Problem: Competitive Supply
A Threat?

The client, a foreign investor in U.S. real estate, was evaluating its exposure to a regional mall in Jacksonville. While the investment had historically faced little competition, a recently completed lifestyle center posed a new threat. The developer of the new center had plans for a second phase of expansion. The mall owner hired CPS to quantify the threat posed by the lifestyle center and project a range of performance scenarios.

Outcome:
Tenant Loss Avoided

1. The subject property remained well positioned within its trade area, despite the recent addition of a competitive center.
2. However, trade-area demographics were on the low end for most of the mall’s major tenants.
3. If the second phase of the competitive center moved forward, the subject property would lose tenants.
4. **Objective Advice:** Consider exiting before the second phase of the competitive center is announced.

For more information email strategy@costar.com