores	\$2,529,388,311	\$2,611,918,513	\$2,696,746,218	\$2,783,930,657	\$2,873,528,987	\$2,965,600,904
Furniture & home furnishings stores	\$778,555,484	\$803,958,599	\$830,868,912	\$858,904,604	\$884,483,312	\$912,823,404
Electronics & appliance stores	\$1,067,143,822	\$1,101,863,148	\$1,137,751,811	\$1,174,534,724	\$1,212,336,079	\$1,251,181,035
Sporting goods, hobby, book, & music stores	\$422,813,242	\$436,402,487	\$450,576,612	\$465,142,483	\$480,112,680	\$495,496,167
Home Centers, Paint & wallpaper stores, Hardware Stores	\$598,411,505	\$596,411,505	\$615,781,273	\$635,689,155	\$656,148,245	\$677,172,159
Miscellaneous store retailers	\$542,871,582	\$560,984,680	\$578,790,893	\$597,302,696	\$616,732,995	\$636,483,989
Shoppers Goods Subtotal	\$8,037,438,897	\$8,299,888,650	\$8,569,239,185	\$8,846,278,152	\$9,130,987,778	\$9,423,557,451
Food & beverage stores	\$2,991,040,255	\$3,088,633,582	\$3,188,943,711	\$3,292,040,573	\$3,397,991,968	\$3,506,868,418
Food services & drinking places	\$2,714,063,029	\$2,802,618,894	\$2,893,640,071	\$2,987,189,922	\$3,083,329,970	\$3,182,124,207
Health & personal care stores	\$1,934,119,028	\$1,997,226,474	\$2,062,060,770	\$2,128,757,073	\$2,197,269,224	\$2,267,672,826
Convenience Goods Subtotal	\$7,639,222,413	\$7,888,478,950	\$8,144,674,552	\$8,407,987,569	\$8,678,591,162	\$8,956,665,452
Building material & garden equipment	\$771,381,425	\$838,543,900	\$865,777,447	\$893,787,573	\$922,532,687	\$952,091,934

Resident Expenditure Estimate, By Major Retail Category, Miami-Dade County Trade Area

Sales Per Square Foot	2011	2012	2013	2014	2015	2016
General merchandise stores	\$250	\$250	\$250	\$250	\$250	\$250
Clothing & clothing accessories stores	\$300	\$300	\$300	\$300	\$300	\$300
Furniture & home furnishings stores	\$225	\$226	\$227	\$228	\$229	\$230
Electronics & appliance stores	\$300	\$300	\$300	\$300	\$300	\$300
Sporting goods, hobby, book, & music stores	\$215	\$218	\$217	\$218	\$219	\$220
Home Centers, Paint & wallpaper stores, Hardware Stores	\$225	\$225	\$225	\$225	\$225	\$225
Miscellaneous store retailers	\$300	\$300	\$300	\$300	\$300	\$300
Shoppers Goods Subtotal	\$268	\$268	\$268	\$268	\$269	\$269
Food & beverage stores	\$350	\$350	\$350	\$350	\$350	\$350
Food services & drinking places	\$365	\$365	\$365	\$365	\$365	\$365
Health & personal care stores	\$425	\$425	\$425	\$425	\$425	\$425
Convenience Goods Subtotal	\$372	\$372	\$372	\$372	\$372	\$372
Building material & garden equipment	\$115	\$115	\$115	\$115	\$115	\$115
Average Per Square Foot Sales	\$287	\$286	\$286	\$287	\$287	\$287
Warranted Square Feet						
General merchandise stores	10,787,466	11,139,445	11,501,223	11,873,051	12,255,175	12,647,848
Clothing & clothing accessories stores	8,431,294	8,706,395	8,989,154	9,279,769	9,578,430	9,885,336
Furniture & home furnishings stores	3,460,247	3,553,339	3,656,631	3,758,354	3,862,373	3,968,797
Electronics & appliance stores	3,557,146	3,573,210	3,792,506	3,915,116	4,041,120	4,170,603
Sporting goods, hobby, book, & music stores	1,965,643	2,020,382	2,076,385	2,133,681	2,192,295	2,252,255
Home Centers, Paint & wallpaper stores, Hardware Stores	2,650,718	2,650,718	2,736,806	2,825,285	2,916,214	3,009,654
Miscellaneous store retailers	1,859,572	1,859,616	1,829,303	1,991,676	2,055,777	2,121,647
Shoppers Goods Subtotal	30,011,368	30,963,387	31,945,263	32,951,647	33,965,189	35,046,487
Food & beverage stores	8,545,830	8,824,667	9,111,268	9,405,630	9,708,548	10,019,624
Food services & drinking places	7,435,789	7,678,408	7,927,781	8,184,082	8,447,479	8,718,149
Health & personal care stores	4,650,868	4,699,356	4,851,978	5,008,840	5,170,045	5,335,701
Convenience Goods Subtotal	20,622,487	21,202,432	21,891,027	22,598,752	23,326,073	24,073,473
Building material & garden equipment	6,707,491	7,291,686	7,528,500	7,771,892	8,022,023	8,279,050
Total Warranted Retail Space	57,251,345	59,459,505	61,364,789	63,322,291	65,333,266	67,399,021
Non-Retail Space (Services)	8,587,702	8,918,826	9,204,718	9,498,344	9,799,990	10,109,853
Non-Retail Percent	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Total	65,839,047	68,378,330	70,569,507	72,820,635	75,133,256	77,508,874
Annual Net New Demand		2,539,383	2,191,077	2,251,127	2,312,621	2,333,965
Cumulative Net New Demand		2,539,383	4,730,460	6,981,587	9,294,209	11,669,826

Addendum D: Future of Retail/Entertainment Roundtable Expert Presentations

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