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COMMERCIAL REAL ESTATE MARKET UPDATE

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  為推廣其產品，環保服務供應商提供新付費方式：將費用嵌入地稅及電費等

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- **To Make Buildings Stand Out, Floor Space Gets Sacrificed**

  開發商允許建築師不惜犧牲建築空間從外觀設計上讓建築出衆以吸引優質房客

  The developer's architect is able to add more design elements and exterior variation to help the building stand out.

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  購物中心的室外遊樂場大受歡迎，開業僅 10 個月就將成倍擴大

  This outdoor play area has been so successful and so embraced by the community that we doubled its size 10 months after it opened.

- **Strip Malls Turn Heads**

  儘管有電子商務搶佔市場，小型購物商場逆勢而起

  Between the economic downturn and the game-changing rise of online commerce, the bricks-and-mortar retail sector has taken some huge hits in recent years. But there's a bright spot in the business of shopping that has been conveying significant benefits to commercial brokers: strip malls.

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  電子產品巨頭百思買推行店中店的銷售模式以推動營業額增長

  The electronics giant is remaking the way it sells to customers, but will the changes drive sales?

- **Craft Beer Chains Bring Buzz To Shopping Centers**

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  Even the average Joe has engaged in craft beer. It's not too expensive; craft beer is an affordable indulgence, and consumers are willing to spend more money for it.

OFFICE
辦公樓

Office Recovery Stays Slow, Steady

辦公樓市場緩慢穩步回溫

The U.S. office market continued its slow-but-steady recovery in the second quarter, as employers took on additional space at a modestly improved pace compared with recent anemic levels.

MULTIFAMILY
公寓樓

- **Investing In Housing Going From Tactical Investment To Strategic?**

  住房投資將成為眾地產基金長久計劃之一

  Single-family housing, which seemed like a good tactical investment a year or so ago, could turn into a staple in investors' portfolios if some money managers have their way.

- **U.S. Apartment Vacancy Rate Flat In Second Quarter, But Rents Rise**

  第二季度美國公寓空置率維持不變但租金提升

  The U.S. apartment vacancy rate was unchanged in the second quarter, the first time in two years that the vacancy rate failed to tighten, in a sign that a wave of new properties may be easing market conditions.

- **Job Growth, Supply Top Concerns in Apartment Sector**

  隨著工作機會增加，公寓住戶逐漸搬走并購買住房

  Exit surveys shows that the percentage of apartment residents who are moving out to buy homes is on the rise. The current share of apartment residents leaving to buy homes still trails the historical average.

- **Rising Mortgage Rates Slow Housing Rebound**

  房貸利率上漲導致房市反彈放緩

  Mortgage rates soared last week to their highest level in two years, causing the number of mortgage applications to fall by 12 percent from the previous week.

FINANCING
貸款與資金

- **Consumer Money Rates (Mortgage Rate, Prime Rate, etc.)**

  消費者市場利率：房貸、基本利率、等等

Companies Devise Alternative Funding for Efficiency Projects

為推廣其產品，環保服務供應商提供新付費方式：將費用嵌入地稅及電費等

By Carisa Chappell (REIT.com)

As commercial real estate owners continue to explore ways to finance sustainability upgrades to their assets, green service providers are developing alternative funding options in an effort to facilitate the adoption of their products.

Some of the more non-traditional financing options were discussed during a July 18 webcast sponsored by CorAdvisors, an energy management and intelligent building systems integrator for commercial and corporate facilities.

“The largest portion of a building’s operating expense is energy,” said Greg Fox, director of business development at Constellation Energy, which provides electricity, natural gas, and sustainable solutions to residential and business customers. “It represents 30 percent of a typical office building’s cost.”

Fox also discussed the “Efficiency Made Easy” program offered by Constellation. The program allows businesses to implement high-impact efficiency measures without direct capital expenditures. Instead, the cost of the efficiency measures is factored into the price per kilowatt hour of electricity used and reflected on companies’ electric bills. The program can be used on technologies such as low-flow toilets and lighting system upgrades, according to Fox.

“It makes it very simple from a budgeting standpoint,” Fox said. “There are no new bills or line items. It’s just something that’s embedded in the rate.”

One financing program that has been initiated by local governments is “PACE.” The acronym stands for “property assessed clean energy.” Under the PACE financing program, building retrofits or upgrades are paid back through property tax assessments. As such, the program includes no upfront cash payments. The financing has a long-term duration of up to 20 years. There is also the ability to pass payments through to tenants.

“It’s a relatively new program, but one that is catching on quickly,” said Natalie Trojan, senior director of PACENow. “We’re pretty open as to what could qualify, but it has to make sense, reduce cost and be a permanent part of your building.”

Stephen Moritz, president of AllFacilities Energy Group, spoke about the company’s energy efficiency management platform. He said it quantifies energy savings for benchmarking and helps corporations take advantage of inducements such as rebates and tax incentives.

To Make Buildings Stand Out, Floor Space Gets Sacrificed

開發商允許建築師不惜犧牲建築空間從外觀設計上讓建築出衆以吸引優質房客

By D.J. O'Brien (CoStar)

Land is commercial real estate's raw material. When it is in short supply, and therefore extremely expensive, developers have sought to maximize the amount of rentable space by building out to the fully permissible floor area ratio — calculated by dividing the rentable building area by the land area. In other words, they build as high up and as far out to the legally imposed zoning boundary.

This is especially true in downtown Washington, where the building height restrictions impose a further limitation on the development capacity of land. One example is Arnold and Porter's existing space at 555 12th St. NW in the East End, where the building occupies an entire block. Built in 1995, this building's coverage is close to 95 percent of the lot size, with large interior space and floor plates surpassing 65,000 square feet on a lot measuring less than 70,000 total square feet.

Land scarcity (and the resulting impact on prices) is one reason why office development has continued to move east of the central business district to NoMa and, to a lesser extent, south to the Capitol Riverfront area.

However, developers of new high-end buildings are also trying to differentiate their projects and attract trophy tenants. One of the methods some developers have used to make their projects stand out is by bucking the commonly accepted practice of maximizing floor area ratio and purposely building less than the specified amount of space allowed by zoning. In doing so, the developer's architect is able to add more design elements and exterior variation to help the building stand out.

While height is almost always maxed out to increase views, more developers of high-end properties appear willing to forego maximizing their lot coverage and incorporate a step-like recession in walls called setbacks. The variation enables developers to incorporate more glass exteriors and freestanding walls to bring in more natural light.

Glass curtain-wall exteriors are becoming much more commonplace; interiors are shrinking while perimeters and ceiling heights are increasing, mainly for the purpose of adding more natural light that tenants of trophy properties favor.

One recent example was the decision by the developers of the recently completed CityCenterDC in the East End to divide the total office portion planned for the site into two buildings rather than simply maximizing the site's floor area ratio.

