



**2012 GREATER DAYTON
RETAIL MARKET STUDY**

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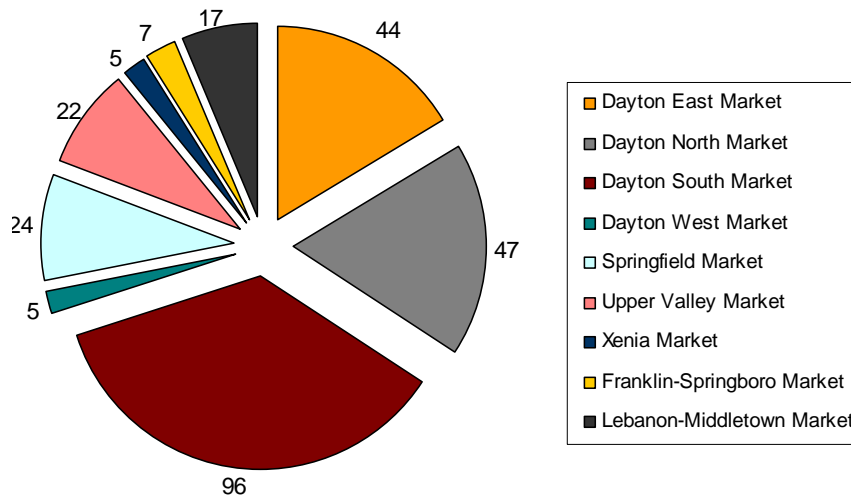
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2012 DAYTON REGIONAL RETAIL MARKET STUDY

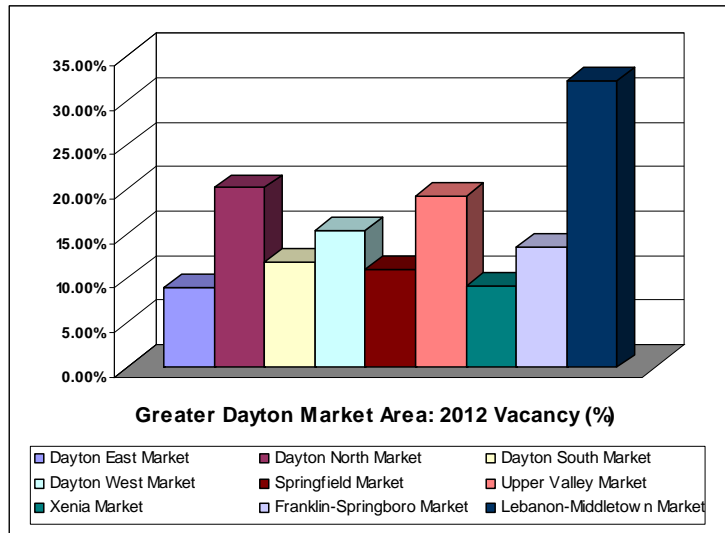
Miller-Valentine GEM Real Estate Group's 2012 Dayton Regional Retail Market Study is a comprehensive survey designed to capture the current conditions and developing trends regarding retail space within the Dayton region. The properties assessed for this survey are those deemed to most accurately reflect the region's retail market.

We sampled 267 retail facilities for this survey. These properties are divided into nine distinct sub-markets identified as: Dayton East; Dayton North; Dayton South; Dayton West; Springfield; Upper Valley; Xenia; Franklin-Springboro; Lebanon-Middletown. The chart below illustrates the number of retail centers surveyed within each sub-market.



A grand total of 25,168,245 square feet of retail space within the Dayton Regional Market was surveyed. **Miller-Valentine GEM Real Estate Group** determined that 3,673,303 square feet, or 14.59% of the grand total, was reported to be vacant. Accordingly, those properties included in the 2012 survey demonstrate a positive absorption within the regional market of 272,393 square feet. The 2012 results are summarized in the following grid.

	2012	2012	2012	2011-2012	Rental Rate Range	Expense/ Sq.Ft.
	#	GFA	Vac. s.f.	Vac. %	Absorb.	All Space
Dayton East Market	44	5,384,912	484,191	8.99%	146,353	\$2.00 - \$120.00 \$1.00 - \$20.00
Dayton North Market	47	3,986,624	804,142	20.17%	122,315	\$3.00 - \$25.00 \$1.00 - \$4.37
Dayton South Market	96	7,354,148	876,428	11.92%	44,199	\$3.25 - \$75.00 \$0.50 - \$25.00
Dayton West Market	5	385,758	59,450	15.41%	25,550	\$2.00 - \$14.00 \$1.50 - \$3.36
Springfield Market	24	2,792,696	306,097	10.96%	60,777	\$2.50 - \$28.00 \$1.00 - \$4.88
Upper Valley Market	22	2,634,269	507,303	19.26%	(16,154)	\$4.00 - \$35.00 \$1.25 - \$4.50
Xenia Market	5	548,262	50,199	9.16%	98,540	\$6.00 - \$14.00 \$3.00 - \$3.83
Franklin-Springboro Market	7	457,509	61,859	13.52%	2,854	\$3.25 - \$13.21 \$1.25 - \$4.00
Lebanon-Middletown Market	17	1,624,067	523,634	32.24%	(212,041)	\$2.70 - \$24.00 \$1.50 - \$5.00
Regional Market	267	25,168,245	3,673,303	14.59%	272,393	\$2.00 - \$120.00 \$0.50 - \$25.00
Dayton Area Market	192	17,111,442	2,224,211	13.00%	338,417	\$2.00 - \$120.00 \$0.50 - \$25.00



