



RESEARCH RESULTS

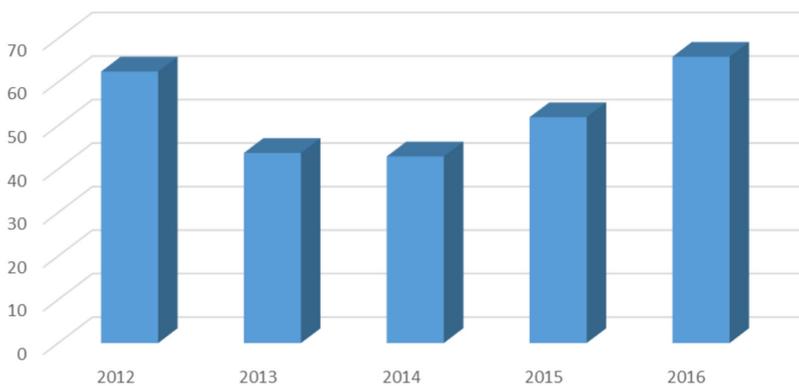
Annual June Survey Yields Strongest YTD Sales Report in Poll's History

At the half-way mark of 2016, Levin Management retail tenants are reporting strong year-to-date performance and optimism for the coming months. Findings of the company's annual mid-year Retail Sentiment Survey also reveal a continued leveraging of technology in marketing as companies respond and adapt to an increasingly e-commerce-influenced landscape.

SALES, TRAFFIC AND EXPECTATIONS

- ➔ 65.8 percent of participants reported mid-year sales at the same or a higher volume year over year. This is the strongest percentage in the survey's five-year history, representing a jump from 51.9 percent reporting same-or-higher sales at mid-year 2015 and 42.9 percent at mid-year 2014.
- ➔ 61.3 percent of participants reported the same or a higher volume of shopper traffic to date in 2016 compared to 2015.
- ➔ 67.0 percent of Levin survey participants expect sales to continue at the same pace or improve through the remainder of the year.

Year-Over-Year Mid-Year Sales Comparative



SALES AND TRAFFIC COMMENTARY

It comes as no surprise that Levin tenants are feeling optimistic. Retail is experiencing solid momentum following the stock market volatility and bankruptcy announcements that kicked off the year. The latest retail sales data from the U.S. Commerce Department, which shows a 2.4 percent year-over-year increase for March to May, reinforces what Levin tenants are saying. At the International Council of Shopping Centers' well-attended RECon in May, expansion was an overarching theme among national retailers – another confirmation of a positive trajectory.

Levin Management's Retail Store Manager Sentiment Survey gauges the strength of the American economy from a street-level perspective.

Managers of retail stores regularly interact with the consumers who drive the industry. These managers also are responsible for meeting the sales goals set for their stores. This daily frontline experience gives them a unique outlook on the true state of retail.

Levin Management, which operates approximately 95 shopping centers across a broad range of markets in five key states, surveys the store managers of its 1,100+ tenants three times annually, gathering information on current sales and traffic numbers, and on manager sentiment about the next half year.

The surveys also ask timely questions about hiring patterns, the evolving impact of e-commerce, key events and other socio-economic factors that may be influencing performance.

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RETAIL'S DIGITAL REVOLUTION

Like most savvy retailers, tenants at Levin's leased and managed properties are employing digital technology – such as online ads, mobile apps, social media, email and texting – in efforts to attract customers to their stores. And the mid-year survey findings indicate that technology's importance is growing.

- ➔ 42.4 percent of survey respondents who are actively using technology-centered marketing say they have upped the volume year over year.
- ➔ 52.7 percent reported a similar amount of tech-centered marketing compared to last year.

To engage customers in-store:

- ➔ 69.9 percent of respondents who are active in tech-centered marketing use mobile device apps (such as those for coupons, discounts, loyalty points and rapid payment).
- ➔ 49.3 percent offer free in-store Wi-Fi.
- ➔ 41.9 percent offer post-sale online surveys.
- ➔ 28.7 percent provide electronic receipts.