Hines left potential floor area ratio on the table for the sake of aesthetics and improved circulation through the site. In addition to providing amenities many large tenants prefer such as more natural lighting, improved sightlines and additional green space, developers hope the building can command a higher rent per square foot, cost less to build and result in an exceptional development that can stand the test of time.

Malls Innovate In Footfall Hunt

購物商場採取多種新穎活動吸引顧客

By Nupur Anand (dnaindia.com)

Brand- and mall-owners as well as their retailers have a massive problem on their hands: slowing sales and decreasing footfalls. Even extended 'sale' periods are not helping much.

So, mall-owners are increasing promotions and other kinds of customer engagement activities – think flash mobs and such – to pull in consumers.

What were weekend programmes in the past have now become seven-days-a-week essentials for malls. Singing and dancing shows are still popular, but the range of mall activities has broadened. Now, hobby classes, wrestling programmes, robot-making workshops, reflexology sessions and massages are all part of the mall experience.

So are painting / sketching, building blocks and other talent competitions for kids. Of course, flash mobs continue to sway the shoppers.

Anupam Yog, marketing director of Virtuous Retail, has been planning to hold film festivals to entice brand-chasers into visiting malls. "If the consumer comes and spends time at the mall, it will likely convert into sales."

Other mall-owners concur. Surjit Singh Rajpurohit, CEO of Neptune Magnet Mall at Bhandup, a northeastern suburb of Mumbai, said he has intensified customer engagement activities since January.

Result? Footfalls at Neptune have increased by 70% since January. But Neptune, it seems, is an exception to the rule of almost deserted shopping alleys.

In fact, empty malls have been finding it difficult to attract big brands which only perpetuates the problem – for, consumers tend to steer clear of malls bereft of famous labels.

An Assocham survey in December last year had revealed that almost half of the malls in India are empty.

The survey pointed out that more than 47% of the total mall space in nine cities is vacant.

Delhi-NCR topped the list at 55%, followed by Mumbai (52%), Ahmedabad (51%), Chennai (50%) and other cities.

Kumar Rajagopalan, CEO, the Retailers Association of India, said, "This is at a time when there is intense competition not only among brands but various malls. So, in order to woo big brands, mall developers have to make sure that footfalls pick up, which can happen if activities increase."

And so, many malls have been developing their own loyalty programmes, something that was earlier limited only to big retailers.

Santosh Pandey of Growel's 101 said the chain of malls has started its own loyalty programme, besides increasing marketing activities. Consumer response has been "phenomenal", he said. "In order to ensure that customers stay loyal to us, we offer them free parking space, preview to sales, cash back facility and so on. This has really boosted sales, especially of food items."

Another aspect of malls' survival quest is their slow transformation into entertainment destinations, not just shopping centres. This is the way forward for malls, said Nirzar Jain, vice-president, Oberoi Malls.

Smashburger Lines Up $35M Expansion Funding

漢堡連鎖店 Smashburger 融資三千五百萬以備擴張

By Mark Heschmeyer (CoStar)

Smashburger, a rapidly expanding burger restaurant concept, closed on a $35 million round of financing with Golub Capital.

The Denver-based company intends to use the line of credit to finance its ongoing growth plans, which include 30% in anticipated new unit growth for 2013. Smashburger expects to open 50 to 60 locations this year, ending the year at close to 250 locations and upping that to 300+ units by the end of 2014.

"At just over 200 locations today, we see significant runway for growth across the United States and internationally," said Dave Prokupek, chairman and CEO for Smashburger.

Smashburger currently operates more than 210 corporate and franchise restaurants operating in 29 states and in four international countries.

Property Owners Aim To Tap Into An Urban-Foodie Vibe

消費者採購食品的習慣改變，不動產業主順應潮流調整店家安排

By Roger Vincent (Los Angeles Times)

Traditional Southern California supermarkets, already facing growing competition from leviathan discounters such as Wal-Mart and Target, are now catching blows on another flank as markets catering to environmentally conscious foodies proffer local fare in laid-back settings.

Souped-up gourmet stores like Whole Foods Market long ago claimed a big share of the grocery business. But today it is smaller neighborhood stores, which aspire to offer customers top-drawer local fare, that are crowding in on the action.

Real estate experts see it starting to happen in a variety of neighborhoods across the Southland. As one of these hip markets opens its doors in downtown Los Angeles, an indoor farmers market is in planning stages at an apartment complex nearby. And in Santa Barbara, a developer is replacing a Vons supermarket with condominiums above a collection of mini stores selling local artisanal foods.

Shifts in the way people seek out and buy their food are changing the way that landlords use their real estate.

With big-box stores including electronics purveyors, home furnishings stores and many supermarkets on the outs with consumers, developers are incorporating food outlets in other settings, including residential complexes and former industrial buildings. It's a rethinking of commercial properties: Warehouses become stores, supermarkets are recast as a collection of specialty stores and condo complexes make room for merchant-tenants.

"As people become more health-conscious, we are seeing a greater number of organic grocers permeate the market," said real estate broker Richard Rizka of CBRE Group Inc. The overall amount of space devoted to traditional supermarkets in the U.S. is declining as competitors large and small offer competing visions of grocery shopping, he said.

The new Urban Radish market in downtown L.A. reflects the socially conscious views of its Arts District patrons, co-owner Carolyn Paxton said. The former metal warehouse, bedecked with a mural of giant chipmunks, is stocked with fare tailored to the palates of urban foodies.

The produce is selected from small farms. The beef — even in the hot dogs — was grass-fed and never saw a feed lot, she said. There is locally produced small-batch ketchup for sale, and even the mustard, mayo and aioli sauce used to make sandwiches is whipped up on the premises.

"The food that we have here has been curated," Paxton said. "Every item has been tasted and tested, and it's amazing."

On the edge of the market's parking lot are a dozen electric-vehicle charging stations that serve residents of nearby former industrial buildings that have been converted to condominiums. Arts District locals tend to be "liberal, socially conscious artists and entrepreneurs," Paxton said, and Urban Radish reflects their predilections.

Santa Barbara: Public Market

Santa Barbara real estate developer Marge Cafarelli, meanwhile, is aiming to reflect tastes in the prosperous coastal community with a setting that is upscale but not pretentious.

Her goal is to create a multi-merchant market that offers exquisite-tasting food at prices competitive with Whole Foods. Her Santa Barbara Public Market will also sell some everyday necessities such as kitchen accessories and eco-friendly cleansers.

"I want a full grocery experience for Mrs. Jones," said Cafarelli, evoking expectations for her typical customer.

Cafarelli's model will differ from traditional food stores' in that it will operate more like the Ferry Building Marketplace in San Francisco or Pike Place Market in Seattle, where multiple merchants ply their wares under one roof.

Both Urban Radish's owners and Cafarelli are taking pains to bring in goods at a variety of prices and hope to avoid being perceived as elitist. They also strive to please customers who have sophisticated, even lofty, expectations.

