

# Summary Of Retail, Office & Service Rent Comparables

## Triple Net Terms

| Unit No.                           | Unit Use       | Unit Size per S.F. | Monthly Rent    | Annual Rent      | Rent/S.F.      |
|------------------------------------|----------------|--------------------|-----------------|------------------|----------------|
| Unit 14 (Clinton Square Market)    | Retail         | 250                | \$1,539         | \$18,470         | \$73.88        |
| 119 Fitzpatrick St.                | Retail         | 317                | \$599           | \$7,188          | \$22.69        |
| 531 Greene Street                  | Retail         | 359                | \$1,830         | \$21,962         | \$61.18        |
| Unit 1 (Clinton Square Market)     | Retail         | 404                | \$2,254         | \$27,051         | \$66.96        |
| Unit 4 (Clinton Square Market)     | Retail         | 409                | \$2,010         | \$24,123         | \$58.98        |
| Unit 2 (Clinton Square Market)     | Retail         | 490                | \$2,504         | \$30,044         | \$61.31        |
| Unit 3 (Clinton Square Market)     | Retail         | 496                | \$2,457         | \$29,479         | \$59.43        |
| Unit 5 (Clinton Square Market)     | Snacks         | 496                | \$2,251         | \$27,012         | \$54.46        |
| Unit 8 (Clinton Square Market)     | Retail         | 496                | \$2,456         | \$29,473         | \$59.42        |
| Unit 9 (Clinton Square Market)     | Retail         | 496                | \$2,223         | \$26,674         | \$53.78        |
| Unit 10 (Clinton Square Market)    | Retail         | 496                | \$2,326         | \$27,911         | \$56.27        |
| Unit 11 (Clinton Square Market)    | Retail         | 496                | \$2,326         | \$27,911         | \$56.27        |
| 105 Fitzpatrick St.                | Jewelry        | 553                | \$1,662         | \$19,940         | \$36.06        |
| 417 Greene St.                     | Jewelry        | 560                | \$3,200         | \$38,400         | \$68.59        |
| 608 Front Street                   | Retail         | 592                | \$1,632         | \$19,580         | \$33.08        |
| 121 Fitzpatrick St.                | Retail         | 623                | \$1,099         | \$13,187         | \$21.17        |
| 208 Telegraph Lane                 | Retail         | 699                | \$2,700         | \$32,400         | \$46.35        |
| 415 Greene St.                     | Jewelry        | 725                | \$1,961         | \$23,528         | \$32.47        |
| 540 Greene St. #3(Expired Lease)   | Retail         | 794                | \$2,652         | \$31,824         | \$40.08        |
| 113 Fitzpatrick St.                | Retail         | 805                | \$900           | \$10,800         | \$13.41        |
| 115 Fitzpatrick St.                | Retail         | 805                | \$1,158         | \$13,891         | \$17.25        |
| 117 Fitzpatrick St.                | Retail         | 805                | \$1,399         | \$16,790         | \$20.84        |
| 606 Front Street                   | Retail         | 822                | \$3,124         | \$37,483         | \$45.60        |
| 414 Greene Street                  | Retail/Storage | 861                | \$3,600         | \$43,200         | \$50.17        |
| 412 Greene Street                  | Retail         | 943                | \$3,500         | \$42,000         | \$44.54        |
| 126 Simonton Street                | Service        | 965                | \$2,719         | \$32,630         | \$33.81        |
| Unit 6-7 (Clinton Square Market)   | Retail         | 970                | \$3,256         | \$39,070         | \$40.28        |
| Unit 15-16 (Clinton Square Market) | Retail         | 993                | \$4,103         | \$49,230         | \$49.58        |
| Unit 12 (Clinton Square Market)    | Retail         | 994                | \$4,588         | \$55,053         | \$55.39        |
| 103 Fitzpatrick St.                | Jewelry        | 1,009              | \$2,550         | \$30,600         | \$30.33        |
| 416 Greene Street/ Retail          | Retail         | 1,046              | \$3,600         | \$43,200         | \$41.30        |
| 614 Front Street                   | Retail         | 1,230              | \$3,601         | \$43,216         | \$35.14        |
| 540 Greene St. #2(Expired Lease)   | Retail         | 1,246              | \$3,800         | \$45,600         | \$36.60        |
| 103 Simonton                       | Retail         | 1,250              | \$3,664         | \$43,968         | \$35.17        |
| 408 Greene Street                  | Retail         | 1,412              | \$6,500         | \$78,000         | \$55.24        |
| 109-111 Fitzpatrick St.            | Jewelry        | 1,438              | \$2,315         | \$27,783         | \$19.33        |
| 419 Greene St.                     | Retail         | 1,493              | \$3,096         | \$37,147         | \$24.89        |
| 602 Greene Street                  | Retail         | 1,524              | \$3,286         | \$39,426         | \$25.87        |
| 600 Front Street                   | Retail         | 1,737              | \$6,659         | \$79,902         | \$46.00        |
| 109 Duval Street                   | Retail         | 1,770              | \$8,010         | \$96,120         | \$54.31        |
| 138-140 Simonton Street            | Office         | 1,970              | \$4,948         | \$59,378         | \$30.14        |
| 413 Greene St.                     | Retail         | 2,191              | \$4,000         | \$48,000         | \$21.90        |
| 540 Greene St. #1 (Expired Lease)  | Retail         | 2,299              | \$10,000        | \$120,000        | \$52.20        |
| 606 Greene Street                  | Retail         | 2,570              | \$5,806         | \$69,666         | \$27.11        |
| 503 Front Street                   | Retail         | 3,354              | \$14,932        | \$179,184        | \$53.42        |
| 524 Front Street                   | Pending        | 7,836              | \$16,325        | \$195,900        | \$25.00        |
| 535 Greene Street                  | Retail         | 8,215              | \$23,663        | \$283,951        | \$34.56        |
|                                    | <b>Mean</b>    | <b>1,326</b>       | <b>\$4,144</b>  | <b>\$49,731</b>  | <b>\$42.17</b> |
|                                    | <b>Median</b>  | <b>861</b>         | <b>\$2,719</b>  | <b>\$32,630</b>  | <b>\$41.30</b> |
|                                    | <b>Minimum</b> | <b>250</b>         | <b>\$599</b>    | <b>\$7,188</b>   | <b>\$13.41</b> |
|                                    | <b>Maximum</b> | <b>8,215</b>       | <b>\$23,663</b> | <b>\$283,951</b> | <b>\$73.88</b> |

