2013: Top 5 Trends to Watch in Commercial Real Estate

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Orlando, FL- Retail. Growth. Redevelopment. These three words describe what John Crossman, President of Crossman & Company, forecasts as some of the biggest trends to watch in 2013. Over the course of the year, the market has indicated several trends; so as we prepare for 2013, John discusses how the following trends will impact commercial real estate. Here are the top 5 trends you don’t want to miss:

Publix will be the dominate purchaser of Publix anchored centers. Over the last 18 months, Publix has purchased 21 centers at a value that exceeded $150,000,000. Compare that with the next 3 buyers combined. Publix has the resources and commitment with a current portfolio of over 170 stores and shopping centers. Look for Publix to remain on the top for years to come.

The Villages Town Centers will be on top in the state of Florida and will expand. The two current town centers are 965,269 square feet. With Brownwood under construction, The Villages will soon have 1.3 million square feet in Town Centers and 4.4 million square feet on property. What makes their town centers unique is their events. They have free daily events almost 365 days a year focused on their core demographic. Doubt their power? This will be the 3rd Presidential election in a row where a major presidential candidate has spoken there.

Redevelopments and in-fill will lead the way. Development is still slow and redevelopments are slowly starting to increase as banks obtain properties. You can expect to see redevelopments, in-fill and single tenants as the most categories for 2013 but be aware as good anchor space sells, redevelopment will teeter off.

Retailers will grow but will be smaller. Think mid-rise vs. high-rise buildings primarily due to not enough pre-lease. You can expect to see less retail as companies start to do more with what they currently have. National retailers will grow and it will continue to remain a tenants market. Many of the big-box guys will reduce their footprint leading to more non-retail use in centers.

Mixed use at a whole new level. Increase of medical, hotels, office, etc. People will naturally gravitate towards what is convenient. This means mixed use space to provide a great place for people to live, work and play. Look for mixed use space to heavily market the area, providing developments that will bring people closer to what they need to do on an everyday basis.

About Crossman & Company
Crossman & Company is one of the largest third-party retail leasing and management companies in the Southeast with over 16 million square feet under leasing and/or management. Founded in Orlando in 1990, Crossman & Company is a full service commercial real estate firm that advises its clients in leasing, management, development and investment sales of retail and office properties.
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