"Santa Barbarans are well traveled and have seen more places than I have been," said local olive oil expert Jim Kirkley, who will operate an outpost of his Il Fustino oil store when the Santa Barbara Public Market opens in September.

Kirkley buys oil made by local olive growers and expresses casual disdain for the bland imported green stuff typically found in stores and restaurants.

"Olive oil should have a peppery kick," he said. "You want a little peppery tickle in your throat and it should have some pungence — that's the antioxidants."

Such erudite advice about a cooking staple was no doubt rarely voiced in the Vons supermarket that once occupied Cafarelli's State Street site, and therein lies a challenge for the developer and her band of artisan entrepreneurs.

Malls' Appetite For Fine-Dining Restaurants Is Growing

購物中心內高檔餐廳在取代快餐店

By Tiffany Hsu (Los Angeles Times)

The Fig & Olive restaurant chain drips with foodie cred.

The eateries, which started in Manhattan, feature fancy olive oils and celebrity sightings. An average diner's check easily breaches $50. The Mediterranean-inspired cuisine is the antithesis of quick-stop mall chow.

But come November, a Fig & Olive will open in a 12,000-square-foot space at Fashion Island in Newport Beach, beating out 50 others for the prime spot away from the main shopping plaza.

There will be ocean views, a garden with a fireplace, wine shelves and a white room inspired by the Cote d'Azur. Each of the 60 olive trees ringing the site costs $15,000, only a small part of the multimillion-dollar investment by the restaurant chain and the Irvine Co., which owns the property.

"The stigma of opening in a mall is going away," Fig & Olive founder Laurent Halasz said of his first foray into a shopping center. "There's been a huge change."

U.S. shopping centers are moving from fast food to fancy food.

It started a few years ago as tired food courts began transforming into slick dining terraces. Now, upscale restaurants are making an appearance, even replacing department stores as mall anchors.

At Irvine Co. Retail Properties, which owns Fashion Island and Crystal Cove Shopping Center, also in Newport Beach, an increasing portion of mall revenue is coming from food. Two staffers are dedicated to finding dining tenants; two years ago, no one was.

"We view these restaurants as being traffic draws," said Dan Sheridan, the company's president.

Drawing visitors has become a big concern for mall operators, who figure they need more than apparel and shoe stores and the occasional movie theater.

They're battling growing online shopping options and free shipping offers. Plus, the busier schedules wrought by the recovering job market have more consumers making purchases from the convenience of their phones and computers.

At the same time, shopping center owners are losing interest in multi-unit budget eateries and are courting elite foodie favorites with the lure of prominent plots of land and consultations with top-level mall executives.

They're targeting the growing ranks of diners who shun cookie-cutter chain menus for meals they can brag about on blogs and social media.

Industry statistics show that restaurants at malls are outperforming those centers' fast-food outlets. Sales at mall restaurants grew 4.3% in the year that ended in May, while mall fast food purveyors posted a 0.3% decline, according to data from the International Council of Shopping Centers.

"The presence of food and beverage as a fresher, more upscale experience is only going to get bigger," said architect Tim Magill, a partner at 5+ Design in Hollywood. "The ratio is tilting more in that direction than retail, especially as shopping centers have to offer something more that people can't get online."

The Irvine Spectrum closed its food court late last year and will add an Umami Burger inside an expanded Irvine Improv next year and sprinkling new culinary options such as Cucina Enoteca, Wood Ranch and Tender Greens to pull foot traffic throughout the center.

Medical transcriptionist Kelley Uyeda, 45, has managed to munch at every Irvine Spectrum restaurant, including organic eatery Paul Martin's American Grill and vegan stop Veggie Grill. Compared with five years ago, she has more than doubled the amount of time she spends at the mall.

"I don't go there for the shopping — it's because they have some really great restaurants," the Foothill Ranch resident said. "I'm more inclined to meet up with people there now."

At Fashion Island, Fig & Olive won't be the only upscale dining option.

Mexican concept Red O from celebrity chef Rick Bayless will open this winter. The first Lark Creek and Blue C locations in Southern California are also arriving on the property this summer, along with the first Lemonade stop in Orange County.

La Alameda Regional Shopping Center's Play Area So Popular Owner Expands It Within 10 Months Of Opening

購物中心的室外遊樂場大受歡迎，開業僅 10 個月就將成倍擴大

Source: Playtime

"This outdoor play area has been so successful and so embraced by the community that we doubled its size 10 months after it opened," says Leandro Tyberg, President and Co-Founder of Primestor Development Inc. "It added value to the center and the community loves it."

Located 20 minutes south of downtown Los Angeles in Walnut Park, CA, La Alameda opened in 2008 after Primestor turned an old abandoned glass factory into "one of the most attractive shopping destinations in southern California," says Tyberg. Primestor is a unique real estate company focused on providing quality retail services, management and development services to underserved communities.

"Today, La Alameda is an 18-acre, 350,000-square-foot, mixed-use regional shopping destination," says Tyberg. "It boasts the best-in-class retailers in the region and has become the town center of the community."

At the heart of La Alameda is a plaza that was designed to look like a traditional Mexican zocalo. Last year, in an effort to provide an amenity for families with young children, Primestor asked PLAYTIME to create a custom, soccer-themed play area.

PLAYTIME, LLC is a commercial playground manufacturer and the global provider of unique, interactive, soft play areas and playground equipment for indoor, outdoor and water play.

"We had so many kids playing in there that we had to expand it just 10 months later," says Tyberg, who says the investment is worth it if it brings more of the community to the shopping center.

"The plaza is designed to feel comfortable, intimate and yet infused with quality," he says. "It is frequented by so many families that putting in a PLAYTIME play area seemed extremely appropriate. Supporting amenities that cater to families' needs is just as important as providing quality shopping experiences."

Strip Malls Turn Heads

儘管有電子商務搶佔市場，小型購物商場逆勢而起

BY MARIWYN EVANS (RealtorMag)

Between the economic downturn and the game-changing rise of online commerce, the bricks-and-mortar retail sector has taken some huge hits in recent years. But there's a bright spot in the business of shopping that has been conveying significant benefits to commercial brokers: strip malls.

"There is still a strong need for strip centers," says Rob Grossman, COO of the strategy & operations practice with Deloitte Consulting. Vacancy in strip and community centers fell by 30 basis points in 2012 and, at the beginning of 2013, sat at 12.8 percent nationwide, according to CRBE Econometric Advisors. Newer properties, particularly those located in high-density areas with strong employment, report even lower vacancy rates, says Julie Taylor, senior vice president of the Retail Services Group at Cornish & Carey Commercial Newmark Knight Frank in San Francisco.