The following chart illustrates the vacancy and absorption trends for both the Regional and immediate Dayton Area Markets. The trend in 2012 for both the Dayton Area and Dayton Regional markets reflect an increase in vacancy rates and, correspondingly, available space. A summary of these trends, from 2007–2012 is shown below.

	2012	2011-2012	2011	2010-2011	2010	2009-2010	2009	2008-2009	2008	2007-2008	2007	2006-2007
	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.
<i>Dayton Area Market</i>	13.00	338,417	14.98%	92,378	16.33%	(51,940)	16.28%	(406,290)	13.84%	(114)	13.19%	20,669
<i>Regional Market</i>	14.59	272,393	15.58%	125,096	16.60%	(93,453)	16.33%	(554,153)	14.09%	(310,372)	12.45%	(52,401)

These data demonstrate a strengthening of both the area and regional retail market.

Miller-Valentine GEM Real Estate Group surveyed 192 retail properties in the Dayton Area Market. This market is divided into sub-markets of East, North, South, and West. A total of 17,111,442 square feet of retail space was surveyed within these sub-markets. This review found that 2,224,211 square feet, or 13.00% of the total, was reported to be vacant. That result represents a decrease in the vacancy from 2011, when a 14.98% retail vacancy rate was identified. This activity is summarized, along with historical trend data, in the summary below.

	2012	2011-2012	2011	2010-2011	2010	2009-2010	2009	2008-2009	2008	2007-2008	2007	2006-2007
	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.
<i>Dayton East Market</i>	8.99%	146,353	11.71%	195,691	15.38%	64,645	17.70%	(247,252)	12.44%	54,188	11.64%	21,258
<i>Dayton North Market</i>	20.17%	122,315	22.89%	(5,206)	22.92%	(55,477)	21.65%	49,786	22.80%	(124,300)	19.85%	(59,640)
<i>Dayton South Market</i>	11.92%	44,199	12.38%	(104,907)	12.88%	(37,088)	12.09%	(168,424)	9.91%	14,899	10.15%	101,495
<i>Dayton West Market</i>	15.41%	25,550	22.03%	6,800	23.80%	(24,020)	17.57%	(40,400)	7.10%	55,099	18.82%	(42,444)
<i>Dayton Area Market</i>	13.00%	338,417	14.98%	92,378	16.33%	(51,940)	16.28%	(406,290)	13.84%	(114)	13.19%	20,669

Miller-Valentine GEM Real Estate Group analyzed each sub-group within the survey area. The most significant change is identified within the Dayton: North sub-market. This market reflect a negative trend with an increase in vacancy, resulting from negative space absorption. The remaining markets demonstrated lesser variation from the previous year's performance. The historical trend activity for each sub-market is illustrated below. A brief summary of the specific sub-market activity is on the following page.

	2012	2011-2012	2011	2010-2011	2010	2009-2010	2009	2008-2009	2008	2007-2008	2007	2006-2007
	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.
<i>Dayton East Market</i>	8.99%	146,353	11.71%	195,691	15.38%	64,645	17.70%	(247,252)	12.44%	54,188	11.64%	21,258
<i>Dayton North Market</i>	20.17%	122,315	22.89%	(5,206)	22.92%	(55,477)	21.65%	49,786	22.80%	(124,300)	19.85%	(59,640)
<i>Dayton South Market</i>	11.92%	44,199	12.38%	(104,907)	12.88%	(37,088)	12.09%	(168,424)	9.91%	14,899	10.15%	101,495
<i>Dayton West Market</i>	15.41%	25,550	22.03%	6,800	23.80%	(24,020)	17.57%	(40,400)	7.10%	55,099	18.82%	(42,444)
<i>Springfield Market</i>	10.96%	60,777	12.54%	(70,257)	10.13%	39,185	11.48%	48,556	13.14%	(126,435)	8.80%	(79,473)
<i>Upper Valley Market</i>	19.26%	(16,154)	18.65%	(53,208)	16.23%	(16,949)	15.58%	32,119	16.87%	(107,529)	12.70%	(42,180)
<i>Xenia Market</i>	9.16%	98,540	27.13%	2,170	27.52%	915	27.69%	(126,559)	3.82%	23,250	7.94%	11,500
<i>Franklin-Springboro Market</i>	13.52%	2,854	14.14%	(13,192)	11.26%	1,550	11.60%	48,229	22.14%	(95,850)	1.19%	(4,450)
<i>Lebanon-Middletown Market</i>	32.24%	(212,041)	19.19%	167,205	29.66%	(66,214)	23.63%	(150,208)	15.03%	(3,694)	14.82%	41,533
<i>Regional Market</i>	14.59%	272,393	15.58%	125,096	16.60%	(93,453)	16.33%	(554,153)	14.09%	(310,372)	12.45%	(52,401)

