



**2013 GREATER DAYTON
RETAIL MARKET STUDY**

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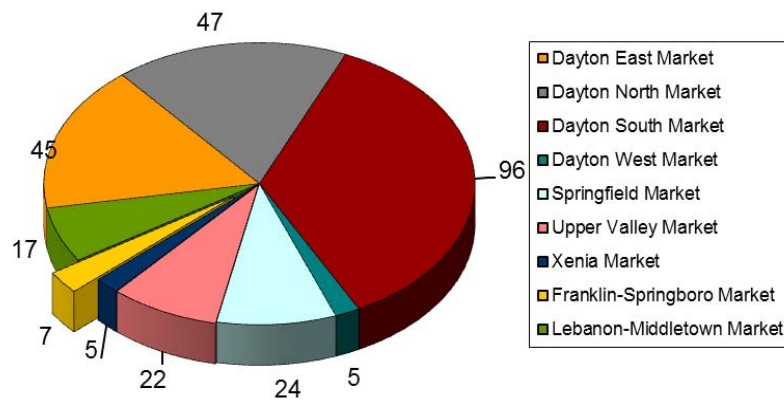
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2013 DAYTON REGIONAL RETAIL MARKET STUDY

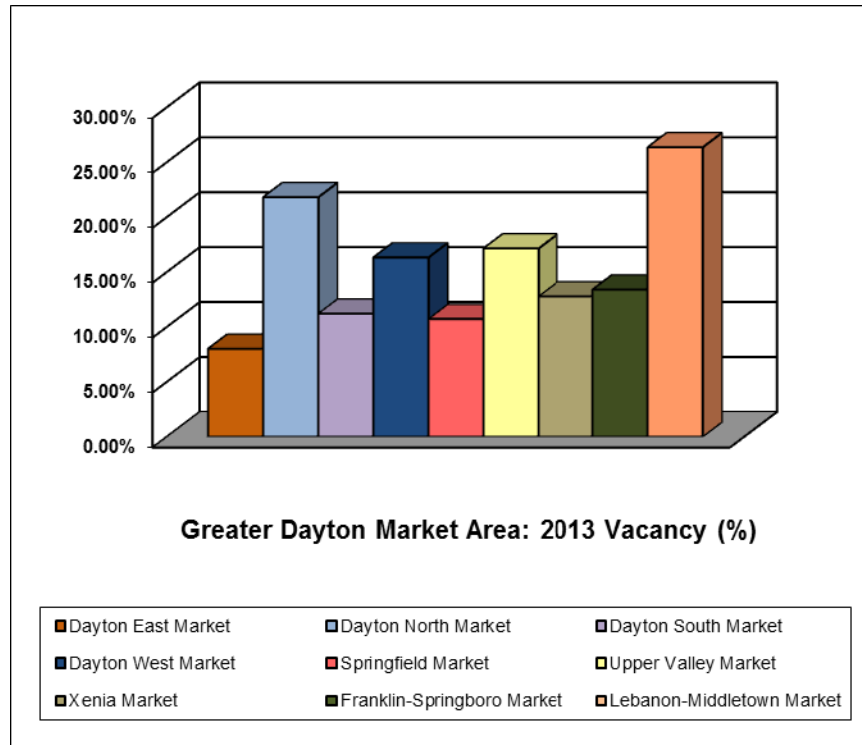
Miller-Valentine GEM Real Estate Group's 2013 Dayton Regional Retail Market Study is a comprehensive survey designed to capture the current conditions and developing trends regarding retail space within the Dayton region. The properties assessed for this survey are those deemed to most accurately reflect the region's retail market.

We sampled 268 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 24,966,709 square feet of retail space within the Dayton Regional Market was surveyed. **Miller-Valentine GEM Real Estate Group** determined that 3,457,672 square feet, or 13.85% of the grand total, was reported to be vacant. Accordingly, those properties included in the 2013 survey demonstrate a positive absorption within the regional market of 165,808 square feet. The 2013 results are summarized in the following grid.

	2013	2013	2013	2012-2013	Rental Rate Range	Expense/ Sq.Ft.
	#	GFA	Vac. s.f.	Vac. %	Absorb.	All Space
Dayton East Market	45	5,380,337	431,066	8.01%	55,515	\$2.00 - \$120.00 \$1.00 - \$20.00
Dayton North Market	47	3,800,151	828,996	21.81%	(80,567)	\$3.00 - \$25.00 \$1.00 - \$5.50
Dayton South Market	96	7,343,660	823,614	11.22%	56,314	\$3.00 - \$75.00 \$0.50 - \$25.00
Dayton West Market	5	385,758	63,000	16.33%	(3,550)	\$2.00 - \$14.00 \$1.50 - \$2.85
Springfield Market	24	2,792,696	299,610	10.73%	6,487	\$2.00 - \$28.00 \$1.00 - \$4.88
Upper Valley Market	22	2,634,269	451,852	17.15%	55,451	\$4.00 - \$35.00 \$1.25 - \$9.00
Xenia Market	5	548,262	70,085	12.78%	(19,886)	\$6.00 - \$14.00 \$3.00 - \$3.83
Franklin-Springboro Market	7	457,509	61,277	13.39%	582	\$3.25 - \$13.21 \$1.25 - \$4.00
Lebanon-Middletown Market	17	1,624,067	428,172	26.36%	95,462	\$2.10 - \$24.00 \$1.50 - \$5.00
Regional Market	268	24,966,709	3,457,672	13.85%	165,808	\$2.00 - \$120.00 \$0.50 - \$25.00
Dayton Area Market	193	16,909,906	2,146,676	12.69%	27,712	\$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 2013 for both the Dayton Area and Dayton Regional markets reflect a decrease in vacancy rates and, correspondingly, available space. A summary of these trends, from 2008–2013 is shown below.

