



MINNESOTA SHOPPING CENTERS: A POSITIVE IMPACT ON OUR ECONOMY



MINNESOTA SHOPPING
CENTER ASSOCIATION

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The Minnesota Shopping Center Association (MSCA) has been an active industry advocate for twenty-one years. Founded in 1988, MSCA has proven to be an available forum of the exchange of information and contacts for the retail real estate community. MSCA members represent a broad spectrum of industry participants, including retailers, developers, appraisers and vendors.

The statistics provided here tell the story of the impact of shopping centers on the Minnesota economy and your community's viability. In addition to providing the basic necessities of life, shopping centers create jobs, revenue and a positive impact on the highest profile locations in your community.

As shopping centers serve the entire public, the interest of the people of Minnesota are tied to the success of shopping centers. This is why MSCA works hard to advocate for positive change in issues that affect shopping centers.

Please join us in promoting a better, more competitive market in which retailers can choose to do business and in which Minnesotans can find value and comfort.

The information published in this report relies on the most recent available data for 2007.

2007 SHOPPING CENTER SALES

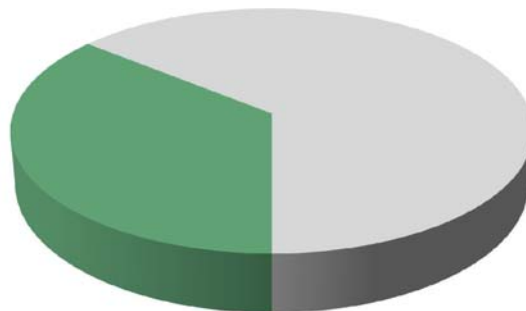
Sales generated by shopping center retailers in Minnesota were **\$34.8 billion** in 2007.

As an industry, shopping centers represent one of the largest impacts to the state economy.

SALES TAX REVENUES

The shopping center industry directly contributed **\$2.265 billion in sales taxes** to the State of Minnesota in 2007. MSCA members also paid real estate taxes, payroll taxes and donated millions to charity. Year in and year out, the shopping center industry gives back millions of dollars to our communities. We create and sustain value and quality of life throughout our communities by allowing our workforce to be proud of their contributions to their families and communities through their jobs, volunteerism, through charitable giving or tax revenues.

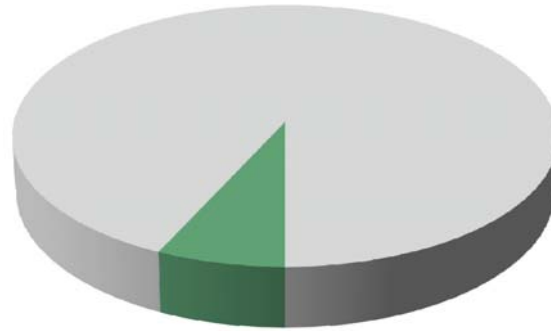
Minnesota Shopping Center Sales Tax Collection in 2007:
\$2,265,000,000



Total Minnesota Sales Tax Collection in 2007:
\$4,592,576,000

GOOD JOBS THROUGHOUT A WORKING CAREER

Retail shopping center jobs in Minnesota were estimated at 181,634 in 2007, providing much-needed employment and benefits to hundreds of thousands of Minnesota families every year. Whether entry-level or managerial, whether in sales, distribution or at the executive level, these jobs allow our citizens to grow and develop at all levels of their careers.



Total
Minnesota
Employees
in 2007:
2,770,752

Minnesota
Shopping Center Related
Employees in 2007:
181,634

INNOVATION

Helping Make Communities Great Places to Live

MSCA's members pay attention to demographic trends and work with communities throughout Minnesota to grow smarter and wiser. We are proud to say that we are often the driving force in developing systematic solutions to environmental problems and in enhancing our state's environmental assets. We work with communities to make our developments sustainable and pleasing to the eye.

SHOPPING CENTERS IN MINNESOTA

Shopping Centers – Woven into the Fabric of Life

Minnesota has 103.9 million square feet of shopping center space. These shopping centers create value, convenience and enhance the quality of life in our communities. Shopping centers, large and small, are an important part of what makes our communities livable. Whether regional or neighborhood, they provide not only an entertaining way to attain life's necessities and extravagances, but also provide convenient locations for families to maximize and improve their free time together.

HEAR WHAT RETAIL PROFESSIONALS ARE SAYING . . .

Rising property and income tax liabilities continue to stifle small business and dilute working capital. We need to raise our voices in opposition to these increases – increases that reduce small business growth and, most importantly, jobs. Small business is crucial to economic recovery and we need a hand to maintain our growth.”

Chuck Anderson, Founder and Chief Financial Officer
Chuck & Don's Pet Food Outlet

Increases in CI property taxes directly affect our Mom & Pop tenants and take money out of their pockets. In the current environment, consumers have pulled back on all fronts and the option of passing along a tax increase through higher prices for goods and services is not viable. The result is that an already stretched business now has another increased cost, restricting their ability to pay wages and create jobs.”

Howard Paster, President
Paster Enterprises

The severe recession and accompanying unemployment has hit the shopping center industry hard. Sales are declining; retailers are laying off employees and closing locations. Given these conditions, any tax increase will make matters worse for the industry, our tenants and our customers. Shopping centers generate significant tax revenues. We need to partner with government to stimulate the economy, jump start recovery, and bring customers back to our centers.”

Cindy MacDonald, 2009 President
Minnesota Shopping Center Association

ABOUT MSCA

The Minnesota Shopping Center Association (MSCA) is a non-profit trade association that was initiated in 1988. MSCA is the largest statewide organization devoted solely to the retail real estate industry. With over 315 companies and 800 members, the association represents developers, shopping center owners, brokers, property managers, retailers, attorneys, architects, appraisers, contractors and all professionals serving the Minnesota real estate industry. Together, the members of MSCA own, operate and manage over **50 million square feet** of shopping centers in our trade area. MSCA offers its members excellent educational and networking opportunities, market research and trends, as well as participation in governmental affairs.

Sources: International Council of Shopping Center (ICSC), U.S. Department of Commerce, U.S. Department of Labor, Federal Reserve Bank of Philadelphia, McGraw-Hill Construction Research & Analytics, CoStar Group, The Sales Tax Clearinghouse, ICSC Research, Minnesota Department of Finance, and Minnesota Department of Employment and Economic Development.

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