

**Lakeland Community
Redevelopment Area
Economic and Market Analysis**

**Prepared For:
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**October 2025
Updated November 2025**

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Appendix A: Environics Analytics/Claritas Trade Area Economic Detail

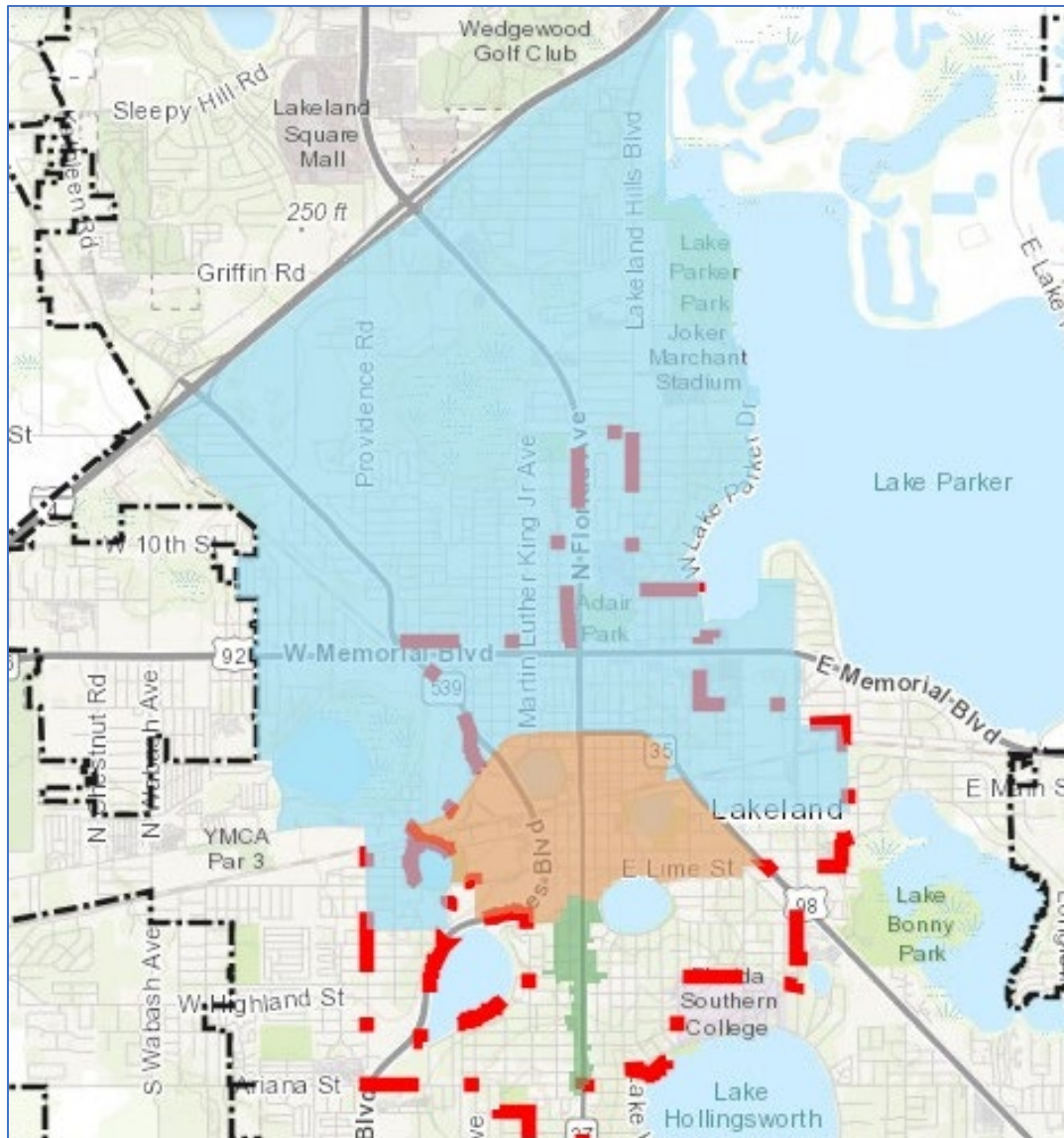
Appendix B: Environics Analytics/Claritas Retail Gap Analysis

Appendix C: CoStar Commercial Real Estate Performance Detail

1.0: Study Introduction and Outline

The VHB/Florida Economic Advisors consulting team was retained to conduct an economic analysis that investigates the economic and market opportunities for redevelopment within the City of Lakeland Community Redevelopment Area (CRA). This CRA includes three distinct geographic subdistricts: The Midtown CRA, the Dixieland CRA,

Lakeland CRA Area



The principal objectives of this study are to address the following issues:

1. Local economic trends and forecasts for Polk County.

2. Demographic, housing, and employment characteristics for the Lakeland Electric Service Area, as well as a subarea encompassing the entirety of the Lakeland CRA and adjoining properties.
3. Commercial real estate development and performance trends for Polk County, the Lakeland Electric Service Area, and the Lakeland CRA subarea.
4. CRA supportability of residential, office, hotel, retail, and industrial uses, given current market conditions and growth potential within the CRA's principal trade area(s) of influence.

This report includes 9 sections with 2 associated appendices.

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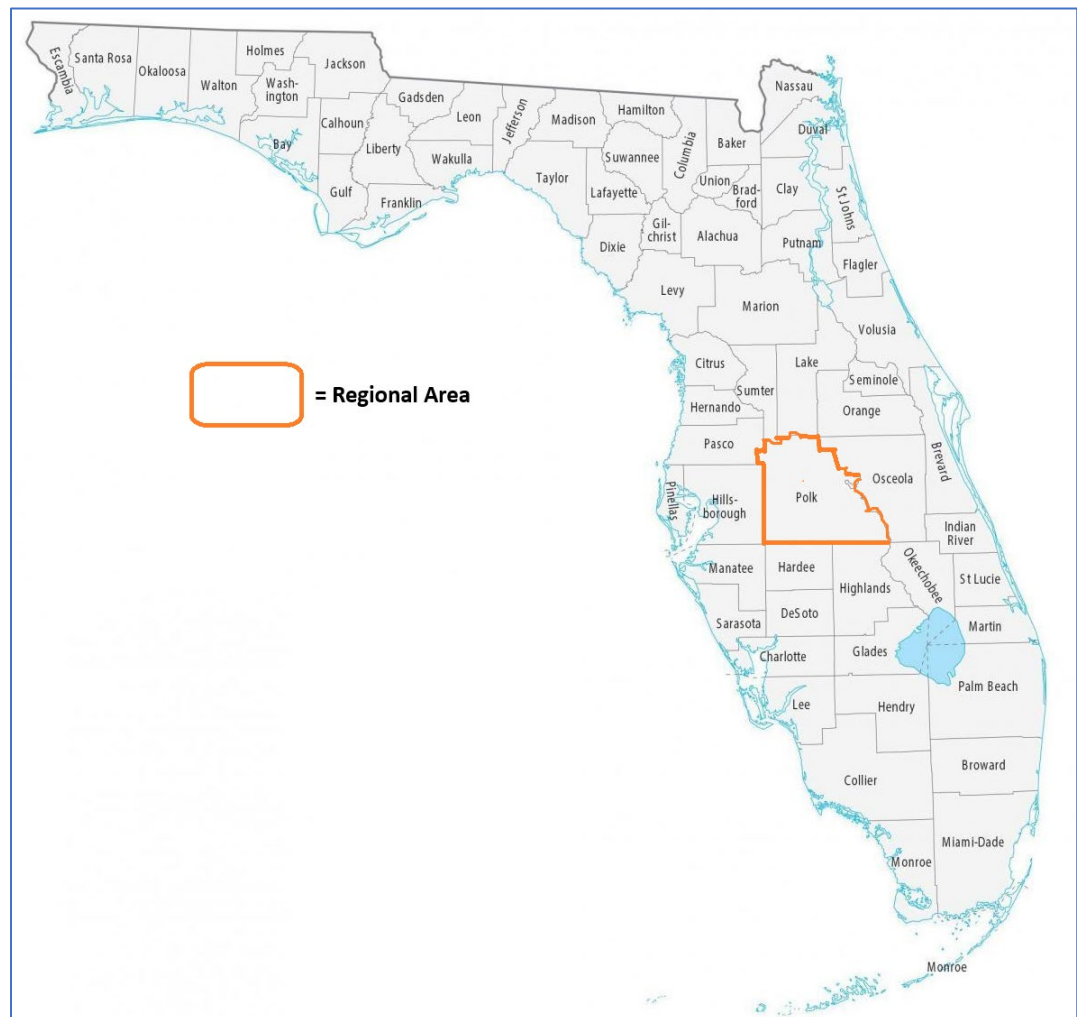
FEA makes no warranty, express or implied, regarding the completeness or accuracy of the base information provided to FEA that was used to generate the forecasts presented in this report. Future economic conditions not theorized in this analysis could substantially impact the rate and nature of forecasted economic projections within the area of study, thus resulting in outcomes that may substantially deviate from those offered in this report.

