

LONG ISLAND INDEX

Indicator: Retail Space

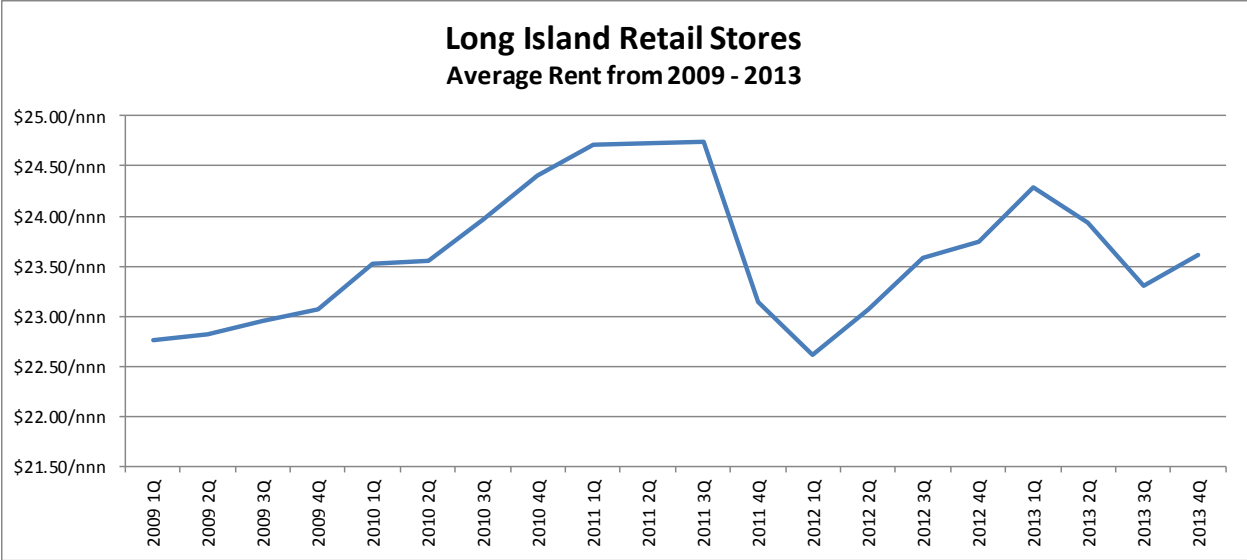
Why is this important?

Changes in retail space provide an insight to regional economic activity over time. Key indicators include vacancy rates, rental rates and net absorption rates which measures whether the current inventory level is shrinking or growing. Real estate analysts use the “net absorption rate,” that is, the measure of total square feet occupied minus the total space vacated over a given period of time, to assess whether the amount of space becoming available in the market exceeds the space being taken off the market (described as negative absorption) which is usually a leading indicator for increased vacancy rates and lower asking rents.

How are we doing?



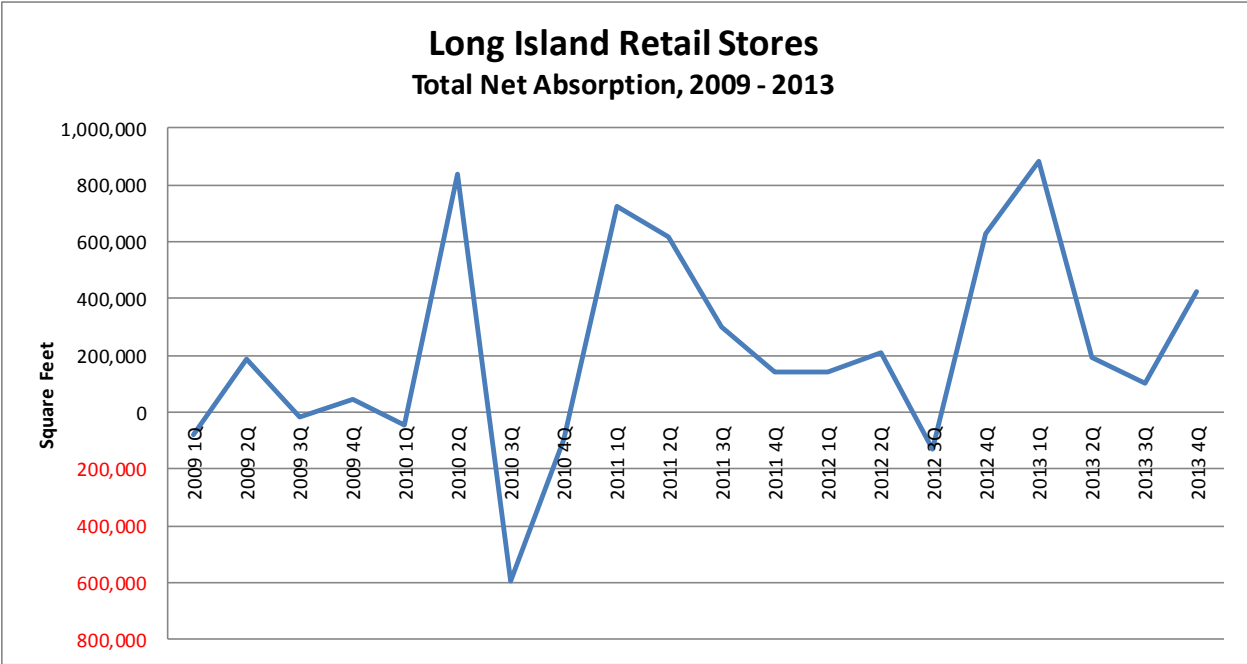
The overall vacancy rate for Nassau and Suffolk County combined decreased in the fourth quarter 2013, ending at 5.1%. Over the past four quarters, the market has seen an overall decrease in the vacancy rate and the Long Island rate is lower than that of the nation as a whole where it is 6.6%.