Investors like strips, too. Almost 60 percent of respondents to the "Emerging Trends in Real Estate 2013" survey tagged community and strip centers a "buy." Why? "Strip centers are in demand because they are easier to manage and lease than larger centers and the rate of return can be 8.5 to 9 percent, 50 to 100 basis points higher than for a community center," says Mez Birdie, CPM, director of retail services for NAI Realvest in Orlando.

Strips also fill a basic consumer need. "The traditional value proposition of community/neighborhood,which generally includes a grocery or drug store—or a smaller strip center anchored by a convenience store—hasn't really changed. These properties still provide an easy way to access the products you need every day, [which] hasn't really changed," says Grossman. "Even in the age of online retailing, there are some items you don't want to wait a day or two to get."

At the same time, warns Grossman, simple convenience may not be enough to ensure success. "Today, centers need to merge convenience with destination and services that can't be obtained through an online channel. A good location isn't sufficient."

Instead, smart shopping centers must create "that right third place after work and home where people want to congregate. It's by far the best way to increase traffic to the entire center," says Greg Carbone, CCIM, CPM, director of property operations for EDENS in Bethesda, Md. So how can owners and managers position their centers to capture the brass ring?

Get the Hottest and Strongest Tenants

"Choosing the right tenants is more important than getting the higher rent," says Taylor. If you create a dynamic mix in which each tenant shines and complements one another, "you create an environment that generates more sales and traffic than each tenant alone. Ultimately, higher sales will generate higher rental rates," she says.

Tenants, too, recognize the value of being in the right place with the right company. "Many tenants—even smaller ones—are willing to wait and even pay more for the right location," says John Orr, CCIM, vice president of the retail group at Colliers International in Charleston, S.C. "Five or six years ago, those retailers would have felt compelled to open new stores in lesser centers."

What makes a delectable retail mix? The short answer: food. In a smaller unanchored center, for example, "you only need one of the very popular, 2,500-square-foot restaurant concepts to anchor the property and create the increased traffic other tenants want," says David Andrews, CCIM, a partner in the Richmond, Va., office of The Shopping Center Group. Top restaurant performers today are fast casual spots such as Pei Wei, Chipotle, and Panera Bread, which have posted a higher increase in sales than full-service casual dining chains over the last year, says Birdie. Even upscale supermarkets also embracing the destination strategy, by adding wine bars, eat-in restaurants, and even music, says Judy Hatfield, CCIM, a principal with Equity Commercial Realty in Norman, Okla.

What else keeps those customers coming back for more? The promise of beauty. Health and beauty retailers are one of the fastest growing retail categories today, says Taylor. Tenants like day spas, waxing, and massage keep shoppers around for several hours, especially baby boomers and others with more disposable income, Birdie adds.

A variation on the health theme is fitness centers. From Gold's Gym to smaller cross-training centers and yoga studios that can fit into 2,500-square-foot inline spaces between the anchors at a community-oriented strip mall, fitness is a sure-fire draw, particularly for the under-35 demographic, says Andrews. "Other retailers used to dislike fitness because it took up so much parking, but now the same retailers realize those concepts keep shoppers coming back to the center," he says.

Specialization within a strip mall is also "a very savvy way to merchandise a center and make it a destination," notes Taylor. She recalls a top-performing center that had ballet, karate, crafts, a toy store, and day care. "Everything for the mom and the child is in one place," Taylor says. Ethnically oriented specialty centers, which offer groceries, home decor, food, and even clothing for one large immigrant group, can turn an otherwise ordinary center into a local or even regional destination, says Grossman.

A variation on the specialization theme is a center with multigenerational activities. "You want to create an experience all three generations can share—where you drop off your child for a music lesson or an art class while you get a massage," says Carbone.

In lower-income areas, a center with a discount or dollar store and a small grocery may become a destination for consumers who don't have easy access to mainstream retailers for geographic or economic reasons, says Taylor.

Managers and leasing agents do need to exercise caution not to let the combination of retail and service tenants “turn a center into a hodgepodge,” says Birdie. Service tenants such as a church or library may harm the retail tenant mix at a strip center. Customers of these tenants also take up parking for extended periods, which is why many national retailers restrict certain service tenant uses near their stores.

Create a Sense of Vibrancy

Top-notch tenants can create a destination, but keeping a center vibrant requires creative marketing. Doing events that bring tenants to a center is pretty standard, but looking for a new twist can make your property memorable, says Carbone. For example: “Most restaurants offer some sort of two-for-one special at dinner on Valentine’s Day, but one of our restaurants that was hosting a Mom’s Club breakfast on Feb. 14 gave every customer a rose. That made a real connection because it was out of the ordinary.”

Loyalty programs and coupons distributed through social media and mail are another widely used retail promotional tool and are “a great way to invite customers into your center for the first time,” says Hatfield. Again, though, it’s finding a way to make the expected fresh. Hatfield encourages retailers to create monthly coupons, which she then personally gives as gifts to business associates, community leaders, and tenants in her other properties.

An emotional connection—whether it’s to an individual owner or a restaurant or store that’s a local institution—is another way to create a destination experience that can’t be replicated online, says Carbone. “In smaller stores, customers are often attracted by the personality and personal story of the owner.” “Shoppers, especially younger ones, will go and support a favorite store by buying a $300 pair of jeans made locally rather than buying three less expensive pairs online,” says Orr.

Keep Facilities Tip-Top

The final piece of turning just another retail strip into a destination is appearance. During the recent recession, some landlords were too cash-strapped to spend on upkeep. Now there is “more of a willingness among capital owners to fix up center exteriors and offer tenant improvement concessions that will create synergies and higher sales,” says Orr.

That’s good because “street appeal is absolutely key to making a center a destination,” says Andrews. “Cosmetic appearance is the No. 1 thing that consumers comment on, and it’s an easy one to fix,” he says. Painting and parking lot restriping should be done at least every other year. More extensive facade renovations are also necessary every seven to 10 years to keep a center looking current, he adds.

Why Destination Matters

At a time when consumers can shop anytime with a phone, tablet, or laptop, “landlords have to give consumers an experience that is more engaging than what they can find on the screen,” says Taylor. With the right combination of distinctive merchandise at the right price in a vibrant atmosphere, the result is retail success.

Office Recovery Stays Slow, Steady

辦公樓市場緩慢穩步回溫

By ELIOT BROWN (WSJ)

The U.S. office market continued its slow-but-steady recovery in the second quarter, as employers took on additional space at a modestly improved pace compared with recent anemic levels.

The amount of office space occupied by employers increased by 7.2 million square feet, or 0.2% of the total occupied stock, during the quarter, according to real-estate research service Reis Inc. That was the biggest increase since the economy began slowing in 2007.

But the pickup still was below levels seen in more typical periods of economic growth. During such times, the volume of occupied space can increase some 10 million to 20 million square feet per quarter. In contrast, employers have generally taken on between three million and five million square feet of additional space per quarter since the market began improving in 2011.