2.0: Overview of Area Economic Conditions

2.1 The Regional Marketplace

A market area is defined in the Dictionary of Real Estate Terms, 9th Edition, as “a geographic region from which one can expect primary demand for a specific product or service provided at a fixed location.” For purposes of this report, the primary regional area of economic influence for the CRA is Polk County.

This primary regional market area was established with the recognition of the CRA’s geographic location and access to major economic markets that serve the entirety of the county and the Central Florida/Interstate 4 corridor. Given these factors, and standard practices for evaluating long-range economic trends at the county level of geography, economic history and projections presented in this section focus on the local geography of Polk County.



2.2 Polk County Introductory Profile

Polk County is Florida’s fifth largest County in terms of land area (1,875 sq. miles). Over the past four decades, Polk’s economy has transitioned from a largely agricultural base to a highly diversified market, influenced by expansion in residential real estate, business services, transportation, manufacturing, warehousing, and retail industry sectors. Polk, also known as the Lakeland-Winter Haven metropolitan statistical area (MSA), serves as an important economic bridge between the metropolitan Orlando and Tampa-St. Petersburg markets. The combined economies of the Lakeland, Orlando, and Tampa-St. Pete metro areas are home to 7.2 million residents, 3.5 million employees, and 80+ million tourist visitors; making it one of the largest regional markets in the United States. Polk County sits in the geographic center of this regional economic activity, and has seen its economic fortunes follow the path of these neighboring metro markets to the east and west.

Current estimates place the population of Polk County at 837,100, with an attendant employment base of 397,700. The County’s 10 largest employers include Publix Supermarkets, Polk County Schools, Lakeland Regional Health, Walmart, Amazon, GEICO, BayCare, the City of Lakeland, Polk County Government, and the Polk County Sheriff’s Office. These organizations employ 61,731 persons, or 15.5 percent of the total County workforce.

Polk County is the 10th largest county economy in the Florida, with a 2023 regional GDP of \$41.1 billion. This activity accounts for nearly 2.3 percent of Florida GDP.

2.3 Growth Patterns in Polk County, 1980 to 2025

Future economic development potential in Polk County is associated with the continued demand for additional housing and employment. Population and job growth are the major determinants of long-range demand in the area, and have also been the primary drivers of economic growth within the state of Florida for more than a half-century.

The shaded portion of Table 2.1 provides the base historical economic conditions for this market.

Table 2.1: Polk County Economic Profile

Growth 1980-2025	1980	1990	2000	2010	2025	2030	2040	2050
Total Population (Thousands)	324.10	407.76	485.51	602.82	837.10	884.45	978.33	1,074.92
Age Under 5 Years	21.46	29.98	31.22	38.51	48.65	54.10	58.77	65.24
5 to 9 Years	23.28	28.67	33.05	39.22	48.03	50.85	59.20	64.61
10 to 14 Years	25.48	26.75	34.07	39.38	51.56	51.47	60.49	65.52
15 to 19 Years	29.13	27.30	32.76	40.64	53.49	53.26	56.39	66.34
20 to 24 Years	27.64	25.77	27.61	36.98	52.65	54.37	53.82	65.37
25 to 29 Years	25.06	29.36	28.64	36.19	52.19	56.61	57.95	62.01
30 to 34 Years	22.65	30.06	30.57	35.17	56.07	55.25	61.91	61.09
35 to 39 Years	19.24	27.54	34.50	36.37	56.28	57.90	62.10	63.06
40 to 44 Years	16.82	25.39	34.18	36.91	53.85	57.60	57.89	65.15
45 to 49 Years	15.92	21.45	30.85	40.32	49.73	55.42	60.26	64.53
50 to 54 Years	16.80	18.67	29.25	39.77	48.58	51.31	60.27	59.72
55 to 59 Years	17.05	18.66	25.69	37.06	47.28	49.97	58.06	61.97
60 to 64 Years	16.78	22.68	24.33	37.46	49.83	49.13	53.91	61.89
65 to 69 Years	16.31	25.23	24.20	33.61	49.25	53.84	55.70	64.37
70 to 74 Years	13.27	50.51	23.86	27.38	42.51	47.68	51.63	58.22
75 to 79 Years	8.83	14.94	19.67	20.62	35.66	37.12	45.99	49.82
80 to 84 Years	4.99	8.92	11.99	15.08	22.86	26.86	32.31	37.36
85 Years and Over	3.42	5.86	9.07	12.15	18.60	21.70	31.66	38.64
Median Age of Population	31.68	35.53	38.12	39.37	39.46	40.19	41.04	41.39
Caucasian Population	n.a.	333.08	365.14	394.03	426.01	416.89	387.28	342.44
African-American Population	n.a.	54.08	66.93	88.83	131.34	141.14	158.51	172.96
Native American Population	n.a.	1.08	1.62	1.90	2.38	2.38	2.32	2.16
Asian and Pacific Islander Population	n.a.	2.39	5.14	10.99	18.61	21.12	26.47	32.42
Hispanic Population	9.13	17.12	46.69	107.07	258.76	302.93	403.75	524.93
Total Employment (Thousands)	156.84	194.69	234.58	255.71	397.70	419.58	455.95	484.74
Farm	5.53	4.73	4.60	3.58	2.58	2.55	2.52	2.52
Forestry, Fishing, & Other	7.33	5.85	5.30	5.95	4.34	4.14	3.76	3.37
Mining	3.18	2.91	2.33	1.42	0.84	0.74	0.55	0.39
Utilities	0.36	0.45	0.57	0.48	0.78	0.80	0.81	0.82
Construction	12.45	13.03	15.60	13.74	22.22	2.23	22.18	22.16
Manufacturing	21.29	20.85	18.82	14.92	20.70	21.10	21.88	22.66
Wholesale Trade	6.31	7.82	9.10	9.59	13.57	14.33	14.86	15.01
Retail Trade	16.54	22.81	28.41	28.55	42.55	46.49	54.91	63.13
Transportation & Warehousing	8.11	10.13	12.54	13.82	44.51	46.01	48.79	51.51
Information	1.76	2.32	3.02	2.37	3.56	3.47	3.23	2.94
Finance & Insurance	7.51	8.64	10.06	13.68	25.09	26.57	28.31	29.30
Real Estate, Rental & Lease	4.55	5.24	6.15	10.15	19.30	21.03	24.11	26.56
Professional & Tech Services	3.84	6.11	8.66	10.45	16.51	17.28	18.84	20.18
Management & Enterprises	2.91	4.64	6.41	5.43	7.76	7.37	7.05	6.84
Administrative & Waste Services	8.64	13.19	20.60	22.25	32.81	34.19	36.14	37.24
Educational Services	1.41	2.24	3.19	5.09	8.06	9.84	12.77	14.93
Health Care & Social Assistance	10.45	16.65	21.77	28.63	41.80	46.00	52.03	55.35
Arts, Entertainment & Recreation	2.11	3.15	4.30	4.98	8.34	9.39	11.45	13.63
Accommodation & Food Services	6.46	9.63	12.20	14.67	27.42	30.61	35.94	40.44
Other Services	6.89	9.73	12.42	14.77	25.26	26.21	27.56	28.50
Federal Civilian Government	1.03	1.49	1.62	1.60	1.32	1.30	1.25	1.20
Federal Military Government	0.81	1.19	1.04	1.21	1.35	1.33	1.32	1.33
State and Local Government	17.40	21.88	25.85	28.39	27.03	26.60	25.67	24.71
Total Earnings (Millions 2017\$)	6,001.50	7,401.40	10,011.72	11,711.00	18,608.45	20,512.42	24,294.01	28,086.84
Per Capita Income (2017\$)	23,679.00	26,903.00	32,681.00	34,108.00	39,557.00	43,076.00	50,375.00	57,779.00
Avg. Household Income (2017\$)	64,077.00	68,511.00	82,722.00	88,751.00	100,180.00	108,266.00	128,041.00	148,502.00
Per Capita Income (Current\$)	9,218.00	16,081.00	24,125.00	30,872.00	50,838.00	64,187.00	99,756.00	151,983.00
Avg. Household Income (Current\$)	24,944.00	40,953.00	61,067.00	80,332.00	128,750.00	161,326.00	253,556.00	390,623.00
Retail Sales Per Household (2017\$)	35,096.00	40,893.00	46,505.00	47,790.00	62,627.00	65,798.00	73,713.00	83,632.00
Number of Households (Thousands)	115.95	156.95	187.84	227.81	325.24	346.65	379.97	413.75
Persons Per Household	2.68	2.53	2.52	2.59	2.52	2.50	2.53	2.56
Households w/ Money Income (000s)								
Less than \$10,000 (2009\$)	n.a.	14.38	14.50	17.39	20.84	19.67	17.03	14.43
\$10,000 - \$29,999	n.a.	48.07	51.52	61.24	72.42	68.35	59.18	50.12
\$30,000 - \$44,999	n.a.	31.33	35.04	40.97	48.79	46.05	39.87	33.77
\$45,000 - \$59,999	n.a.	22.72	27.11	31.53	52.95	55.35	48.94	41.46
\$60,000 - \$74,999	n.a.	12.64	17.83	24.69	40.36	78.73	63.51	60.96
\$75,000 - \$99,999	n.a.	13.12	19.02	26.06	45.60	55.05	76.85	107.91
\$100,000 - \$124,999	n.a.	7.33	9.20	12.18	20.29	24.50	34.19	48.18
\$125,000 - \$149,999	n.a.	2.06	4.66	5.87	10.68	12.89	17.99	25.35
\$150,000 - \$199,999	n.a.	3.09	4.52	3.94	6.84	8.26	11.53	16.25
\$200,000 or more	n.a.	2.21	4.46	3.94	6.45	7.79	10.87	15.31