In the same five-year post-recession period, rents have risen and fallen twice and in the last quarter are again on the rise and ending 2013 at \$23.61, a 4% increase from the beginning of 2009.

The number of buildings has decreased 1% from 12,694 at the beginning of 2009 to a 12,559 at the end of 2013.

Total net absorption on Long Island has been positive since the 3Q 2010.



Compared to our regional neighbors, Long Island has a lower vacancy rate than our suburban neighbors but not surprisingly all the suburban regions are much higher than New York City. Conversely, our rental rates are the highest of the three suburban areas but dramatically lower than NYC. All the regions boast a positive net absorption rate but it is problematic that development of new construction on Long Island is the lowest across the metropolitan region.

Retail Statistics for Long Island and its neighboring communities				
2013				
	Long Island	Northern New Jersey	Westchester/Southern Connecticut	New York City
Vacancy Rate	5.1%	6.3%	5.7%	2.6%
Rental Rates	\$23.61	\$19.55/sq. ft.	\$22.45/sq. ft.	\$88.59/sq. ft.
Net Absorption	+424,695	+932,676	+3,906	+45,526
Under Construction	195,328 sq. ft.	3,764,932 sq. ft.	1,979,972 sq. ft.	735,984 sq. ft.

Long Island Downtowns

At the local level, some Long Island downtowns have fared exceedingly well since the recession of 2008 and have dramatically decreased their vacancy rates.

Downtowns with the Largest Decrease in Vacancy Rates from 2009 – 2013 by Size of Downtown		
Small Downtowns with 20-48 Stores	Cold Spring Harbor	-12.2%
	Stony Brook	-7.4%
	Greenvale	-5.5%
Medium Downtowns with 50-100 Stores	Islip	-9.3%
	Seaford	-7.1%
	Port Jefferson Station	-5.5%
Large Downtowns with 101-200 Stores	Greenport	-5.7%
	Oyster Bay	-5.3%
	Brentwood	-4.3%
Very Large Downtowns with 200+ Stores	Bay Shore	-2.6%
	Patchogue	-1.4%
	Huntington	-1.3%

The downtowns with the lowest vacancy rates at the end of 2013 are listed below.

Downtowns with the Lowest Vacancy Rates, 2013 By Size of Downtown		
Small Downtowns with 20-48 Stores	Calverton	0.0%
	Cold Spring Harbor	0.0%
	Moriches	0.0%
Medium Downtowns with 50-100 Stores	East Islip	1.2%
	Islip	1.8%
	Mattituck	1.8%
Large Downtowns	Brentwood	0.4%

Downtowns with the Lowest Vacancy Rates, 2013 By Size of Downtown		
with 101-200 Stores	Manhasset	1.2%
	Medford	2.1%
Very Large Downtowns with 200+ Stores	Valley Stream	2.9%
	Huntington	2.9%
	Bay Shore	3.4%

For more information about retail statistics by downtown, go to www.longislandindexmaps.org and select the RETAIL tab. Choose a downtown and view the data for that community in the left-hand panel.

Note: All data provided by CoStar Group.