	2013	2012-2013	2012	2011-2012	2011	2010-2011	2010	2009-2010	2009	2008-2009	2008	2007-2008
	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.
<i>Dayton Area Market</i>	12.69%	27,712	13.00%	338,417	14.98%	92,378	16.33%	(51,940)	16.28%	(406,290)	13.84%	(114)
<i>Regional Market</i>	13.85%	165,808	14.59%	272,393	15.58%	125,096	16.60%	(93,453)	16.33%	(554,153)	14.09%	(310,372)

This data demonstrates a strengthening of both the area and regional retail markets.

Miller-Valentine GEM Real Estate Group surveyed 193 retail properties in the Dayton Area Market. This market is divided into sub-markets of East, North, South, and West. A total of 16,909,906 square feet of retail space was surveyed within these sub-markets. This review found that 2,146,676 square feet, or 12.69% of the total, was reported to be vacant. That result represents a decrease in the vacancy from 2012, when a 13.00% retail vacancy rate was reported. This activity is summarized, along with historical trend data, in the summary below.

	2013	2012-2013	2012	2011-2012	2011	2010-2011	2010	2009-2010	2009	2008-2009	2008	2007-2008
	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.
<i>Dayton East Market</i>	8.01%	55,515	8.99%	146,353	11.71%	195,691	15.38%	64,645	17.70%	(247,252)	12.44%	54,188
<i>Dayton North Market</i>	21.81%	(80,567)	20.17%	122,315	22.89%	(5,206)	22.92%	(55,477)	21.65%	49,786	22.80%	(124,300)
<i>Dayton South Market</i>	11.22%	56,314	11.92%	44,199	12.38%	(104,907)	12.88%	(37,088)	12.09%	(168,424)	9.91%	14,899
<i>Dayton West Market</i>	16.33%	(3,550)	15.41%	25,550	22.03%	6,800	23.80%	(24,020)	17.57%	(40,400)	7.10%	55,099
<i>Dayton Area Market</i>	12.69%	27,712	13.00%	338,417	14.98%	92,378	16.33%	(51,940)	16.28%	(406,290)	13.84%	(114)

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.

	2013	2012-2013	2012	2011-2012	2011	2010-2011	2010	2009-2010	2009	2008-2009	2008	2007-2008
	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.	Vac. %	Absorb.
<i>Dayton East Market</i>	8.01%	55,515	8.99%	146,353	11.71%	195,691	15.38%	64,645	17.70%	(247,252)	12.44%	54,188
<i>Dayton North Market</i>	21.81%	(80,567)	20.17%	122,315	22.89%	(5,206)	22.92%	(55,477)	21.65%	49,786	22.80%	(124,300)
<i>Dayton South Market</i>	11.22%	56,314	11.92%	44,199	12.38%	(104,907)	12.88%	(37,088)	12.09%	(168,424)	9.91%	14,899
<i>Dayton West Market</i>	16.33%	(3,550)	15.41%	25,550	22.03%	6,800	23.80%	(24,020)	17.57%	(40,400)	7.10%	55,099
<i>Springfield Market</i>	10.73%	6,487	10.96%	60,777	12.54%	(70,257)	10.13%	39,185	11.48%	48,556	13.14%	(126,435)
<i>Upper Valley Market</i>	17.15%	55,451	19.26%	(16,154)	18.65%	(53,208)	16.23%	(16,949)	15.58%	32,119	16.87%	(107,529)
<i>Xenia Market</i>	12.78%	(19,886)	9.16%	98,540	27.13%	2,170	27.52%	915	27.69%	(126,559)	3.82%	23,250
<i>Franklin-Springboro Market</i>	13.39%	582	13.52%	2,854	14.14%	(13,192)	11.26%	1,550	11.60%	48,229	22.14%	(95,850)
<i>Lebanon-Middletown Market</i>	26.36%	95,462	32.24%	(212,041)	19.19%	167,205	29.66%	(66,214)	23.63%	(150,208)	15.03%	(3,694)
<i>Regional Market</i>	13.85%	165,808	14.59%	272,393	15.58%	125,096	16.60%	(93,453)	16.33%	(554,153)	14.09%	(310,372)

Dayton East

Within the *Dayton East* market, a total of (45) facilities were surveyed. This market accounts for a total of 5,380,337 square feet of space, of which 431,066 square feet, or 8.01%, 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 3,800,151 square feet of space, of which 828,996 square feet, or 21.81%, 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 \$5.50/sq.ft.

Dayton South

Within the *Dayton South* market, a total of (96) facilities were surveyed. This market accounts for a total of 7,343,660 square feet of space, of which 823,614 square feet, or 11.22%, was reported to be vacant. Overall, quoted annual lease rates range from \$3.00 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 63,000 square feet, or 16.33%, 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 \$2.85/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 299,610 square feet, or 10.73%, was reported to be vacant. Overall, quoted annual lease rates range from \$2.00 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 451,852 square feet, or 17.15%, 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 \$9.00/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 70,085 square feet, or 12.78%, 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 61,277 square feet, or 13.39%, 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 428,172 square feet, or 26.36%, was reported to be vacant. Overall, quoted annual lease rates range from \$2.10 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 2013 Retail Market Study*** reflects market conditions during the third quarter of 2013. 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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