Data Sources: Woods & Poole Economics, Inc.; Florida Economic Advisors

2025 estimates profile Polk County with a population of 837,100¹ persons and 397,700 attendant employees. These totals comprise 3.6 percent of the state’s population and 2.7 percent of the state’s employment base. From 1990 through 2025, population growth within the market area accounted for 4.25 percent of state growth, or 429,340 persons. This equates to average annual population growth of 12,267 persons per year.

During this period, 203,010 net new jobs were created in Polk County, totaling 2.46 percent of Florida’s employment growth. The annualized rate of employment growth from 1990 – 2025 was 5,800 jobs.

Figure 1 presents a graphic summary of population growth by age within the County. Polk County’s population growth over the past 35 years has been relatively balanced amongst all age cohorts. 38.4 percent of net population growth in Polk from 1990 to 2025 was in the under 35 age cohort. The county’s median age in 2025 is 39.5 years.

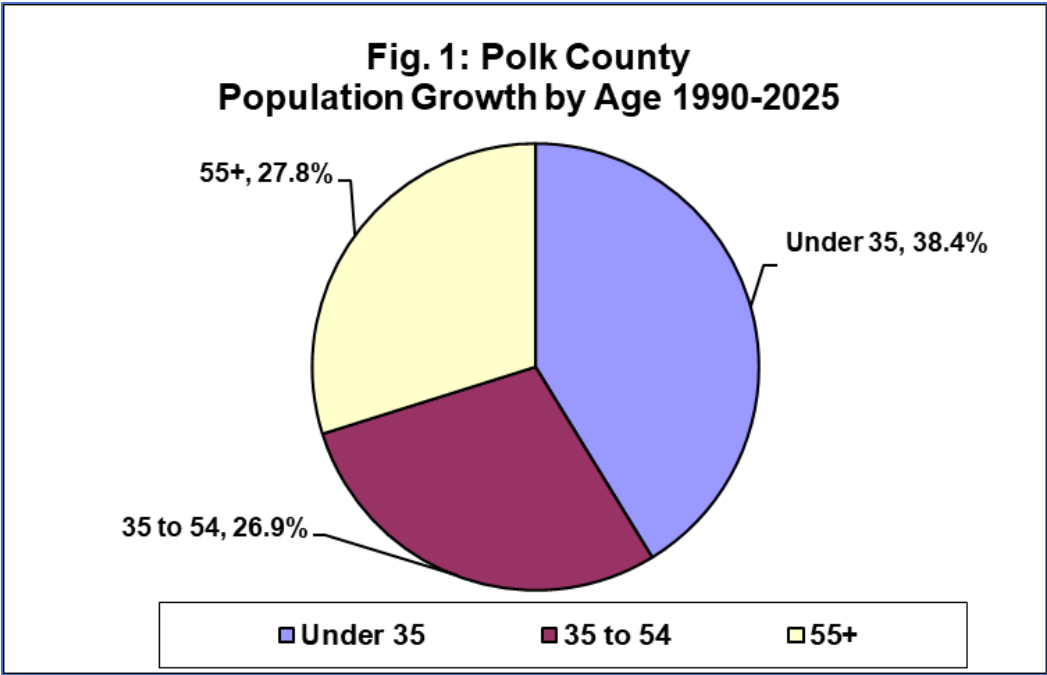
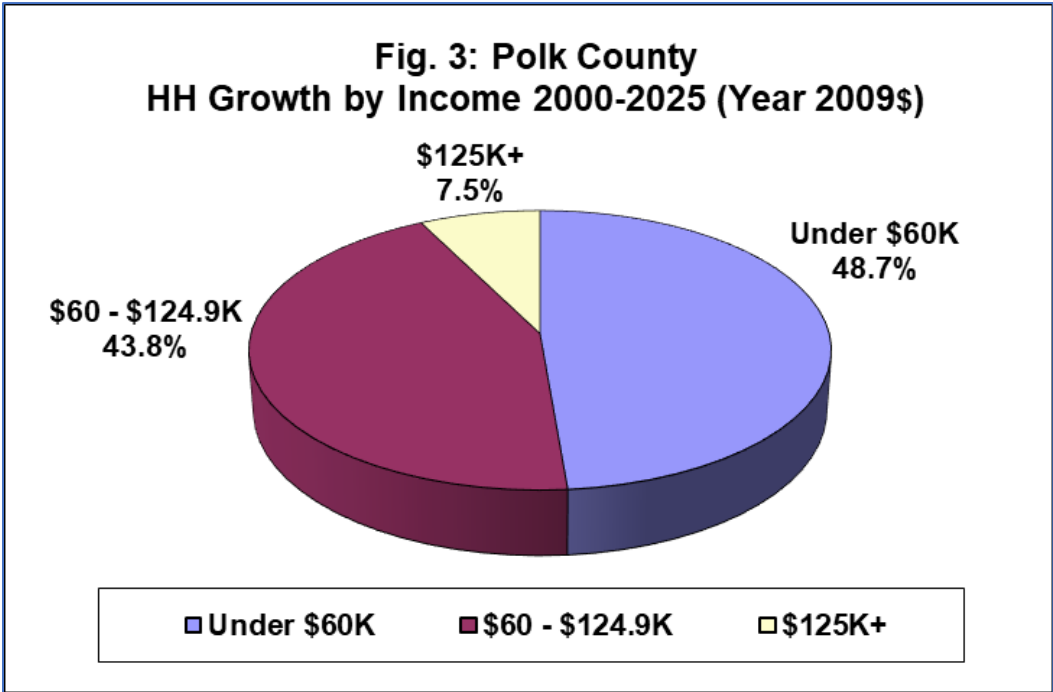
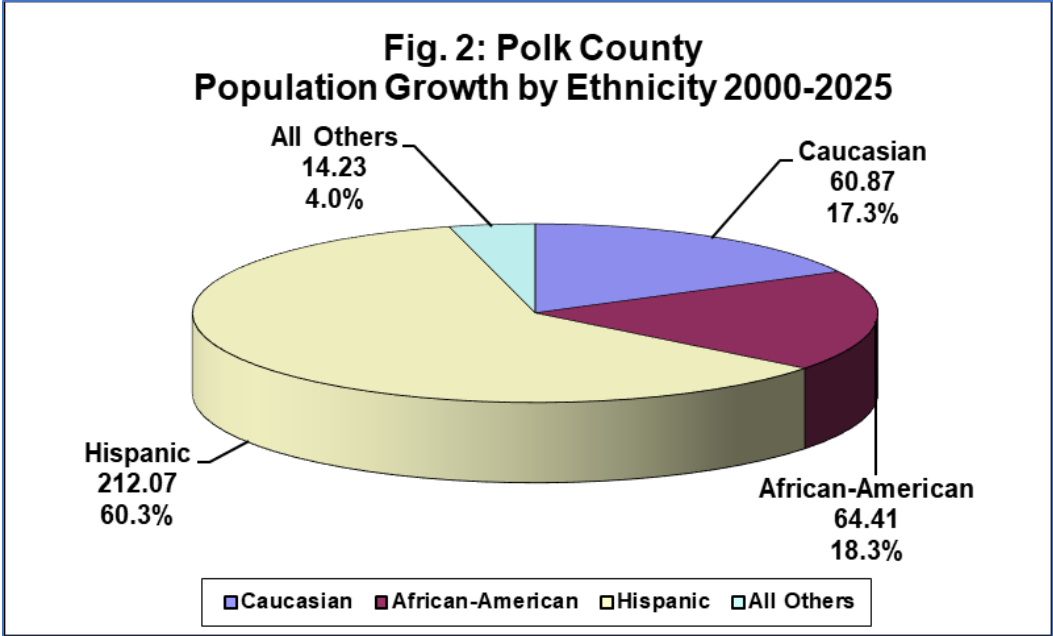