Community	County	Size	Data as of 4Q 2013					Vacancy Rate Change from 2009 to 2013	Vacancy Rate Change from 2012 to 2013
			# Bldgs	Total RBA	Total Vacant %	Total Net Absorption	Total Average Rate		
Baldwin	Nassau	Large	162	933,014	5.4%	(5,201)	\$24.28/nnn	-2.4%	-1.0%
Bellmore	Nassau	Large	104	510,925	7.0%	(5,000)	\$21.99/nnn	-0.3%	-0.1%
Bethpage	Nassau	Medium	75	611,825	8.7%	4,266	\$23.25/nnn	0.2%	-1.5%
Carle Place	Nassau	Small	47	1,470,850	4.2%	1,140	\$26.20/nnn	-2.4%	-1.5%
Cedarhurst	Nassau	Medium	68	564,395	4.3%	5,208	\$27.09/nnn	-2.2%	-3.3%
East Meadow	Nassau	Large	120	1,460,773	3.8%	(1,629)	\$19.81/nnn	0.1%	-0.6%
East Rockaway	Nassau	Small	32	216,744	3.5%	1,000	\$22.00/nnn	0.0%	-2.6%
Elmont	Nassau	Large	129	1,064,793	5.0%	5,777	\$29.22/nnn	1.2%	1.0%
Farmingdale	Nassau	Large	192	2,824,665	5.2%	(1,474)	\$19.77/nnn	1.1%	-2.2%
Floral Park	Nassau	Large	119	599,365	9.6%	(5,800)	\$21.99/nnn	-0.2%	-0.1%
Franklin Square	Nassau	Medium	99	699,750	4.7%	9,311	\$20.03/nnn	-0.4%	-2.9%
Freeport	Nassau	Large	189	1,593,130	7.8%	(15,365)	\$17.68/nnn	-0.6%	0.3%
Garden City	Nassau	Medium	75	4,159,314	2.8%	(5,210)	\$49.17/nnn	-0.2%	-4.6%
Garden City Park	Nassau	Small	20	240,037	23.6%	2,000	\$28.00/nnn	-0.1%	-1.1%
Glen Cove	Nassau	Large	192	1,317,765	6.7%	(9,927)	\$24.87/nnn	3.3%	3.1%
Glen Head	Nassau	Medium	55	285,549	2.6%	50	\$30.00/nnn	-4.7%	-2.0%
Great Neck	Nassau	Very Large	266	1,933,356	5.4%	1,275	\$36.59/nnn	-0.9%	1.5%
Greenvale	Nassau	Small	46	417,161	2.5%	1,167	\$57.37/nnn	-5.5%	-0.4%
Hempstead	Nassau	Large	156	1,958,231	5.7%	(2,400)	\$30.35/nnn	-3.7%	0.3%
Hewlett	Nassau	Medium	61	480,117	5.2%	1,475	\$34.08/nnn	1.6%	-0.8%
Hicksville	Nassau	Large	186	3,045,781	4.6%	(5,561)	\$22.93/nnn	-2.2%	0.0%
Inwood	Nassau	Small	34	332,320	7.2%	(12,496)	\$24.33/nnn	-3.6%	-3.7%
Island Park	Nassau	Medium	60	385,311	18.8%	7,691	\$19.17/nnn	0.3%	1.7%
Jericho	Nassau	Small	41	651,936	0.7%	0	\$30.00/nnn	-0.2%	-0.6%
Lawrence	Nassau	Small	48	830,180	4.7%	7,553	\$24.22/nnn	0.0%	-0.3%
Levittown	Nassau	Medium	90	2,123,520	4.2%	(348)	\$20.75/nnn	-0.1%	-1.5%
Locust Valley	Nassau	Small	28	180,927	14.4%	3,200	\$30.00/nnn	11.1%	4.6%
Long Beach	Nassau	Large	102	594,323	8.0%	725	\$26.93/nnn	3.2%	-0.5%
Lynbrook	Nassau	Large	134	887,784	10.0%	(21,912)	\$19.05/nnn	0.7%	0.7%
Manhasset	Nassau	Large	119	1,882,466	1.2%	64,476	\$61.01/nnn	-3.2%	-5.6%
Massapequa	Nassau	Large	171	3,542,821	4.7%	(314)	\$23.47/nnn	-0.9%	0.1%
Massapequa Park	Nassau	Medium	58	342,110	6.1%	200	\$19.13/nnn	0.3%	0.2%
Merrick	Nassau	Large	115	774,019	3.1%	(600)	\$32.05/nnn	0.0%	-1.7%
Mineola	Nassau	Large	159	1,102,901	8.8%	(2,430)	\$19.96/nnn	1.3%	-1.6%
New Hyde Park	Nassau	Large	137	1,358,166	7.9%	(11,000)	\$11.74/nnn	5.2%	-2.5%
North Babylon	Nassau	Medium	50	661,797	8.7%	0	\$27.65/nnn	5.4%	1.9%