To engage customers outside the store:

- ➔ 79.4 percent of respondents who are active in tech-centered marketing employ social media.
- ➔ 78.1 percent use email.
- ➔ 41.3 percent use banner ads or other Internet advertising.
- ➔ 29.4 percent use text messaging.
- ➔ 17.5 percent use SEO optimization, such as Google AdWords



Levin's Portfolio

The company's 95-property, 13 million-square-foot shopping center portfolio includes neighborhood, community, lifestyle and power centers, enclosed malls, downtown stores and mixed-use projects. Properties are located in New Jersey, New York, Pennsylvania, Virginia and North Carolina.

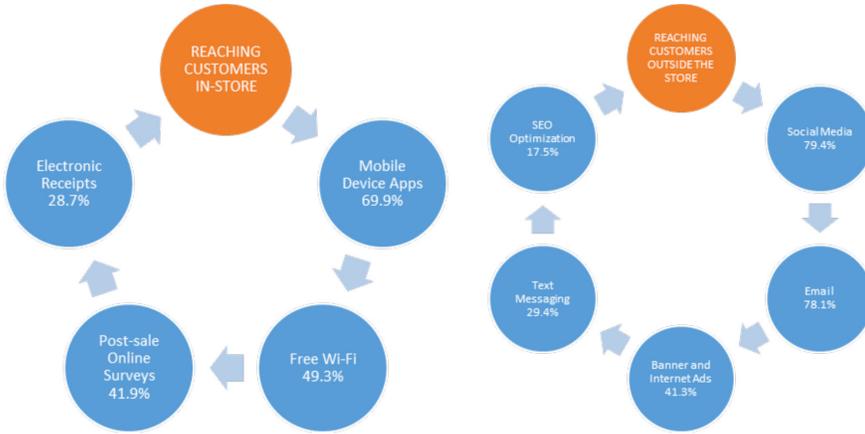
Retailers based there include small local retailers to large national chains, personal service providers, as well as restaurants and, at mixed use properties, government and professional offices.

About Levin Management:

Founded by a shopping center pioneer in 1952, Levin Management has evolved into one of America's leading retail real estate services firms, offering clients the widest possible range of services needed to successfully operate any retail venue. Services include Leasing, Property Management, Financial Management and Reporting, Lease Administration, Construction Services/Management, and Marketing.

Levin has earned a long list of coveted awards. During the past few years alone, the firm has been included in *National Real Estate Investor's* Top Retail Managers, *Commercial Property Executive's* Top Property Managers and Top U.S. Real Estate Companies, *Chain Store Age's* America's Top Redevelopers, *Mid Atlantic Real Estate Journal's* "Best of," *NJBiz's* Top Commercial Real Estate Developers and Top Property Management Companies, and New Jersey Business' Top 10 Real Estate Developers.

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For Levin survey participants who use social media as part of their marketing mix:

- ➔ 91.3 percent use Facebook.
- ➔ 36.9 percent use Twitter.
- ➔ 34.2 percent use Instagram.
- ➔ 32.2 percent use Google+.
- ➔ 13.4 percent use Groupon/Living Social.
- ➔ 12.1 percent use Pinterest.
- ➔ 9.4 percent use Foursquare.

TECH MARKETING COMMENTARY

When it comes to leveraging technology to engage customers in-store, Levin tenants appear to be on the right track; a recent ICSC customer engagement survey found that two thirds of consumers in the U.S. use their mobile devices while they are shopping in bricks-and-mortar stores. For the second year, social media and email ranked as most popular among Levin survey respondents active in tech-centered marketing to reach customers outside the store. The power of these tools is clear, and social should be on everyone's radar. In fact, a Deloitte study found that 'shoppers are 29 percent more likely to make a purchase the same day when they use social media to help shop.'"

METHODOLOGY:

Survey questionnaires are distributed electronically and by hand to the store managers at properties operated by Levin Management. The results are tabulated online by Levin's marketing department.