Figure 2 presents the profile of area population growth by race/ethnic status. Hispanic residents accounted for the largest net positive share of population growth during the 2000-2025 period, at 212,070 persons, or 60.3 percent. The Caucasian and African American cohorts realized similar shares of population growth over this time frame, and 17.3 percent and 18.3 percent, respectively.

¹ Source: Woods & Poole Economics. 2024 estimate as reported the University of Florida Bureau of Economic and Business Research: 826,090

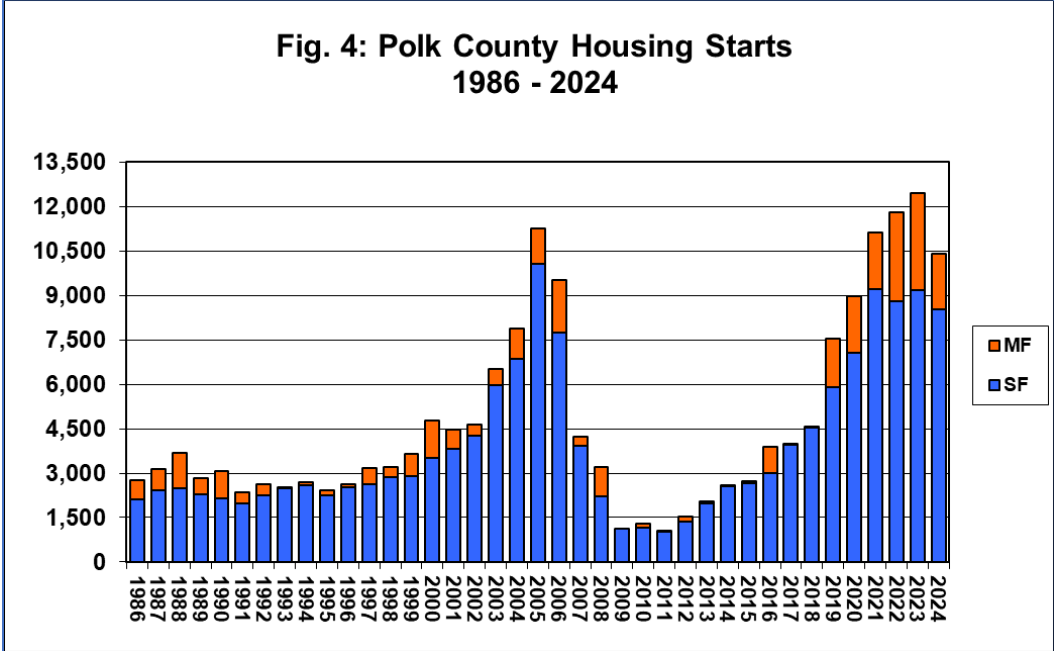


The profile of household growth by income status is presented in Figure 3. From 2000 through 2025, the proportion of households with inflation-adjusted incomes² of under \$60,000 per year accounted for the largest share of household growth at 48.7 percent. Middle to upper-middle-income households, those in the \$60,000 to \$124,999 annual income range, held the next largest share of growth at 43.8 percent. Upper-income households (those with annual incomes of

² In Year 2009 dollars. Source: Woods and Poole Economics, Inc.

\$125,000 or more) made up 7.5 percent of the County’s household formation during this 25-year period. In inflation-adjusted dollars, the average household income has increased by 21.1 percent since 2000.

Polk County has seen some ebbs and flows in the size of occupied housing units with more family household formation, but overall the average size has remained unchanged from 2000-2025 at 2.52 persons per household.



During the late 1980s, housing starts in Polk County were in the 2,800–3,600 unit annual range. During the 1995-2005 period, a previously unprecedented growth cycle in Polk with the delivery of 54,537 units over this period. Polk was significantly impacted by the effects of the national housing market collapse and subsequent recession. By 2011 residential construction activity had fallen off by nearly 91 percent from the 2005 peak. Since that trough, Polk has realized another sustained residential construction growth cycles, bolstered by the delivery of multifamily inventory as the county continues to urbanize. Multifamily construction accounted for 22 percent of total unit delivery over the 2019-2024 period, a share never previously achieved over a similar time horizon.

Of the 203,010 new jobs created during the 1990–2025 period, industry sectors with the largest growth included: transportation & warehousing (34,380), health & social services (25,150), retail (19,740) and administrative/waste services (19,620). These 3 sectors have accounted for 48.7 percent of Polk County’s employment growth since 1990.