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North Bellmore	Nassau	Small	24	139,390	0.0%	0	\$20.00/nnn	-3.8%	-15.1%
Oceanside	Nassau	Large	140	1,472,403	4.7%	(4,925)	\$23.67/nnn	0.3%	-0.1%
Oyster Bay	Nassau	Large	105	464,426	2.9%	(4,162)	\$24.82/nnn	-5.3%	0.0%
Plainview	Nassau	Medium	59	1,003,444	3.3%	(4,355)	\$26.17/nnn	-1.1%	0.2%
Port Washington	Nassau	Large	126	1,094,931	8.5%	319	\$23.19/nnn	1.3%	-0.2%
Rockville Centre	Nassau	Large	128	985,775	15.5%	(5,050)	\$46.07/nnn	11.4%	3.3%
Roosevelt	Nassau	Small	21	116,300	1.7%	0	\$30.00/nnn	-2.1%	-0.4%
Roslyn	Nassau	Medium	55	325,975	2.5%	4,100	\$32.96/nnn	-4.8%	-3.6%
Roslyn Heights	Nassau	Small	27	269,169	2.3%	1,000	\$38.07/nnn	0.9%	-0.4%
Sea Cliff	Nassau	Small	25	155,191	5.6%	450	-	-0.7%	-1.0%
Seaford	Nassau	Medium	64	496,786	2.0%	(1,580)	\$24.03/nnn	-7.1%	0.7%
Shirley	Nassau	Large	109	1,268,616	4.9%	4,471	\$24.39/nnn	-0.1%	0.0%
Syosset	Nassau	Medium	75	1,031,698	1.8%	10,033	\$41.39/nnn	-2.1%	-2.2%
Uniondale	Nassau	Medium	62	434,584	5.3%	(1,500)	\$25.73/nnn	-0.7%	0.5%
Valley Stream	Nassau	Very Large	201	3,636,315	2.9%	8,046	\$22.77/nnn	-0.3%	-0.7%
Wantagh	Nassau	Medium	88	766,682	2.3%	(700)	\$29.67/nnn	0.0%	0.0%
West Hempstead	Nassau	Large	103	1,089,289	11.9%	1,290	\$21.48/nnn	3.5%	0.7%
Westbury	Nassau	Large	167	3,531,521	5.1%	5,200	\$26.39/nnn	-2.3%	-0.1%
Williston Park	Nassau	Medium	65	310,950	4.9%	600	\$27.91/nnn	-2.3%	1.5%
Woodbury	Nassau	Small	22	324,565	2.1%	(4,560)	\$42.13/nnn	-0.2%	1.3%
Woodmere	Nassau	Small	36	188,197	10.9%	3,600	\$27.75/nnn	5.3%	-4.5%
Amityville	Suffolk	Medium	90	709,832	6.0%	(8,433)	\$20.78/nnn	1.4%	-0.6%
Babylon	Suffolk	Medium	68	584,776	5.7%	3,100	\$20.41/nnn	2.5%	-0.1%
Bay Shore	Suffolk	Very Large	309	3,835,527	3.4%	14,608	\$23.09/nnn	-2.6%	-1.0%
Bayport	Suffolk	Medium	50	231,001	3.9%	0	\$18.00/nnn	1.8%	-0.9%
Bellport	Suffolk	Small	42	694,483	18.8%	0	\$18.90/nnn	0.3%	0.1%
Blue Point	Suffolk	Small	38	191,279	5.6%	2,500	\$24.66/nnn	4.9%	3.4%
Bohemia	Suffolk	Medium	69	856,618	6.0%	0	\$18.19/nnn	2.1%	-1.1%
Brentwood	Suffolk	Large	106	871,965	0.4%	0	\$24.26/nnn	-4.3%	-2.5%
Bridgehampton	Suffolk	Small	22	394,798	1.1%	(2,494)	\$43.49/nnn	-3.8%	-0.8%
Calverton	Suffolk	Small	20	251,297	0.0%	0	-	-0.2%	-1.9%
Center Moriches	Suffolk	Medium	77	401,470	6.0%	(3,600)	\$22.97/nnn	1.1%	1.4%
Centerreach	Suffolk	Medium	96	1,289,177	6.0%	(4,400)	\$23.37/nnn	0.9%	-0.8%
Central Islip	Suffolk	Large	103	844,440	3.4%	0	\$21.25/nnn	0.6%	0.2%
Cold Spring Harbor	Suffolk	Small	21	49,081	0.0%	0	-	-12.2%	0.0%