Without faster growth, the office-vacancy rate is likely to continue to stay high—and rents relatively low. In the second quarter, the overall U.S. vacancy rate stayed flat at 17%, down from a postrecession peak of 17.6% reached in mid-2010.

Rents sought by landlords ticked up to $28.78 per square foot in the second quarter, from $28.66 per square foot in the first quarter and $28.18 one year earlier, according to Reis, which tracks 79 metropolitan areas.

"We're just not seeing enough job growth," says Ryan Severino, an economist at Reis.

The bright spots are cities with strong technology or energy markets. Expanding tech and natural-gas companies are seeking more office space to accommodate their growing headcounts.

The fastest rent increase over the past 12 months has been in the San Francisco area, followed by the San Jose, Calif., area—which includes Silicon Valley—and New York, Houston and Dallas. Rents sought by landlords rose by 7% in San Francisco and 4.6% in San Jose.

That comes even as landlords and brokers in San Francisco say technology companies have taken their foot off the gas pedal recently, with the pace of new leases so far this year slowing from 2012, when companies like business software company Salesforce.com leased hundreds of thousands of additional square feet. In San Francisco, rents paid by tenants increased 1.2% during the second quarter, down from a 1.7% increase in the first three months of the year, Reis said.

Still, real-estate professionals aren't concerned. The market "feels steady and strong, and healthy," said J.D. Lumpkin, a San Francisco-based commercial leasing broker at Cushman & Wakefield Inc. "There's still a lot of great companies being created in San Francisco that are growing and driving demand."

Technology companies also have aided markets outside of the Bay Area. In New York City, for example, expansion by the tech sector is making up for sluggish growth in the financial- services industry.

Just two years ago, Facebook Inc. moved its New York outpost into a new 40,000-square-foot office at 335 Madison Avenue in Midtown. But space has grown tight, and in June the company announced plans to move to a 100,000-square-foot space at 770 Broadway, two miles to the south. "We're growing faster than we thought," says John Tenanes, Facebook's director of real estate. "We've just run out of space at Madison Avenue."

Meanwhile, areas without such growing sectors have lagged behind, including Sunbelt cities. Also, the Washington, D.C., office market, which had been among the best-performing markets in the countryearly in the recovery, has been hit by federal government cutbacks.

The vacancy rate in Washington rose to 9.7% from 9.2% a year earlier, according to Reis, while rents sought by landlords grew by 1.2%. "Washington is slow, Washington is soft," Steven Roth, chief executive of national office landlord Vornado Realty Trust, said at an investor conference last month, according to a transcript. "We will rent the space we have. It'll just take some time."

Investing In Housing Going From Tactical Investment To Strategic?

住房投資將成為眾地產基金長久計劃之一

BY ARLEEN JACOBIUS (Pensions&Investments)

Single-family housing, which seemed like a good tactical investment a year or so ago, could turn into a staple in investors' portfolios if some money managers have their way.

The managers maintain that single-family homes are not just an investment opportunity born out of the recession. They say they are institutionalizing the sector — moving it from a collection of small operations to large, professionally managed portfolios — much like what happened with apartments years earlier.

The Blackstone Group LP is in that investment space for the long term, said Jonathan D. Gray, senior managing director and global head of real estate in New York. The firm has purchased more than 30,000 post-foreclosure houses for more than $5 billion since early 2012, and is buying more.

“There were more than 10 million homes to rent before the (2008 financial) crisis. We believe this is a long-term asset class, “Mr. Gray said.

Blackstone is building a business around single-family dwellings “We buy post-foreclosure homes, which we then renovate and lease to long-term tenants,” Mr. Gray said in an interview.

Blackstone also is considering a new business that would provide loans for other firms that invest in portfolios of single-family housing for rent, but no decision has been made yet, Peter Rose, spokesman, said in an e-mailed response to questions. Colony Capital LLC is also considering doing the same thing, said Justin Chang, the CEO of Colony American Homes LLC., a Scottsdale, Ariz.-based $2.5 billion private real estate investment trust that is managed by Colony Capital.

Other firms investing in single-family housing for rent include Colony Capital, GI Partners and Pine River Capital Management as co-manager of Silver Bay Realty Trust Corp., a REIT.

And, other private equity, hedge fund and real estate managers that invest in the property type agree there is plenty of capacity for single-family home rentals to be institutionalized.

“In our opinion, it is definitely a long-term strategy. It's a real business, not a tactical play, but we are still in early innings,” he said.

Larger than any other subasset class

Taken together, multifamily and single-family housing make up a roughly $20 trillion sector, which when institutionalized will be larger than any other real estate subasset class, single-family homes comprising the lion's share of the market, Mr. Chang said.

It was Colony Capital executives' long-term view of the single-family home-for-rent investment opportunity that led the firm to create a private real estate investment trust because it provide finite life capital for the investment opportunity.

“I think there is room for institutional ownership of groups of homes that are rental homes,” said Greg Hebner, managing director of Los Angeles-based real estate firm Arixa Capital Advisors LLC, which also invests in rental single-family homes. “I think that there is room for a few million houses to be in institutional hands.”

Right now, the vast majority of houses for rent are owned by people with two or three properties. Blackstone Group and others that have invested in the opportunity still own just a sliver of the number of houses available for rent. According to National Association of Realtors data, there were 4.94 million existing home sales and 444,000 new home sales in the U.S. in the first quarter.

Still, it might be more difficult for larger managers to run portfolios longer term and turn outsized profits.

“There is no problem that the homes are there. The problem is, operationally,” can large money managers manage single-family homes effectively, said Jan Brzeski, managing director and chief investment officer at Arixa. When a firm is buying a portfolio of houses, there isn't the luxury of negotiating the lowest price on each property, he said.