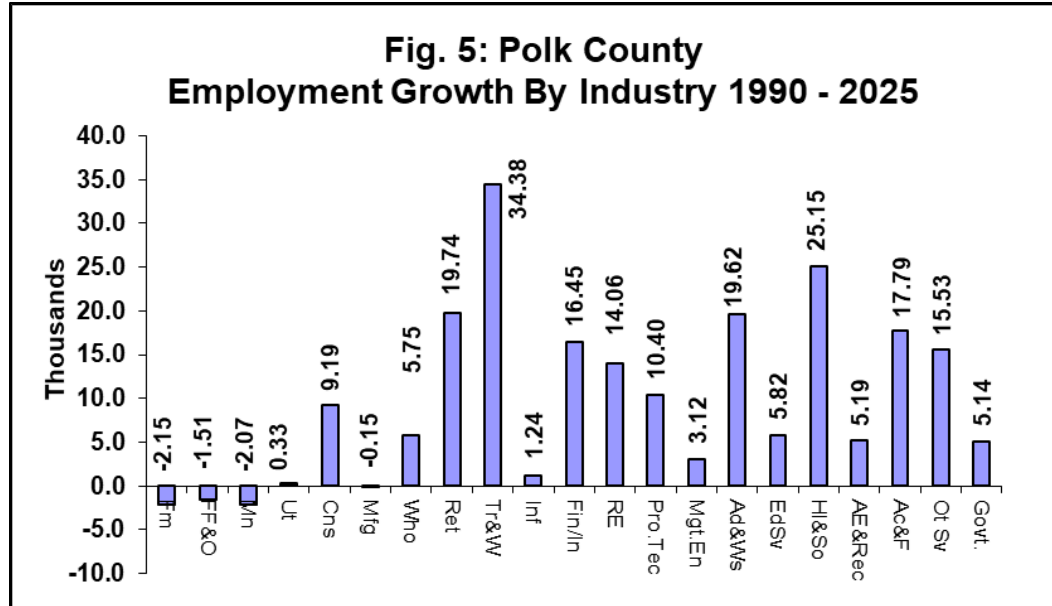
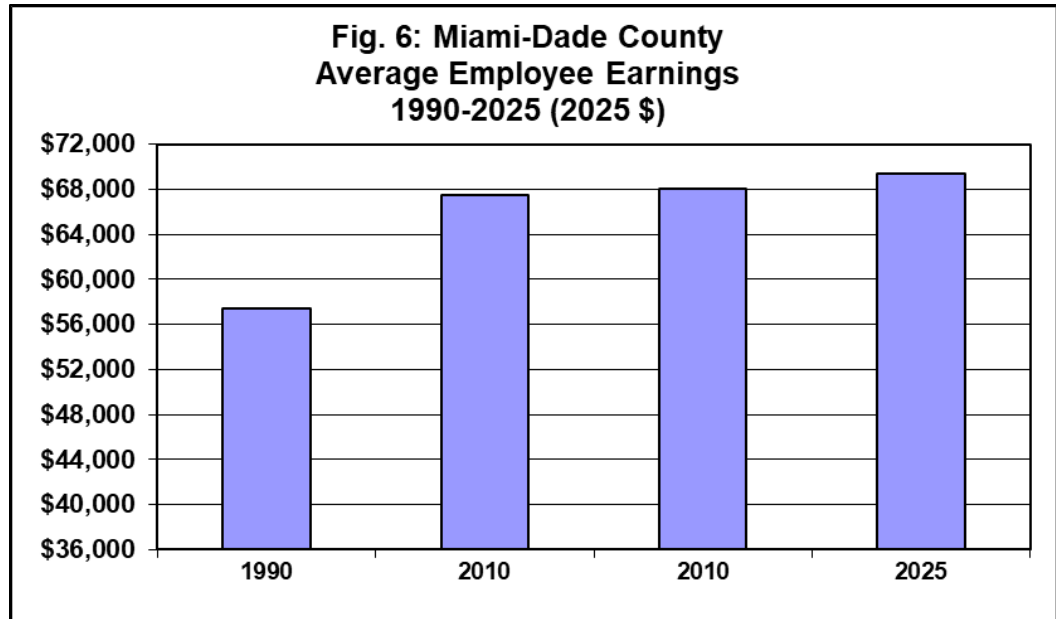


Fig. 5(a)
Industry Sector Abbreviations

Fm = Farm	RE = Real Estate, Rental & Lease
FF&O = Forestry, Fishing, & Other	Pro.Tec = Professional & Tech Services
Mn = Mining	Mgt.En = Management & Enterprises
Ut = Utilities	Ad&Ws = Administrative & Waste Services
Cns = Construction	EdSv = Educational Services
Mfg = Manufacturing	HI&So = Health Care & Social Assistance
Who = Wholesale Trade	AE&Rec = Arts, Entertainment & Recreation
Ret = Retail Trade	Ac&F = Accomodation & Food Services
Tr&W = Transportation & Warehousing	Ot Sv = Other Services
Inf = Information	Govt = Government
Fin/In = Finance & Insurance	



The average wage in Polk County, when adjusted for inflation, has risen by 23.1 percent since 1990. The 2025 average wage in Polk County was \$57,724.

2.4 Growth Forecasts for Polk County, 2025 to 2050

The long-range forecasts presented for Polk County reflect a market whose economic base will continue to grow steadily relative to the levels realized during the 1990-2025 period. Annual population and employment growth from 2025 to 2050 is expected to slightly moderate but remain steady. Population change will be influenced more by increases in the 55+ age group. Middle income households will account for a majority of resident expansion over the next 25 years. Finally, expansion of the non-Caucasian population is expected to be significant. Future population change will be dominated by growth in the Hispanic cohort.

Over the 2025–2050 period, population growth within Polk County will account for 3.7 percent of state growth, or 237,820 persons. The area will see 87,040 net new jobs created by 2050, which will equate to 1.6 percent of Florida’s projected employment growth. The shaded portion of Table 2.2 provides the statistical detail of these economic forecasts.