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Commack	Suffolk	Large	160	3,315,707	5.7%	27,527	\$24.47/nnn	-2.7%	-0.4%
Copiague	Suffolk	Medium	81	1,011,155	3.0%	(2,140)	\$18.81/nnn	-3.8%	-1.2%
Coram	Suffolk	Medium	64	981,603	15.1%	963	\$16.85/nnn	0.3%	0.9%
Cutchogue	Suffolk	Small	36	179,688	3.4%	0	-	-2.4%	0.1%
Deer Park	Suffolk	Large	138	1,753,549	5.7%	875	\$40.91/nnn	0.6%	-0.7%
East Hampton	Suffolk	Large	101	499,206	9.3%	(2,416)	\$63.85/nnn	3.4%	0.3%
East Islip	Suffolk	Medium	96	670,919	1.2%	1,100	\$10.52/nnn	-3.0%	0.0%
East Moriches	Suffolk	Small	30	130,426	4.0%	(975)	\$16.00/nnn	-5.0%	-1.6%
East Northport	Suffolk	Large	194	1,672,598	2.6%	7,725	\$26.05/nnn	-2.1%	0.0%
Eastport	Suffolk	Small	35	147,808	8.1%	0	\$24.78/nnn	0.2%	4.5%
Farmingville	Suffolk	Medium	72	817,698	4.4%	0	\$21.04/nnn	1.8%	0.2%
Greenlawn	Suffolk	Small	46	223,179	0.9%	(1,000)	\$48.42/nnn	-1.3%	-1.0%
Greenport	Suffolk	Large	105	465,299	3.0%	0	\$22.71/nnn	-5.7%	0.7%
Hampton Bays	Suffolk	Medium	65	525,582	6.9%	(1,636)	\$25.39/nnn	2.2%	1.0%
Hauppauge	Suffolk	Medium	77	991,743	9.3%	676	\$26.88/nnn	6.7%	0.8%
Holbrook	Suffolk	Medium	60	1,054,960	5.1%	(2,550)	\$15.66/nnn	-1.7%	1.8%
Holtsville	Suffolk	Small	25	177,106	4.2%	1,638	\$19.00/nnn	1.1%	-1.6%
Huntington	Suffolk	Very Large	417	2,910,224	2.9%	(815)	\$30.79/nnn	-1.3%	-1.3%
Huntington Station	Suffolk	Very Large	400	3,518,014	3.6%	(6,120)	\$23.53/nnn	0.2%	-0.1%
Islandia	Suffolk	Small	28	674,993	3.1%	0	\$22.83/nnn	2.3%	-0.2%
Islip	Suffolk	Medium	94	432,822	1.8%	8,650	\$11.81/nnn	-9.3%	-3.9%
Islip Terrace	Suffolk	Medium	54	222,876	6.0%	1,000	\$92.83/nnn	-2.7%	2.0%
Kings Park	Suffolk	Medium	76	337,267	2.0%	900	-	-1.5%	0.3%
Lake Grove	Suffolk	Small	46	2,407,229	3.6%	(600)	\$24.33/nnn	-0.8%	-0.2%
Lindenhurst	Suffolk	Large	181	1,562,408	7.7%	(3,673)	\$25.09/nnn	-0.7%	1.0%
Mastic	Suffolk	Medium	74	475,389	13.7%	(4,950)	\$6.92/nnn	9.7%	-0.1%
Mastic Beach	Suffolk	Small	30	107,816	20.4%	5,000	\$13.84/nnn	13.5%	2.6%
Mattituck	Suffolk	Medium	72	328,121	1.8%	0	-	-2.9%	1.6%
Medford	Suffolk	Large	126	1,644,989	2.1%	(1,440)	\$20.06/nnn	-3.5%	0.2%
Melville	Suffolk	Medium	67	685,445	3.7%	(500)	\$32.00/nnn	-0.5%	-0.8%
Middle Island	Suffolk	Small	30	749,060	4.1%	5,120	\$19.48/nnn	-0.8%	-2.0%
Miller Place	Suffolk	Small	35	419,692	1.3%	1,200	\$24.00/nnn	-0.3%	-0.4%
Montauk	Suffolk	Small	32	127,756	2.0%	0	\$37.96/nnn	-1.9%	-1.8%
Moriches	Suffolk	Small	22	193,274	0.0%	0	\$60.00/nnn	0.0%	0.0%
Mount Sinai	Suffolk	Small	27	173,429	2.8%	3,900	\$16.97/nnn	1.1%	-1.5%

