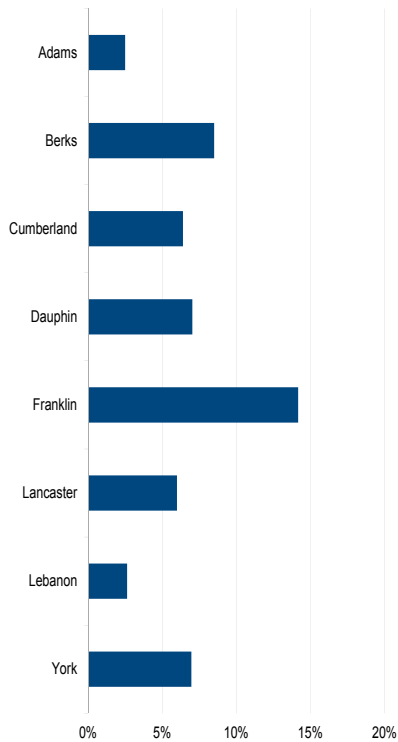


Market Trends

VACANCY BY COUNTY 1Q11



1Q 2011 Review

The Central Pennsylvania Retail Market, as surveyed by Colliers International, totals 46.7 million square feet. The vacancy rate decreased from 7.4 percent at the end of the fourth quarter of 2010 to 7.2 percent during the first quarter of 2011.

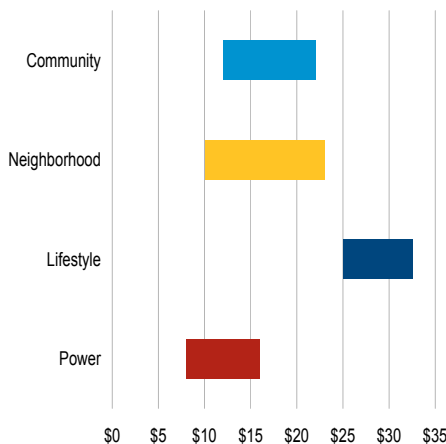
Vacancy rates range from 3.8 percent for Power Centers to 13.1 percent for both Neighborhood and Lifestyle Centers. With the exception of Franklin County, all of the surveyed counties had vacancy rates well below 10 percent.

There was an increase in big box absorption, particularly by discount home furnishing retailers. HomeGoods leased two locations: Red Rose Commons in Lancaster and the Manchester Crossroads Shopping Center in York County. Ohio-based Linens & More for Less expanded further into Pennsylvania, leasing 34,180 square feet at Camp Hill Center. On the downside, Borders closed its 23,000-square-foot store in Camp Hill and 25,000-square-foot store in Reading, and the fate and future of Harrisburg Mall remains uncertain as TD Bank has yet to contract the mall with any would-be redeveloper.

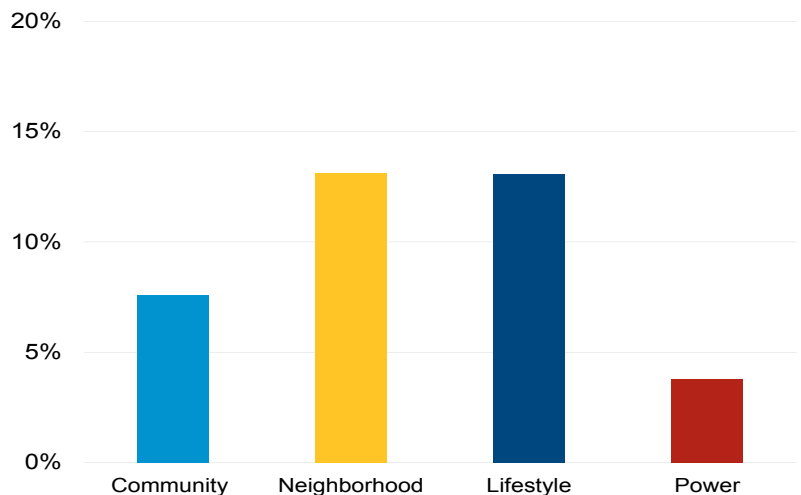
Asking rents remained flat, but deep discounting still continues, particularly for larger store vacancies.

The vacancy rate is anticipated to decrease further during the second quarter. However, there is still some tenant instability in the market. In addition to Borders' bankruptcy, Blockbuster Video closed all of its remaining stores, and other retailers like Sears/K-mart continue to struggle with declining sales.

AVERAGE ASKING RENTS (NNN)



VACANCY RATE HISTORY



MARKET TRENDS (CONT'D)

The balance of Tilden Ridge Shopping Center in Hamburg was completed in March with a 151,380-square-foot Walmart and 75,400 square feet of inline space joining Lowe's. The Staples and Petco-anchored Phase II of Mill Creek Square, on the east side of Lancaster, is scheduled to open this summer. The Super Walmart anchor at Newberry Pointe in York County recently opened. A 133,500-square-foot Target began construction at The Shoppes at Kissel Village in Lititz. The Target anchor at Gateway Hanover is on track to open in late July, to be joined by Ross Dress for Less, PetSmart and Five Below. Giant Food Stores recently opened the first small store (50,000 sf) concept in Mount Joy in PA Main Street Shopping Center (105,000 sf)

There are new centers in the planning process such as Swatara Plaza at the Concourse along U.S. Route 322 in Harrisburg and Giant-anchored shopping centers in Ephrata and Kutztown. There are also new developments in in-fill locations. Site work has commenced for Silver Creek Plaza, on a former car dealership property on the Carlisle Pike in Mechanicsburg. A 46,700-square-foot joint Toys R Us and Babies R Us combo store will open in 2012. A new center is also proposed for the former Forbes Chevrolet site near the Capital City Mall.

Cedar Shopping Centers added more properties to its growing Central Pennsylvania portfolio, acquiring Colonial Commons in Harrisburg. Cedar also acquired a full ownership stake in Meadows Marketplace in Hershey and announced the divestiture its interest five other area shopping centers jointly owned with Homburg Invest Inc. WP Realty acquired the note on Carlisle Crossing from AFC Realty.

Retail Definitions

Surveyed Inventory: Community, neighborhood, power, lifestyle, strip retail centers and malls over 25,000 square feet

Community Centers: Straight line, "L" or "U" shaped shopping centers between 100,000 and 400,000 square feet. Anchor tenants are typically discount department stores such as Wal-Mart or Target, supermarkets or super drugstores.

Neighborhood Centers: Typically supermarket or drugstore-anchored centers between 30,000 and 150,000 square feet

Power Centers: Larger (250,000 square-foot-plus) centers with big box anchor tenants; typically home improvement stores, discount department stores, warehouse clubs or off-price stores.

Lifestyle Centers: Non-anchored open-air specialty centers with a high concentration of high-end retailers in fashion, home, restaurant and entertainment

Asking Rents: For Community, Neighborhood and Lifestyle Centers, asking rents are the typical quoted rent per square foot, triple net, for inline spaces. For Power Centers, the asking rents are for anchor or junior anchor positions, 10,000 to 40,000 square feet.

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