Table 2.2: Polk County Economic Profile

Growth 2025-2050	1980	1990	2000	2010	2025	2030	2040	2050
Total Population (Thousands)	324.10	407.76	485.51	602.82	837.10	884.45	978.33	1,074.92
Age Under 5 Years	21.46	29.98	31.22	38.51	48.65	54.10	58.77	65.24
5 to 9 Years	23.28	28.67	33.05	39.22	48.03	50.85	59.20	64.61
10 to 14 Years	25.48	26.75	34.07	39.38	51.56	51.47	60.49	65.52
15 to 19 Years	29.13	27.30	32.76	40.64	53.49	53.26	56.39	66.34
20 to 24 Years	27.64	25.77	27.61	36.98	52.65	54.37	53.82	65.37
25 to 29 Years	25.06	29.36	28.64	36.19	52.19	56.61	57.95	62.01
30 to 34 Years	22.65	30.06	30.57	35.17	56.07	55.25	61.91	61.09
35 to 39 Years	19.24	27.54	34.50	36.37	56.28	57.90	62.10	63.06
40 to 44 Years	16.82	25.39	34.18	36.91	53.85	57.60	57.89	65.15
45 to 49 Years	15.92	21.45	30.85	40.32	49.73	55.42	60.26	64.53
50 to 54 Years	16.80	18.67	29.25	39.77	48.58	51.31	60.27	59.72
55 to 59 Years	17.05	18.66	25.69	37.06	47.28	49.97	58.06	61.97
60 to 64 Years	16.78	22.68	24.33	37.46	49.83	49.13	53.91	61.89
65 to 69 Years	16.31	25.23	24.20	33.61	49.25	53.84	55.70	64.37
70 to 74 Years	13.27	50.51	23.86	27.38	42.51	47.68	51.63	58.22
75 to 79 Years	8.83	14.94	19.67	20.62	35.66	37.12	45.99	49.82
80 to 84 Years	4.99	8.92	11.99	15.08	22.86	26.86	32.31	37.36
85 Years and Over	3.42	5.86	9.07	12.15	18.60	21.70	31.66	38.64
Median Age of Population	31.68	35.53	38.12	39.37	39.46	40.19	41.04	41.39
Caucasian Population	n.a.	333.08	365.14	394.03	426.01	416.89	387.28	342.44
African-American Population	n.a.	54.08	66.93	88.83	131.34	141.14	158.51	172.96
Native American Population	n.a.	1.08	1.62	1.90	2.38	2.38	2.32	2.16
Asian and Pacific Islander Population	n.a.	2.39	5.14	10.99	18.61	21.12	26.47	32.42
Hispanic Population	9.13	17.12	46.69	107.07	258.76	302.93	403.75	524.93
Total Employment (Thousands)	156.84	194.69	234.58	255.71	397.70	419.58	455.95	484.74
Farm	5.53	4.73	4.60	3.58	2.58	2.55	2.52	2.52
Forestry, Fishing, & Other	7.33	5.85	5.30	5.95	4.34	4.14	3.76	3.37
Mining	3.18	2.91	2.33	1.42	0.84	0.74	0.55	0.39
Utilities	0.36	0.45	0.57	0.48	0.78	0.80	0.81	0.82
Construction	12.45	13.03	15.60	13.74	22.22	2.23	22.18	22.16
Manufacturing	21.29	20.85	18.82	14.92	20.70	21.10	21.88	22.66
Wholesale Trade	6.31	7.82	9.10	9.59	13.57	14.33	14.86	15.01
Retail Trade	16.54	22.81	28.41	28.55	42.55	46.49	54.91	63.13
Transportation & Warehousing	8.11	10.13	12.54	13.82	44.51	46.01	48.79	51.51
Information	1.76	2.32	3.02	2.37	3.56	3.47	3.23	2.94
Finance & Insurance	7.51	8.64	10.06	13.68	25.09	26.57	28.31	29.30
Real Estate, Rental & Lease	4.55	5.24	6.15	10.15	19.30	21.03	24.11	26.56
Professional & Tech Services	3.84	6.11	8.66	10.45	16.51	17.28	18.84	20.18
Management & Enterprises	2.91	4.64	6.41	5.43	7.76	7.37	7.05	6.84
Administrative & Waste Services	8.64	13.19	20.60	22.25	32.81	34.19	36.14	37.24
Educational Services	1.41	2.24	3.19	5.09	8.06	9.84	12.77	14.93
Health Care & Social Assistance	10.45	16.65	21.77	28.63	41.80	46.00	52.03	55.35
Arts, Entertainment & Recreation	2.11	3.15	4.30	4.98	8.34	9.39	11.45	13.63
Accommodation & Food Services	6.46	9.63	12.20	14.67	27.42	30.61	35.94	40.44
Other Services	6.89	9.73	12.42	14.77	25.26	26.21	27.56	28.50
Federal Civilian Government	1.03	1.49	1.62	1.60	1.32	1.30	1.25	1.20
Federal Military Government	0.81	1.19	1.04	1.21	1.35	1.33	1.32	1.33
State and Local Government	17.40	21.88	25.85	28.39	27.03	26.60	25.67	24.71
Total Earnings (Millions 2017\$)	6,001.50	7,401.40	10,011.72	11,711.00	18,608.45	20,512.42	24,294.01	28,086.84
Per Capita Income (2017\$)	23,679.00	26,903.00	32,681.00	34,108.00	39,557.00	43,076.00	50,375.00	57,779.00
Avg. Household Income (2017\$)	64,077.00	68,511.00	82,722.00	88,751.00	100,180.00	108,266.00	128,041.00	148,502.00
Per Capita Income (Current\$)	9,218.00	16,081.00	24,125.00	30,872.00	50,838.00	64,187.00	99,756.00	151,983.00
Avg. Household Income (Current\$)	24,944.00	40,953.00	61,067.00	80,332.00	128,750.00	161,326.00	253,556.00	390,623.00
Retail Sales Per Household (2017\$)	35,096.00	40,893.00	46,505.00	47,790.00	62,627.00	65,798.00	73,713.00	83,632.00
Number of Households (Thousands)	115.95	156.95	187.84	227.81	325.24	346.65	379.97	413.75
Persons Per Household	2.68	2.53	2.52	2.59	2.52	2.50	2.53	2.56
Households w/ Money Income (000s)								
Less than \$10,000 (2009\$)	n.a.	14.38	14.50	17.39	20.84	19.67	17.03	14.43
\$10,000 - \$29,999	n.a.	48.07	51.52	61.24	72.42	68.35	59.18	50.12
\$30,000 - \$44,999	n.a.	31.33	35.04	40.97	48.79	46.05	39.87	33.77
\$45,000 - \$59,999	n.a.	22.72	27.11	31.53	52.95	55.35	48.94	41.46
\$60,000 - \$74,999	n.a.	12.64	17.83	24.69	40.36	78.73	63.51	60.96
\$75,000 - \$99,999	n.a.	13.12	19.02	26.06	45.60	55.05	76.85	107.91
\$100,000 - \$124,999	n.a.	7.33	9.20	12.18	20.29	24.50	34.19	48.18
\$125,000 - \$149,999	n.a.	2.06	4.66	5.87	10.68	12.89	17.99	25.35
\$150,000 - \$199,999	n.a.	3.09	4.52	3.94	6.84	8.26	11.53	16.25
\$200,000 or more	n.a.	2.21	4.46	3.94	6.45	7.79	10.87	15.31

Data Sources: Woods & Poole Economics, Inc.; Florida Economic Advisors

Figure 7 indicates a projected shift, albeit modest, in the distribution of population growth by age. Polk County will see a larger share of growth in the 55+ age group over the forecast horizon, relative to the historical trend. 44.7 percent of forecasted population growth will occur in the 55+ age range. This growth will come from a combination of in-migration from older households and aging of the local population base. In addition, residents of the key working-aged age cohort (35-54) will account for 18.5 percent of the projected resident increase, which reflects a smaller share of growth relative to the historical trend.