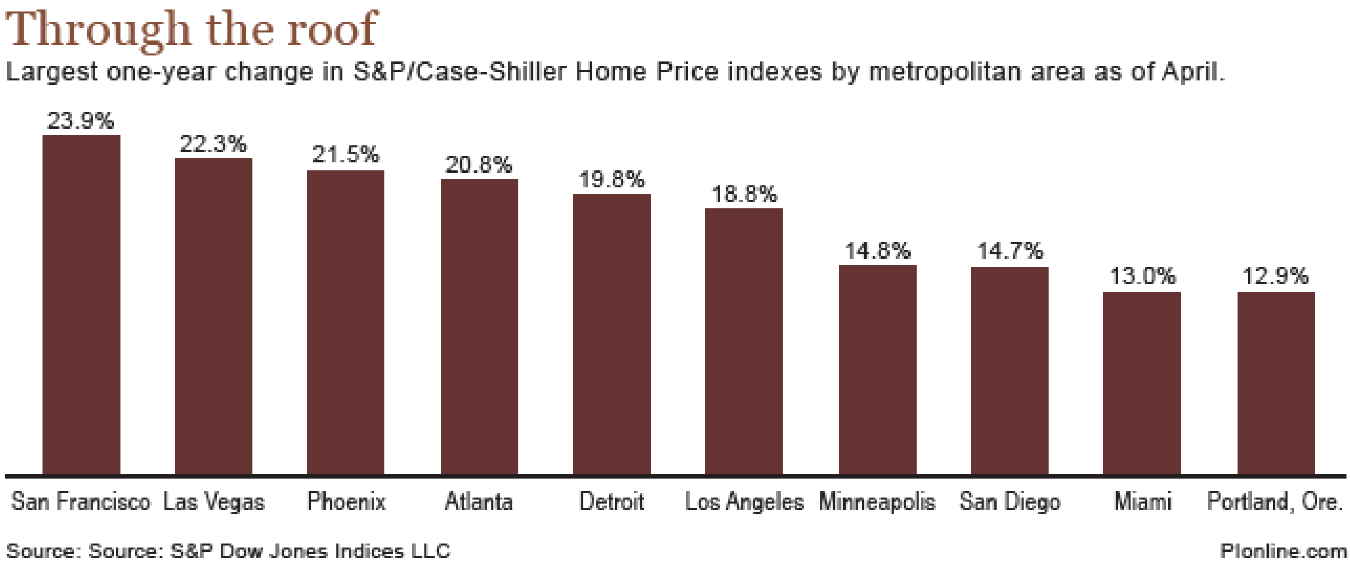
Also, the bargains that once made the investment tempting have disappeared in many places around the country, he said.

Last year, buying houses in California was a “no-brainer because you would be buying ... for 35% of replacement cost and getting a nice strong yield,” he said.

At that time, single-family homes were a better bargain than apartment buildings, Mr. Brzeski said. “That has disappeared,” he added.

Today, good buys are available in more depressed pockets of the country such as Indiana, where banks still own property and there are still short sales by banks.

Some investors and other money managers are not convinced that buying single-family houses for rent is anything more than a nice tactical opportunity.



CalPERS has exposure to single-family properties as part of its $500 million commitment made to GI Partners III, a $1.9 billion opportunistic real estate and private equity fund sponsored by GI Partners, Menlo Park, Calif. This remains the $259.8 billion California Public Employees' Retirement System's only investment in the strategy, according to Amy Norris, spokeswoman for the Sacramento-based pension fund.

“The real estate investment is still considered tactical and not long term,” Ms. Norris said in an e-mailed response to questions.

A 'tactical move'

Officials at the $166 billion California State Teachers' Retirement System, West Sacramento, likewise consider its GI Partners investment in single-family homes to be a “tactical move,” said Michael Sicilia, spokesman for the pension plan.

“It is embedded in a commingled fund structure which by their nature have a finite life and therefore more short-term,” he said in an e-mailed response to questions. “It is not a long-term investment strategy similar to our multifamily portfolio.”

CalSTRS is also exposed to the sector through a commitment to Blackstone Real Estate Fund VII.

Said Eric Adler, London-based global CIO for Prudential Real Estate Investors: “It's a very tough business to grow and scale structurally. There are a lot of little transactions.”

Plus, the investment opportunity in single-family housing is “tactical,” Mr. Adler said.

“It is a sector that more opportunistic investors are looking at. It's already getting overcrowded.”

For money managers with existing portfolios of single-family homes, some are looking for exits, such as bundling the portfolios into REITs or, for those on the debt side, securitizing the loans.

Colony American Homes' Mr. Chang predicted that securitization of these loans will start in the next three to five months.

A few single-family REITs already have been launched, and some are in institutional portfolios: American Residential Properties Inc., US Masters Residential Property Fund, American Homes 4 Rent and Silver Bay.

Still, it is early days. A subsidiary of Colony Capital postponed its IPO in June because of market conditions, according to people with knowledge of the situation.

Also, lenders and managers are considering bundling the mortgages or rental streams into securities. Although no security has been launched yet, ratings agency Standard & Poor's issued a report in May on securitizing rental streams of single-family houses. While noting it is too early to know what the security would look like, the report said a hypothetical foreclosed-house-to-rent securitization could resemble a mortgage-backed security. Another possibility is the security could be similar to triple-net-lease securitizations, in which the lease payments are the collateral.

Best Buy Bets Big On Store-Within-Store Concepts

電子產品巨頭百思買推行店中店的銷售模式以推動營業額增長

By THOMAS LEE (Star Tribune)

The sign outside the big box in Richfield says Best Buy, but the inside of the building looks more like a mall than a single store.

The usual Blue Shirts and Geek Squad agents scurry across the sales floor, but Samsung, Microsoft, Pacific Kitchen and Magnolia occupy their own domains within Best Buy. They have large product displays, dedicated checkout areas, and employees wearing shirts that are distinctively not blue.

Best Buy stores are becoming more complex these days as CEO Hubert Joly has aggressively pursued a “store-within-a-store” concept more common among department stores and Asian retailers.

“Best Buy is really hustling to find its strategic way forward,” said Robin Lewis, CEO of the Robin Report, a newsletter that tracks the retail industry.

The benefits are clear: Higher sales of popular brands plus the rent Samsung and others pay to Best Buy equals higher revenue for the consumer electronics retailer. It’s a formula Best Buy appears willing to replicate with other manufacturers.

“We’re always working with our vendors to find new ways to provide the best shopping experience for our customers,” said Best Buy spokeswoman Carly Morris.

But in reality, the concept is untested. Does ceding space to Samsung and Microsoft drive additional traffic and sales throughout the entire store? Will a Samsung employee really give up a potential sale if a shopper visiting the Samsung Experience shop can’t decide between a Galaxy smartphone or an iPhone 5?

Best Buy, after all, has portrayed itself as the retailer whose highly trained Blue Shirts offer customers knowledgeable and unbiased advice on products that best suit their needs. On a larger level, Best Buy runs the risk of eclipsing the brand that matters the most: Best Buy.

“It’s a fine line,” said Brian Kelly, a Chicago-based retail consultant and a former top executive at Sears and Eddie Bauer. “They’ve got to make sure Best Buy is the brand of choice for customers. Going overboard with store-within-a-store could diminish the power of the [Best Buy] brand.”

‘Weird kind of win-win’

One of Joly's top priorities as he restructures Best Buy is to boost sales by redesigning store space. Specifically, he wants stores to stock higher-growth products that could boost sales per square foot, the ultimate measure of a retailer's health.

That's where store-within-a-store concepts come in handy. Microsoft and Samsung are essentially leasing their spaces from Best Buy and each manufacturer controls their own pricing and merchandise decisions. That frees up Best Buy to concentrate on areas of the store, but it also benefits from Samsung and Microsoft's investments in terms of sales and rent.