CONTACT INFORMATION:

Melissa Sievwright
Vice President, Marketing
Email: msiewwright@levinmgt.com
Phone: 800-488-0768, ext. 275
Website: LEVINMGT.com
facebook.com/LevinManagement
twitter.com/LevinMgt

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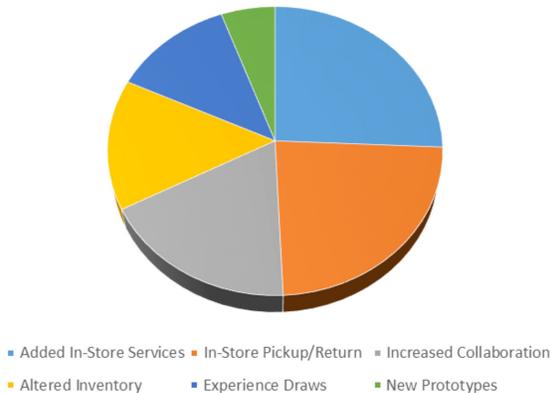
A CHANGING LANDSCAPE

As bricks-and-mortar stores seek continued success in the face of expanding online sales, many retailers are looking for new ways to serve and engage customers. Levin tenants are no exception. In the mid-year 2016 poll, 38.2 percent of participants indicated they have adapted their business model in response to e-commerce growth.

- ➔ 62.7 percent of those respondents are adding in-store services.
- ➔ 57.6 percent are incorporating in-store pickup and returns options for purchases made online.
- ➔ 44.1 percent are increasing collaboration with their online counterparts.
- ➔ 35.6 percent are altering store inventory.
- ➔ 30.5 percent are introducing “experience” draws.
- ➔ 13.6 percent are changing their store prototypes.

Of the survey participants who have adapted, 43.0 percent reported they have seen a benefit in terms of sales and/or in-store traffic.

Business Model Adaptations



ADAPTATION COMMENTARY

Based on activity within the Levin portfolio, the experiential retail trend, especially, is likely to gain momentum. The re-invention of this industry is well underway, driven both by tech advances and new shopper preferences. Millennials and Baby Boomers alike are opting to invest in experiences over things. Smart companies are melding lifestyle with shopping and giving consumers a reason to step into the store.



SURVEY QUESTIONS & TABULATIONS OF RESPONSES

The survey asked respondents to compare year-to-date sales to last year at this time.

- 25.7% reported higher sales.
- 40.1% reported the same level of sales
- 34.2% reported lower sales

The survey asked how year-to-date shopper traffic compares to mid-year 2015.

- 25.8% reported higher traffic.
- 35.5% reported the same level of traffic.
- 38.7% reported lower traffic.

The survey asked how respondents feel their stores will perform for the second half of 2016.

- 48.9% are optimistic that sales will improve.
- 21.8% are concerned that sales will decrease.
- 18.1% anticipate sales will remain steady.
- 11.2% are not sure.

The survey asked store managers who are actively using technology (online ads, mobile apps, social media, email, texting) in marketing how their amount of technology-centered marketing for 2016 compares to last year.

- 52.7% are using the same amount.
- 42.4% are employing a higher amount.
- 4.9% percent are using less.

The survey asked store managers who use tech-centered marketing which tools they are using in-store to provide incentives or conveniences for shoppers.

- 69.9% offer mobile device apps for coupons, discounts, loyalty points and/or rapid payment.
- 49.3% provide free Wi-Fi.
- 41.9% offer post-sale online surveys.
- 28.7% use electronic receipts.

The survey asked store managers who use tech-centered marketing which tools they are using to reach customers outside their stores.

- 79.4% use social media.
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The survey asked store managers who employ social media as part of their marketing mix which outlets they use.

- 91.3% use Facebook.
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SURVEY QUESTIONS & TABULATIONS OF RESPONSES

The survey asked respondents whether their companies have adapted their business models in response to the growth of e-commerce.

- 38.2% said yes.
- 20.6% said no.
- 41.2% said they don't know.

The survey asked those that have adapted which changes they have made.

- 62.7% have added in-store services and/or incentives.
- 57.6% have added in-store pickup and returns option for purchases made online.
- 44.1% have increased collaboration between online and bricks-and-mortar operations.
- 35.6% have altered store inventory (i.e. fewer in-stock SKUs, larger quantities of popular items).
- 30.5% have added "experience" draws such as demonstrations, classes, performances or other in-store events.
- 13.6% have altered store prototype (i.e. smaller store size or increased focus on showrooming).

The survey asked respondents who answered "yes" to the adaptation question whether they have seen a benefit in terms of sales and/or in-store traffic.

- 43.0% 43.0% have.
- 24.1% 24.1% have not.
- 32.9% 32.9% don't know.

PLEASE NOTE: percentages do not add up to 100%, as not all responders answered every question, and some questions allowed multiple selections.