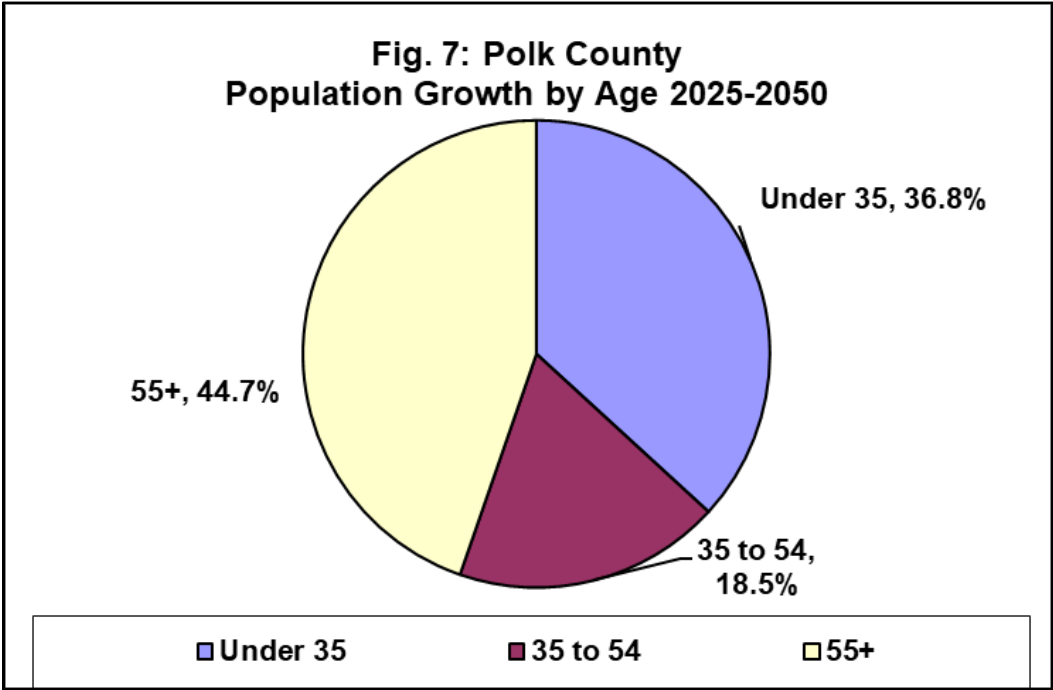
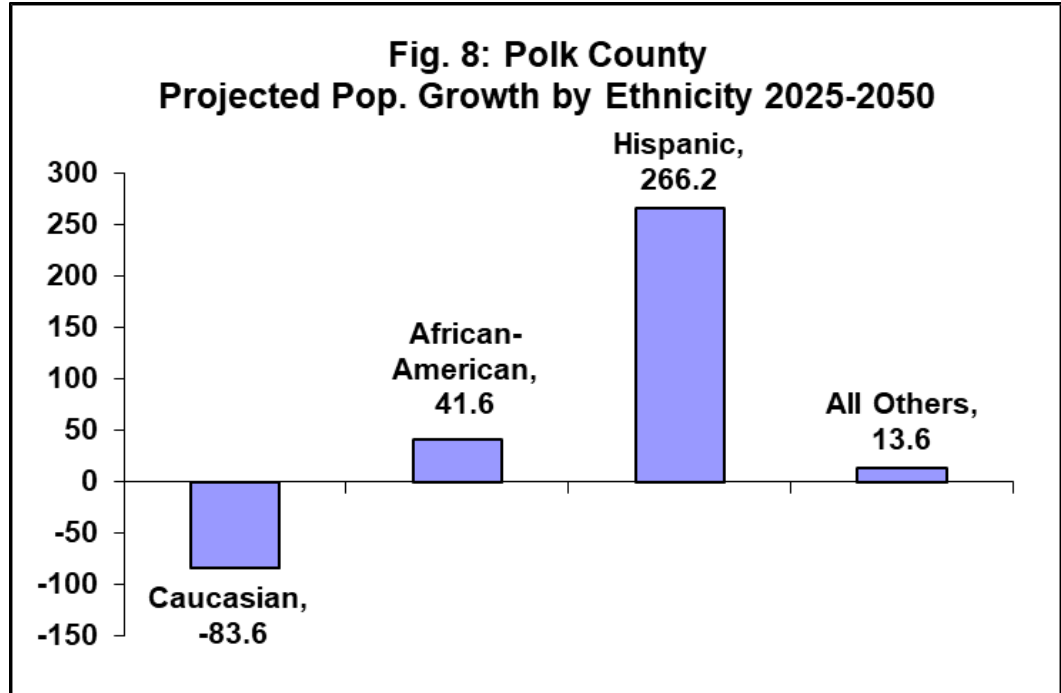
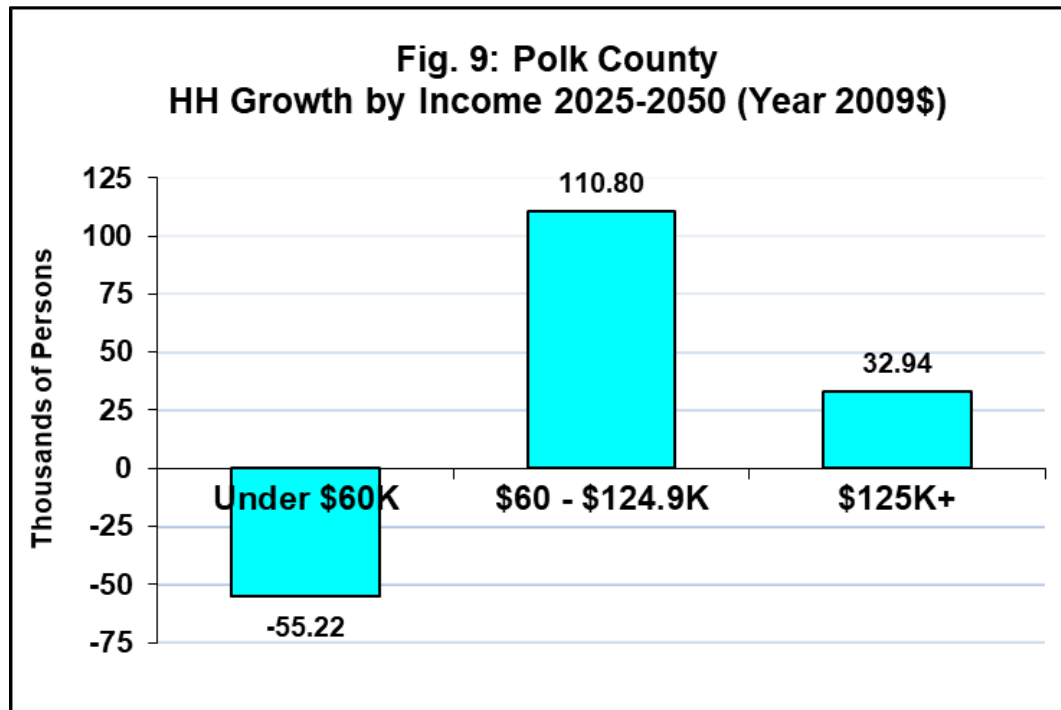


Figure 8 suggests that the future demographic profile will be substantially impacted by growth in the Hispanic cohort. During the 2025-2050 forecast horizon, this ethnic segment will fold a dominant position in ethnic cohorts realizing positive net population growth, while the Caucasian segment will see net declines over this period. Like many other urban and urbanizing counties in Florida, Polk’s resident population will reflect greater diversity than ever before.

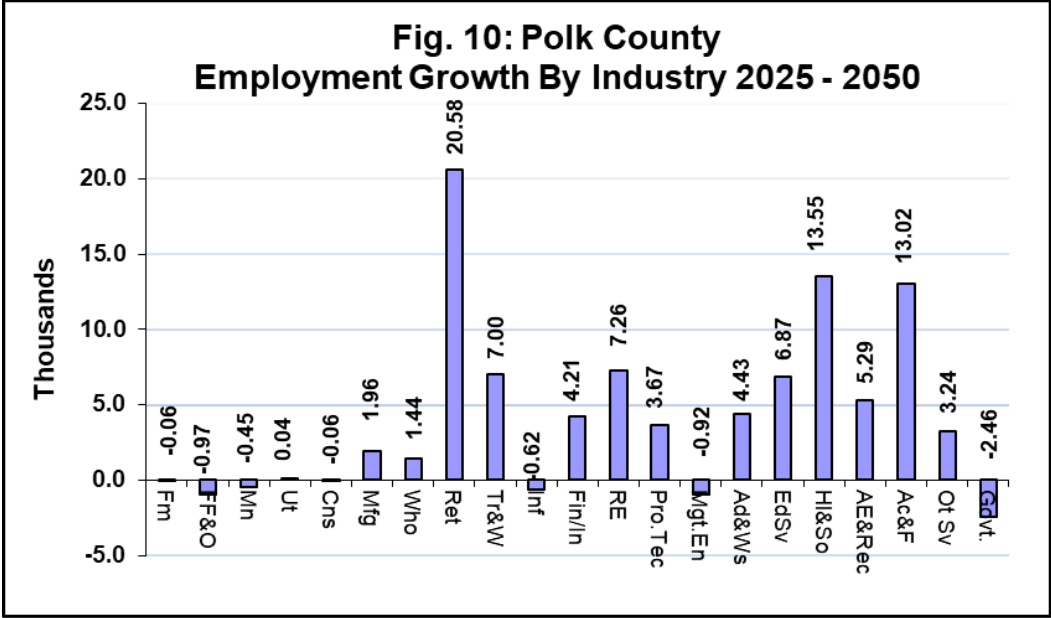


Forecasts of household growth by income suggest that Polk County’s wealth will be expanding, as virtually all residential growth is expected to occur in households with incomes in excess of \$60,000 per year.



The under \$60,000 income segment, accounting for 48.7 percent of 1990-2025 household growth, is projected to decline over the next 25 years.

The historic trend of annual housing starts reflects an average construction pace of 4,726 units per year. The 2025-2050 forecasts of household formation suggest growth of 3,540 occupied units per year. A forecasted long-range annual average of 4,133 starts per year for Polk County would be consistent with these trends, although we would expect to see cycles of rapid construction (as was the case during late 1999-2005 and 2019-2024 periods) during the forecast horizon.



54.1 percent of forecasted job growth (47,150 jobs by 2050) is expected to occur in the following sectors: Retail (20,580); Healthcare and Social Assistance (13,550); and Accommodation & Food Services. Other key growth industries over the forecast horizon include Real Estate, Transportation & Warehousing, Educational Services, and Arts Entertainment & Recreation.