"It's a weird kind of win-win" for the retailer and vendor, said Jeff Green, a Phoenix-based retail consultant. Microsoft and Samsung promote their brands without having to operate a full scale store. For Best Buy, "it's a way for them to get away from all of that square footage."

Morris, the company spokeswoman, declined to disclose the financial terms of its deals with Samsung and Microsoft except to say that Best Buy made "joint investments" with Microsoft in training, in-store setup, and marketing.

But research suggests that stores within a store don't just occupy space. A study by marketing professors at the University of Pennsylvania and Carnegie Mellon say the concept can boost sales of high-value products that require a degree of service and can't easily be found somewhere else in the store.

For example, Pacific Kitchen, an upscale appliance chain purchased by Best Buy in 2006, trains its own sales force, which seems to be paying off with several quarters of double-digit gains in appliance sales at stores open for at least a year.

"These efforts to partner with vendors should improve service levels, secure access to the latest and greatest products, and keep more customers purchasing at Best Buy," Gary Balter, a retail analyst with Credit Suisse, wrote in a recent research report.

Should, however, doesn't necessarily mean will.

The deals' value to Best Buy

Analysts like to say Samsung and Microsoft stores will bring buzz to Best Buy but whether that translates to additional sales throughout the store is far from clear.

Investors measure the value of a retailer in two ways: sales per square foot and customer traffic. Best Buy generates a seemingly robust $852 per square foot compared to $303 for Target and $140 for J.C. Penney. But fewer people are visiting Best Buy stores, which means that $852 figure is likely to continue to fall unless the company can somehow reverse that trend.

"Best Buy needs to change those traffic patterns," said Michael Dart, who oversees private equity and strategy practice at Kurt Salmon.

If executed well, a store-within-a-store concept can significantly boost the market value of a retailer if its overall sales and traffic go up, not just Samsung or Microsoft's numbers, he said. For example, someone who purchases a Galaxy tablet might buy an accessory elsewhere in the store.

Of course, much of that depends on the strength of the brands that operate those stores within a store. With its popular Galaxy family of smartphones, Samsung has emerged as the technology maker du jour, a company that can truly challenge Apple's dominance in mobile devices. The day Best Buy announced the Samsung partnership in early April, Best Buy's stock soared 16 percent.

The Microsoft stores, which launched this month, are more of a head scratcher, said Green, the retail consultant. At 2,200 square feet, the largest Microsoft store in Best Buy is about seven times larger than the average Samsung shop. Unlike Samsung, which is a pure hardware business, Microsoft mostly makes software and sales of its latest Windows 8 operating system has been a major disappointment. Microsoft does operate its own stand-alone stores, including one at the Mall of America, but they are very small compared to the Apple Store, both in numbers and sales.

So, it's hard to image the Microsoft store giving Best Buy much of a lift, Green said.

Still, the technology business is fickle; the hottest company can suddenly become the uncoolest and vice versa in a blink of an eye, analysts say.

Unlike Microsoft, whose concept can be found in 500 Best Buy stores in the United States, the Samsung store will be in all 1,000 or so Best Buy stores across the country.

Should Samsung hit rough times, it would be very hard for Best Buy to untangle itself from the Samsung shops, analysts say. But given Samsung's soaring popularity, "this is the best riskiest move you can do," Dart said."

Craft Beer Chains Bring Buzz To Shopping Centers

小型釀啤酒廠及相關產業為購物商場造勢

Souse: ICSC.org

Craft beer is providing quite the buzz to the retail market. There are nearly 2,400 craft breweries now operating in the U.S., and both volume and dollar share of the entire U.S. retail beer market is growing rapidly. And it is not just the beer connoisseurs of the world who are enjoying a tasty beverage. “Even the average Joe has engaged in craft beer,” said Darren Tristano, an executive vice president at Technomic, a Chicago-based food-industry research and consulting firm. “It’s not too expensive; craft beer is an affordable indulgence, and consumers are willing to spend more money for it.”

Between 2011 and 2012 the craft segment of the beer industry grew by some 15 percent in volume (by 1.8 million barrels) and by some 17 percent in retail dollar value (by $1.5 billion), according to a recent report released by the Boulder, Colo.–based Brewers Association, which represents American craft brewers. Last year the craft beer segment represented 6.5 percent volume share and 10.2 percent dollar share of the total U.S. beer market. “The craft beer market continues to grow because it’s still a small percentage of the [overall] beer market,” Tristano said. “There is enormous popularity on a regional basis. The limited supply creates increased demand.”

Savvy retailers are taking notice of the craft beer craze, including two privately held companies with two very different approaches: World of Beer, a Tampa, Fla.–based tavern concept; and Craft Beer Cellar, a Belmont, Mass.–based retail concept.

Matt LaFon and Scott Zepp, of Pensacola, Fla., established World of Beer in 2007. The first unit, in Tampa, was so well received that the partners decided to expand through franchising. With 41 franchises now stretching across the U.S., from Seattle to Key West, Fla. (and plenty more on tap for the near future), World of Beer isn’t messing around. The company opened 15 taverns last year — up almost 80 percent from 2011. “We are rapidly expanding and opening taverns every month,” said Tim Martin, vice president of real estate and development for World of Beer Franchising. “We’re also looking at sites now to grow our corporate locations.”

The concept is simple but magnetic: to present an extensive craft beer list (some 500 brands from many countries and from local brewers are on offer, plus about 50 drafts on tap), complemented by live entertainment, all set in a casual yet upscale environment.

World of Beer seeks locations in lifestyle centers or downtown destination centers, ideally at about 3,000 square feet, and alongside such co-tenants as Apple, Chipotle and White House Black Market.

Meanwhile, Craft Beer Cellar, founded in 2010 by Kate Baker and Suzanne Schalow with a flagship in Belmont, Mass., features the latest craft brews combined with top-notch beer "education." The company, which is expanding through franchise, is opening a second unit this fall, also in Massachusetts, in a 3,000-square-foot space at Newton Centre, and two additional shops besides are in the planning for Massachusetts. Newton, Mass., comprises 13 villages, and Newton Centre is the largest retail center of all those villages.

U.S. Apartment Vacancy Rate Flat In Second Quarter, But Rents Rise

第二季度美國公寓空置率維持不變但租金提升

By Ilaina Jonas (Reuters)

NEW YORK (Reuters) - The U.S. apartment vacancy rate was unchanged in the second quarter, the first time in two years that the vacancy rate failed to tighten, in a sign that a wave of new properties may be easing market conditions, according to real estate research firm Reis Inc.

The national vacancy rate was 4.3 percent, unchanged from the prior quarter though down from 4.8 percent a year earlier, according to preliminary figures Reis released on Monday. The vacancy rate is 3.70 percentage points below the cyclical peak of 8.0 percent at the end of 2009.

"The apartment market has been on a spectacular run," Ryan Severino, senior economist for Reis, said. "It's been an awesome recovery since early 2010." But with more new properties being developed, he said, "and there are only so many people who can rent units, it has to slow down."