## Summary of Restaurant Rent Comparables

### Triple Net Terms

| Tenant's Name         | Address                    | Size Sq.Ft.  | Annual Rent      | Monthly Rent    | Annual Rent/ Sq. Ft. | No. Lic'd. Seats | Annual Rent/ Seat |
|-----------------------|----------------------------|--------------|------------------|-----------------|----------------------|------------------|-------------------|
| Subway's              | 536 Truman Avenue          | 1,161        | \$34,556         | \$2,880         | \$29.76              | 20               | \$1,728           |
| Azur Restaurant       | 425 Grinnel Street         | 1,272        | \$60,569         | \$5,047         | \$47.62              | 60               | \$1,009           |
| Quizno's              | 722 Duval Street           | 1,500        | \$67,200         | \$5,600         | \$44.80              | 30               | \$2,240           |
| Eat & Grin            | 926 Simonton Street        | 1,697        | \$50,245         | \$4,187         | \$29.61              | 52               | \$966             |
| Bobalu (Meteor Grill) | 404 Southard Street        | 2,863        | \$108,000        | \$9,000         | \$37.72              | 150              | \$720             |
| Alice's Restaurant    | 1114 Duval Street          | 3,059        | \$142,500        | \$11,875        | \$46.58              | 45               | \$3,167           |
| Cheeseburger Key West | 215 Duval Street           | 3,215        | \$297,756        | \$24,813        | \$92.61              | 150              | \$1,985           |
| Weavers & O' Toole    | 608-610 Greene Street      | 4,579        | \$95,659         | \$7,972         | \$20.89              | 150              | \$638             |
| The Grand             | 314 Duval Street           | 5,258        | \$318,270        | \$26,523        | \$60.53              | 150              | \$2,122           |
| Roof Top Café         | 310 Front Street/2nd Level | 5,594        | \$180,000        | \$15,000        | \$32.18              | 150              | \$1,200           |
| Irish Kevin's         | 211 Duval Street           | 6,364        | \$524,509        | \$43,709        | \$82.42              | 130              | \$4,035           |
| Hog's Breath          | 400 Front Street           | 7,188        | \$285,449        | \$23,787        | \$39.71              | 131              | \$2,179           |
| Fogarty House         | 229 Duval Street           | 8,234        | \$465,295        | \$38,775        | \$56.51              | 225              | \$2,068           |
|                       | <b>Mean</b>                | <b>3,999</b> | <b>\$202,308</b> | <b>\$16,859</b> | <b>\$43.70</b>       | <b>111</b>       | <b>\$1,557</b>    |
|                       | <b>Median</b>              | <b>2,280</b> | <b>\$81,430</b>  | <b>\$6,786</b>  | <b>\$41.26</b>       | <b>56</b>        | <b>\$1,369</b>    |
|                       | <b>Minimum</b>             | <b>1,161</b> | <b>\$34,556</b>  | <b>\$2,880</b>  | <b>\$20.89</b>       | <b>20</b>        | <b>\$638</b>      |
|                       | <b>Maximum</b>             | <b>4,579</b> | <b>\$297,756</b> | <b>\$24,813</b> | <b>\$92.61</b>       | <b>150</b>       | <b>\$3,167</b>    |