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Nesconset	Suffolk	Small	46	540,467	3.1%	2,800	\$30.60/nnn	-0.6%	1.3%
Northport	Suffolk	Large	131	654,810	2.3%	2,600	\$23.98/nnn	-1.0%	-2.0%
Oakdale	Suffolk	Small	40	465,700	5.9%	1,360	\$18.82/nnn	2.9%	-2.7%
Patchogue	Suffolk	Very Large	358	2,737,431	4.0%	459	\$24.79/nnn	-1.4%	-0.4%
Port Jefferson	Suffolk	Large	122	509,524	6.0%	857	\$19.53/nnn	-1.5%	0.3%
Port Jefferson Station	Suffolk	Medium	86	1,100,140	5.0%	(3,257)	\$17.27/nnn	-5.5%	-0.2%
Riverhead	Suffolk	Very Large	317	3,687,560	5.9%	(600)	\$19.43/nnn	0.9%	1.3%
Rocky Point	Suffolk	Large	101	834,127	2.9%	0	\$18.76/nnn	-3.9%	-0.3%
Ronkonkoma	Suffolk	Large	164	911,859	4.1%	20,945	\$19.35/nnn	-1.5%	-3.3%
Sag Harbor	Suffolk	Small	29	97,617	10.5%	0	\$68.00/nnn	-3.5%	-0.6%
Sayville	Suffolk	Large	111	639,489	2.9%	1,550	\$23.80/nnn	0.1%	-0.1%
Selden	Suffolk	Medium	63	1,117,311	12.0%	(26,875)	\$20.85/nnn	7.7%	5.3%
Setauket/East Setauket	Suffolk	Small	47	892,276	1.2%	(2,400)	\$21.33/nnn	-2.2%	0.3%
Smithtown	Suffolk	Very Large	213	1,679,869	7.7%	(4,916)	\$21.30/nnn	2.4%	1.2%
Southampton	Suffolk	Large	175	944,005	10.4%	150	\$40.80/nnn	2.5%	3.0%
Southold	Suffolk	Medium	94	357,869	3.9%	0	\$25.53/nnn	-3.8%	-0.8%
Stony Brook	Suffolk	Small	33	825,592	0.2%	0	-	-7.4%	-0.1%
Wading River	Suffolk	Small	23	280,845	4.9%	0	\$19.35/nnn	1.1%	2.2%
Water Mill	Suffolk	Small	20	107,962	15.6%	(7,168)	\$20.90/nnn	6.5%	6.8%
West Babylon	Suffolk	Medium	100	1,408,701	3.8%	4,664	\$19.05/nnn	0.8%	-0.8%
West Babylon	Suffolk	Large	100	1,408,701	3.8%	4,664	\$19.05/nnn	0.8%	-0.8%
West Islip	Suffolk	Small	40	666,795	3.6%	(6,680)	\$21.21/nnn	-2.0%	2.4%
Westhampton Beach	Suffolk	Medium	85	424,469	11.2%	325	\$18.79/nnn	3.5%	-0.4%

Definitions:

RBA (Rentable Building Area)

Expressed in square feet, this area includes the usable area and its associated share of the common areas. Typically rents are based on this area. It is the space the tenant will occupy in addition to the associated common areas of the building such as the lobby, hallways, bathrooms, equipment rooms, etc.

Vacancy Rate (Total vacant %)

Expressed as a percentage - it identifies the amount of New/Relet/Sublet space vacant divided by the existing RBA.

Net Absorption

For existing buildings, the measure of total square feet occupied (indicated as a Move-In) less the total space vacated (indicated as a Move-Out) over a given period of time.

Average Rent

Average rent is the weighted average rent for a building or market. Rents are weighted based on the total square footage available at a rental rate and include all expenses associated with the property (referred to as "nnn" or "triple net").