Dayton East

Within the *Dayton East* market, a total of (44) facilities were surveyed. This market accounts for a total of 5,384,912 square feet of space, of which 484,191 square feet, or 8.99%, was reported to be vacant. Overall, quoted annual lease rates range from \$2.00 to \$120.00 per square foot. Expense reimbursements ranged from \$1.00/sq.ft. to \$20.00/sq.ft.

Dayton North

Within the *Dayton North* market, a total of (47) facilities were surveyed. This market accounts for a total of 3,986,624 square feet of space, of which 804,142 square feet, or 20.17%, was reported to be vacant. Overall, quoted annual lease rates range from \$3.00 to \$25.00 per square foot. Expense reimbursements ranged from \$1.00/sq.ft. to \$4.37/sq.ft.

Dayton South

Within the *Dayton South* market, a total of (96) facilities were surveyed. This market accounts for a total of 7,354,148 square feet of space, of which 876,428 square feet, or 11.92%, was reported to be vacant. Overall, quoted annual lease rates range from \$3.25 to \$75.00 per square foot. Expense reimbursements ranged from \$0.50/sq.ft. to \$25.00/sq.ft.

Dayton West

Within the *Dayton West* market, a total of (5) facilities were surveyed. This market accounts for a total of 385,758 square feet of space, of which 59,450 square feet, or 15.41%, was reported to be vacant. Overall, quoted annual lease rates range from \$2.00 to \$14.00 per square foot. Expense reimbursements ranged from \$1.50/sq.ft. to \$3.36/sq.ft.

Springfield

Within the *Springfield* market, a total of (24) facilities were surveyed. This market accounts for a total of 2,792,696 square feet of space, of which 306,097 square feet, or 10.96%, was reported to be vacant. Overall, quoted annual lease rates range from \$2.50 to \$28.00 per square foot. Expense reimbursements ranged from \$1.00/sq.ft. to \$4.88/sq.ft.

Upper Valley

Within the *Upper Valley* market (Tipp City, Troy, Piqua and Sidney), a total of (22) facilities were surveyed. This market accounts for a total of 2,634,269 square feet of space, of which 507,303 square feet, or 19.26%, was reported to be vacant. Overall, quoted annual lease rates range from \$4.00 to \$35.00 per square foot. Expense reimbursements ranged from \$1.25/sq.ft. to \$4.50/sq.ft.

Xenia

Within the *Xenia* market, a total of (5) facilities were surveyed. This market accounts for a total of 548,262 square feet of space, of which 50,199 square feet, or 9.16%, was reported to be vacant. Overall, quoted annual lease rates range from \$6.00 to \$14.00 per square foot. Expense reimbursements ranged from \$3.00/sq.ft. to \$3.83/sq.ft.

Franklin-Springboro

Within the *Franklin/Springboro* market, a total of (7) facilities were surveyed. This market accounts for a total of 457,509 square feet of space, of which 61,859 square feet, or 13.52%, was reported to be vacant. Overall, quoted annual lease rates range from \$3.25 to \$13.21 per square foot. Expense reimbursements ranged from \$1.25/sq.ft. to \$4.00/sq.ft.

Lebanon-Middletown

Within the *Lebanon-Middletown* market, a total of (17) facilities were surveyed. This market accounts for a total of 1,624,067 square feet of space, of which 523,634 square feet, or 32.24%, was reported to be vacant. Overall, quoted annual lease rates range from \$2.70 to \$24.00 per square foot. Expense reimbursements ranged from \$1.50/sq.ft. to \$5.00/sq.ft.

As previously mentioned, this study is intended to reflect the condition of the Dayton regional retail real estate market. This survey may exclude facilities which are occupied solely by its owner or by single tenants.

The information published in ***Miller-Valentine GEM Real Estate Group's 2012 Retail Market Study*** reflects market conditions during the third quarter of 2012. All data contained herein are believed to be accurate and have been compiled from one or more of the following sources: property owners, property managers, leasing agents, physical inspections and/or public records. All information furnished by others is believed to be reliable. ***Miller-Valentine GEM Real Estate Group*** makes no warranties regarding the accuracy of this information, which is subject to change without notice.

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