Asking rent during the second quarter rose by 0.6 percent to an average $1,109.73 a month. A year earlier, rents jumped 1.1 percent.

New York City remained the most expensive market. Average rents for the city's four largest boroughs - Manhattan, Queens, Brooklyn and the Bronx - rose 1 percent to $3,017.19 a month, the first time the average rent topped $3,000 since Reis began collecting data in 1980. (The firm did not include New York's smallest borough, Staten Island.)

The average New York rent was more than 50 percent higher than second-place San Francisco, where rent grew 1.1 percent from the first quarter to $1,998.82. Oklahoma City was the cheapest market, at an average of $571.03 a month, up 0.6 percent.

During the second quarter, developers added 26,584 new units to the U.S. apartment market, about the same as the first half of last year and 22.8 percent more than the first half of 2011.

The rolling four-quarter average of newly built apartment units has been increasing since hitting bottom at 10,600 in the 2011 fourth quarter, and stood at 23,200 in the 2013 second quarter.

So far, the demand from tenants has outstripped the new supply, but with more new developments due to hit the market in the second half of this year and next year, at some point the market will shift.

"It's not going to be this massive collapse in vacancy," Severino said. "You'll probably see vacancy rates tick up a little bit. And it will stay a landlord's market. It will stay sub 5 percent vacancy."

The overall rise in rents echoed a trend reported by several large apartment owners, such as Equity Residential and AvalonBay Communities Inc, for the past several quarters.

Effective rent, which includes months of free rent and other enticements offered by landlords, rose 0.7 percent to $1,061.94 a month in the second quarter. A year earlier, effective rent grew 1.3 percent.

On a year-over-year basis, 65 out of 79 markets Reis tracks posted a vacancy decline and rents in every single market rose.

Job Growth, Supply Top Concerns in Apartment Sector

隨著工作機會增加，公寓住戶逐漸搬走并購買住房

By Allen Kenney (REIT.com)

Dave Bragg, managing director with Green Street Advisors, joined REIT.com for a video interview in Chicago at REITWeek 2013: NAREIT's Investor Forum.

Bragg covers the multifamily sector for Green Street. He discussed the effect of the housing recovery on apartment REITs.

"The housing recovery is starting to have an impact on the multifamily sector," he said.

Bragg pointed to a key indicator that illustrates the impact. Exit surveys shows that the percentage of apartment residents who are moving out to by homes is on the rise, according to Bragg. However, Bragg also noted that the current share of apartment residents leaving to buy homes still trails the historical average.

"This former tailwind has now become a slight headwind," Bragg said.

Bragg was asked about the threats to the health of residential REITs in the current market climate.

"The recovery in the housing market is a threat, and it receives a lot of attention, but I'd place the top two threats as job growth and multifamily supply," he said. "Job growth and apartment rent growth have a very strong correlation over time. Second—and what is generating a lot of attention today—is multifamily supply, especially in formerly considered high-barrier markets. That is a great risk that we'll be able to better quantify over the course of 2013. Third, I'd place the housing recovery after those two."

Bragg also offered his analysis on trends in the single-family rental market.

"The interest in the single-family market most recently has stemmed from the influx of institutional investors who are entering a variety of markets around the country, including the most distressed markets, and buying single-family homes and renting them out," he said. "The single-family rental market itself has long existed. In fact, it has long accounted for more than 30 percent of rental units. Therefore, while the actual marketplace is not new, it's actually becoming institutionalized from both an ownership and a management perspective. This institutionalization of the single-family rental market has caused apartment investors and operators to question the impact. By our accounts, it is actually quite modest."

Bragg said the percentage of apartment residents moving out to rent single-family homes ranges from approximately 1 percent to 5 percent.

Rising Mortgage Rates Slow Housing Rebound

房貸利率上漲導致房市反彈放緩

By Nathalie Tadena (WSJ)

The total number of mortgage applications filed in the U.S. last week fell 12% from the prior week as interest rates jumped to their highest level in two years, the Mortgage Bankers Association said Wednesday.

The refinance index decreased 16% for the week ended June 28 from the previous week, according to the weekly survey covering more than three-quarters of all U.S. residential-mortgage applications. MBA also reported the seasonally adjusted purchasing index slipped 3% from a week earlier.

Interest rates have increased in recent weeks amid stronger economic data, curbing some individuals' appetite to buy a new home. Mike Fratantoni, MBA's vice president of research and economics, said fewer homeowners have an incentive to refinance at the current interest rates. Refinance-application volume dropped more than 15% last week.

The share of applications filed to refinance an existing mortgages decreased to 64%, the lowest level since May 2011, from the prior week's 67%. Adjustable-rate mortgages, or ARMs, increased to 8% of total applications, the highest level since July 2008. The Home Affordable Refinance Program share of refinance applications rose to 34% from 30% in the prior week.

The average rate on 30-year fixed-rate mortgages with conforming loan balances climbed to 4.58%, the highest rate since October 2011, from the prior week's 4.46%. Rates on similar mortgages with jumbo-loan balances rose to 4.68%, the highest rate since March 2012, from 4.52% a week earlier. The average rate on 30-year fixed-rate mortgages backed by the Federal Housing Administration increased to 4.27%, the highest rate since September 2011, from 4.2% a week earlier.

The average rate for 15-year fixed-rate mortgages climbed to 3.64%, the highest level since July 2011, from 3.55% a week earlier. The 5/1 ARM average rate rose to its highest level since July 2011, jumping to 3.33% from 3.06% a week earlier.

Consumer Money Rates (Mortgage Rate, Prime Rate, etc.)

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(Reprinted with Permission of the Wall Street Journal)

	Yield/Rate (%)		52-Week		Change in PCT. PTS	
Interest Rate	Last	Wk Ago	High	Low	52-week	3-yr
Federal-Funds rate target	0-0.25	0-0.25	0-0.25	0-0.25	-	-
Prime rate*	3.25	3.25	3.25	3.25	-	-
Libor, 3-month	0.27	0.27	0.44	0.26	-0.17	-0.14
Money market, annual yield	0.44	0.42	0.53	0.42	-0.08	-0.30
Five-year CD, annual yield	1.26	1.26	1.41	1.15	-0.14	-1.14
30-year mortgage, fixed	4.51	4.50	4.78	3.54	0.77	-0.15
15-year mortgage, fixed	3.60	3.61	3.84	2.80	0.48	-0.53
Jumbo mortgages, $417,000-plus	4.81	4.78	5.11	3.97	0.52	-0.80
Five-year adj mortgage (ARM)	3.76	3.68	4.06	2.80	0.63	-0.08
New-car loan, 48-month	2.64	2.63	3.72	2.42	-0.37	-3.60
Home-equity loan, $30,000	5.15	5.16	5.23	4.60	0.51	0.00