

since 1988

enhancing our industry



Minnesota Shopping Centers Positive Impact on our Economy

Minnesota Shopping Center Association
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Minnesota Shopping Center's Positive Impact on our Community!

The Minnesota Shopping Center Association (MSCA) has been an active industry advocate for seventeen 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, brokers, appraisers and vendors.

The impact of the shopping centers on the Minnesota economy and your community's viability is what makes MSCA members proud. The statistics shown here tell the story clearly, but also think of the day-to-day usefulness and experiences your family enjoys at area shopping centers. 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 for retailers to choose to do business and for Minnesotans to find value and comfort.

The information published in this report relies on the most recent available data for 2005.

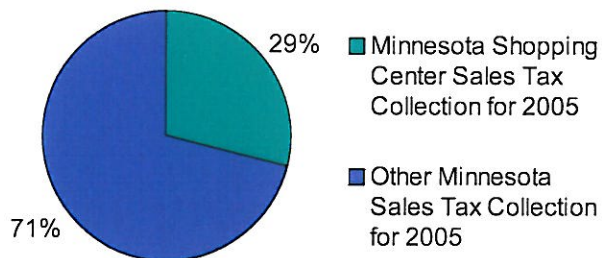
\$26,900,000,000

2005 Shopping Center Sales

Sales generated by shopping center retailers in Minnesota were **\$26.9 billion** in 2005. As an industry, shopping centers represent one of the largest impacts to the state economy.

\$1,750,000,000

2005 Sales Tax Revenues



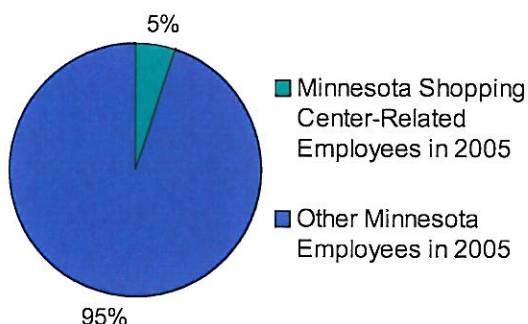
The shopping center industry directly contributed **\$1.75 billion** in sales taxes to the State of Minnesota in 2005. MSCA Members also paid real estate taxes, payroll taxes and donated millions to charity. Year in and year out, the shopping center industry gives back millions of dollars to our communities. 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.



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159,214 Retail Jobs in Minnesota

Good Jobs Throughout a Working Career



Retail shopping center jobs in Minnesota were estimated at **159,214** in 2005, 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.

529 Shopping Centers in Minnesota

Shopping Centers - Woven into the Fabric of Life

With **529 shopping centers** to spend time with your family purchasing your day-to-day needs and luxuries, shopping centers are an important part of your life. 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 and smart. 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.

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.



Hear what retail professionals are saying...

"The steep cost of conducting business in Minnesota continues to have a limiting affect upon the growth of retail businesses and the entry of new retailers into our state. In spite of high worker's compensation and payroll taxes, excessive real estate taxes continue to be the primary culprit. Without a continued effort to reduce the costs of operating a business in this community, the Twin Cities will find itself with less business growth and fewer new retailers able to enter our marketplace. We must find ways to control and reduce commercial real estate taxes so that our community can remain competitive with other markets."

Jay Scott, 2007 President
Minnesota Shopping Center Association

"If you want to put a halt to business growth, one of the quickest ways to do it is to continually raise real estate taxes."

Michael Coles, CEO & Head Bou
Caribou Coffee

"Retailers expansion plans compete with opportunities locally, regionally and nationally for an allocation of that retailer's capital for new store development, relocations and remodels. With increased occupancy costs from rising state and local commercial tax rates in Minnesota, retailers will yield a lower return on capital on projects in Minnesota. This could force many retailers to look at other markets outside of Minnesota that meet the needs of their investors and their expansion strategy."

John Meyers, Vice President Real Estate Development
Opus Northwest LLC



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 730 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 Centers (ICSC), BIGresearch, U.S. Census Bureau, U.S. Department of Commerce, U.S. Department of Labor, McGraw-Hill Construction Research & Analytics, National Research Bureau, Sales Tax Institute and the Minnesota Department of Revenue.

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