



NEWS RELEASE

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Sembler: Grocery and Service Categories Lead Leasing, Development *Sembler Adds Nearly 1.25 Million Square Feet to Development Pipeline*

ST. PETERSBURG, FL – (May 5, 2016) – The Sembler Company will highlight new acquisitions and the nearly 1.25 million square feet (SF) in its development pipeline – as well as the 11 million SF currently under leasing and management throughout the southeastern U.S. and Puerto Rico – this month at the International Council of Shopping Centers’ Las Vegas RECON on May 22-25. **Visit The Sembler Company at booth number S320Q.**

“While Sembler continues to pursue a wide variety of retail opportunities, we made a strategic choice a few years ago to focus on grocery-anchored, neighborhood shopping centers. That decision, along with renewed efforts to diversify and expand build-to-suit opportunities, put us in a perfect position in the evolving marketplace,” said Sembler CEO Ron Wheeler.

“The question at the core of everything we do is, can we add value here?” Wheeler added. “Can we apply our 50+-years of experience in the industry... our expert and long-tenured team... our capital, and drive to create best-in-class developments... to improve something? The answer has been ‘yes’ a lot lately – to the tune of more than 1.4 million square feet in our development and acquisition pipelines.”

Development

Sembler has already opened a new ground-up development project in Puerto Rico this year, as well as three new neighborhood shopping centers: two in Florida, one in Alabama. And many more are on the way – in Florida, Alabama, Georgia, North Carolina and Tennessee.

“A considerable number of grocery brands are expanding into the southeast. At the same time, established brands are introducing new concepts – organic, for example, or smaller urban stores, or increased ready-to-eat offerings – in recognition of the growing ‘foodie’ culture,” said Josh Beyer, Sembler’s Senior Vice President of Development. “Simply put, food is huge business right now.”

Another strategic decision paying off: expanding the company’s Build to Suit tenant base. Sembler has opened three Build to Suit projects this year – two in Florida and one in South Carolina.

"Traditionally, we have been a programmatic Build to Suit developer with one or two select clients," said J.P. Guzzardo, Sembler's Vice President of Build to Suit Development. "Now, we have projects with eight different clients currently in the pipeline. Gas users and single-tenant restaurant users are extremely active in our footprint."

Leasing

"From a leasing perspective, Sembler's high occupancy rates result from more tenants either exercising an option or negotiating a new lease in order to remain in our centers," said Steve Althoff, Sembler's Senior Vice President of Leasing and Property Management. "We're consistently better than 95 percent leased, and have been for years."

"The larger trend now is tremendous growth in the restaurant, health, wellness, beauty and fitness categories – services and experiences that communities need, that can't be replicated online," continued Althoff.

Sembler closed first quarter 2016 with new leases on 45,448 SF of space and renewed leases on 88,113 SF, throughout the southeastern U.S. and Puerto Rico.

Acquisitions

Sembler, both directly and through its venture with Forge Capital Partners in their Forge Real Estate Partners III (FREP) investment fund, is actively seeking to acquire shopping centers throughout the southeastern U.S. and Puerto Rico. Most recently, FREP invested about \$16 million in a 101,000-SF, Kroger-anchored center in metro Atlanta, Georgia. The fund is also under contract for a 70,000-SF, Publix-anchored center in Tuscaloosa, Alabama.

"We're bullish on finding and acquiring well-positioned retail assets, and that's reflected in our strong portfolio and robust pipeline," said CEO Wheeler.

"The shopping center market is very healthy," added Sean Davis, Sembler's Chief Investment Officer. "But Sembler has a unique ability to create value in acquisitions by employing our leasing and operating expertise to underperforming properties."

About Sembler:

The Sembler Company is celebrating more than 50 years of creating retail real estate value. Sembler provides a full array of retail real estate services, including development and redevelopment, acquisition, property and asset management, leasing and other related services throughout the Southeastern United States and Puerto Rico. Sembler has developed more than 325 projects totaling 27 million square feet and currently leases and manages nearly 11 million square feet. For more information, please visit www.sembler.com.

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