## Summary of Commercial Kiosk Comparables

### Gross Terms

| Units                           | Unit Use       | Unit Size (SF) | Annual Base Rent (NNN) | Monthly Base Rent | Base Rent/SF     |
|---------------------------------|----------------|----------------|------------------------|-------------------|------------------|
| 606 Duval                       | Kiosk          | 40             | \$ 18,000              | \$1,500           | \$ 450.00        |
| 305 Duval Street                | Cart           | 40             | \$ 30,000              | \$2,500           | \$ 750.00        |
| 629 Duval                       | Kiosk          | 44             | \$ 18,000              | \$1,500           | \$ 409.09        |
| 221 Duval Street (Courtyard)    | Booth/Kiosk    | 60             | \$ 22,285              | \$1,857           | \$ 371.42        |
| 220 Duval Street                | Booth/Kiosk    | 66             | \$ 27,012              | \$2,251           | \$ 409.28        |
| Kiosk 1 (Clinton Square Market) |                | 80             | \$ 14,361              | \$1,197           | \$ 179.51        |
| Kiosk 2 (Clinton Square Market) |                | 80             | \$ 14,666              | \$1,222           | \$ 183.33        |
| Kiosk 3 (Clinton Square Market) |                | 80             | \$ 14,360              | \$1,197           | \$ 179.50        |
| Kiosk 4 (Clinton Square Market) |                | 80             | \$ 18,506              | \$1,542           | \$ 231.32        |
| Kiosk 5 (Clinton Square Market) |                | 80             | \$ 14,666              | \$1,222           | \$ 183.33        |
| <b>Mean</b>                     | <b>Mean</b>    | <b>65</b>      | <b>\$ 19,186</b>       | <b>\$1,599</b>    | <b>\$ 334.68</b> |
| <b>Median</b>                   | <b>Median</b>  | <b>73</b>      | <b>\$ 18,000</b>       | <b>\$1,500</b>    | <b>\$ 301.37</b> |
| <b>Minimum</b>                  | <b>Minimum</b> | <b>40</b>      | <b>\$ 14,360</b>       | <b>\$1,197</b>    | <b>\$ 179.50</b> |
| <b>Maximum</b>                  | <b>Maximum</b> | <b>80</b>      | <b>\$ 30,000</b>       | <b>\$2,500</b>    | <b>\$ 750.00</b> |

### Annual Market Rent Escalators:

Market research and interviews with commercial real estate brokers, associates, and landlords indicated that typical rent escalators are based on the greater of the increase in the Consumer Price Index (CPI) or 3 to 5 percent annually. Though it appears that 3% was most common subsequent to the economic crisis and it is slowly beginning to increase to the greater of 5 percent or CPI. However, when there are extensive tenant improvements (build-out) in a long term lease, the tenant will typically negotiate to have stepped increases or a lower escalator.

### Triple Net or Common Area Maintenance Fees:

Triple net lease are predominating in this market area. This fee could include the tenant portion of real estate taxes, insurance, common area maintenance, and all utilities. The major factors that determine the amount of CAM fees depend on the building type, whether it is a single tenant or multi-tenant complex that included common area that must be maintained on a daily basis, i.e., janitorial, public restrooms, etc. Our analysis indicated that triple net fee for units that did not include common area utilities or maintenance, but rather only real estate taxes, building hazard insurance and building maintenance, ranged from \$4.74 to \$7.55 per square foot. It should be noted that the triple net fees does not include the individual tenant's utilities, which are typically paid separately by the tenant. It appears that most single tenant buildings are about \$6.00 per square foot in this market area, but it varies based on the building condition, quality of construction and insurance risk. However, as the common area services increase, so do the fees depending on the services provides. For instance, the Common Area Maintenance fee at Clinton Square Market, which is a full service facility, was an estimated \$20.00 per square foot because it includes janitorial service, common area air conditioning, all utilities plus security service. This would set the upper end of the range.

Common area maintenance fee proration are generally based on the ratio of unit size to gross rentable area; thus, including the pro-rata share of the common area.

### Percentage Rents:

Most retail shops in this market area do not include a gross sales percent-rent clause because the rents are generally so high that it exceeds the break point. Our survey indicated that a some of the retail leases did include a 5 to 7 percent of gross sales as additional rent. In the case of restaurant leases, percentage leases are more ordinary. Some of the comparable restaurant rents include a percentage rent based on gross sales. The typical range for restaurants is from 5 to 10 percent of gross annual sales, with 5 to 6 percent being more common. Another good indicator of market rent for restaurants is the rental dollars per licensed seat per year, including outside seating.