3.0: Trade Area Economic and Demographic Conditions

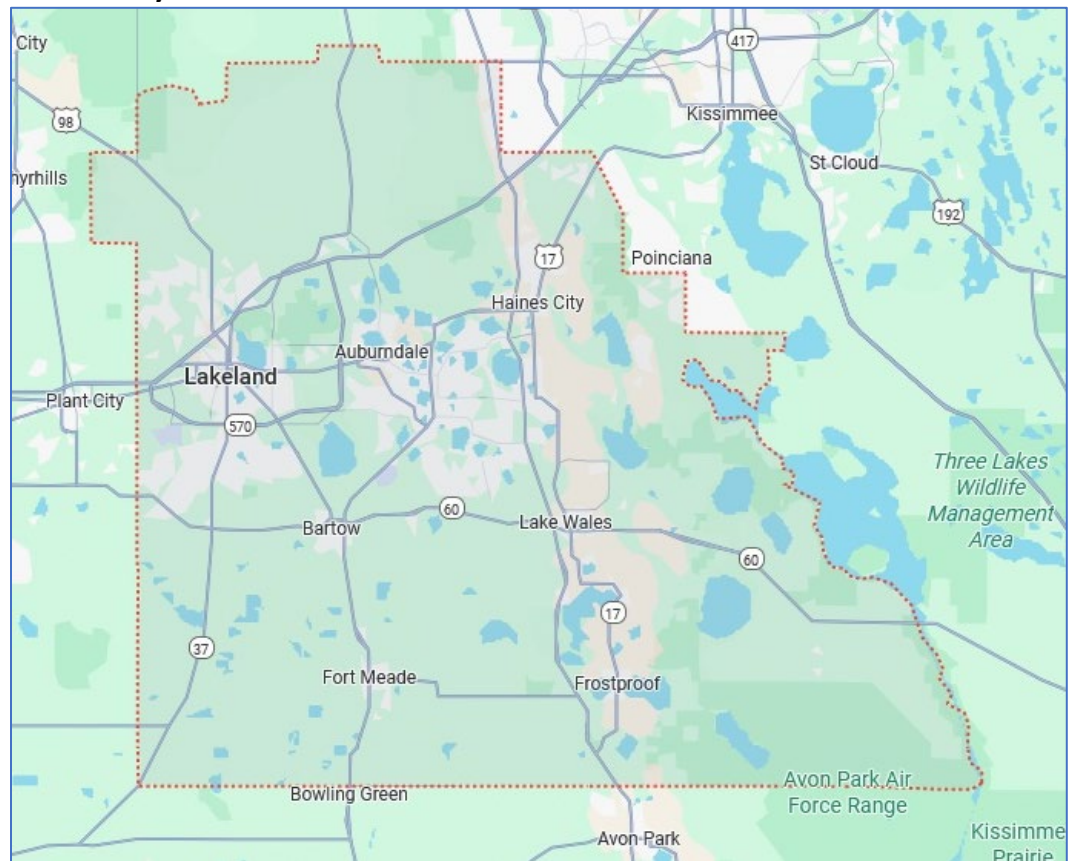
3.1 Introduction

Three geographic areas have been established to evaluate baseline submarket economic conditions for the Lakeland CRA. These include:

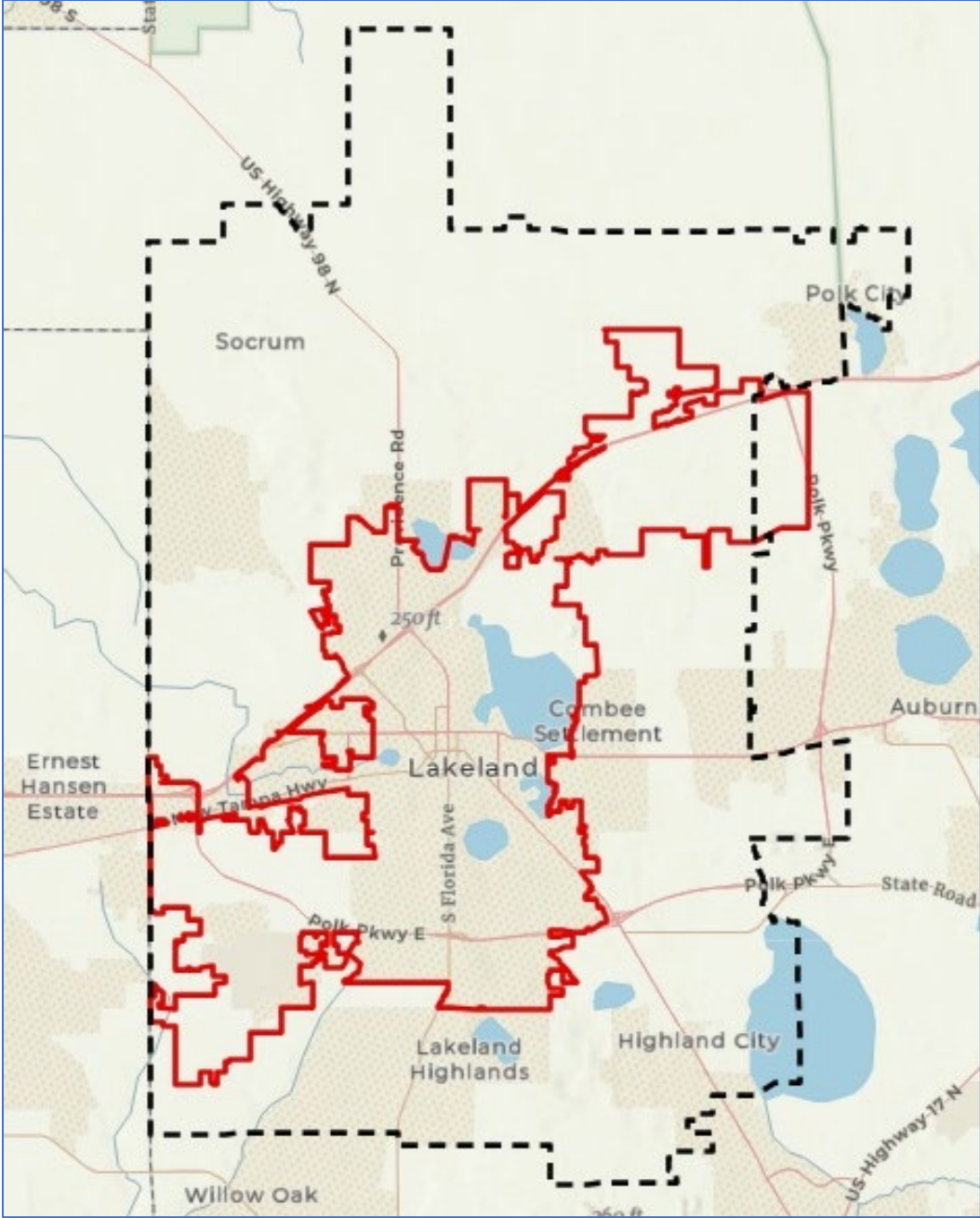
- Polk County (as discussed in Section 2.0)
- The Lakeland Electric Utility Service Area
- A geographic node that takes into account the Lakeland CRA and its three districts, as well as surrounding properties (hereinafter referred to as the “Lakeland CRA Local Area”)

The three economic geographies are analyzed in a “nesting” hierarchy, with the Lakeland CRA Local Area being located entirely within the Lakeland Electric Service Area, and the Lakeland Electric Service Area being located entirely within Polk County.

Polk County



Lakeland Electric Service Area (LESA)



Lakeland CRA Local Area



Population, household, and employment trends are presented. These geospatial analyses provide key metrics of demand for various uses in the CRA.

3.2 Economic and Demographic Profile – Lakeland Electric Service Area

From 2020 to 2025, the population of the Lakeland Electric Service Area has increased by 12.9 percent, or 35,334 persons. 2025 estimates place the permanent population of this area at 309,772 residing in 119,029 households.

Year 2030 baseline forecasts project the Lakeland Electric Service Area population at 333,117 persons, 128,287 households, and 139,069 housing units. These forecasts suggest that, over the next 5 years, the service area’s residential base is expected to grow by roughly 7.5 percent. estimates indicate that households within the Lakeland Electric Service Area have an average annual income of \$84,746.

**Table 3.1
Lakeland Electric Service Area
Population and Housing Profile**

	2020 <u>Census</u>		2025 <u>Estimate</u>		2030 <u>Projection</u>	
Population	274,438		309,772		333,117	
Households	105,348		119,029		128,287	
Families	71,236		80,698		87,095	
Housing Units	115,892		129,715		139,069	
Group Quarters Population	7,321		8,057		8,073	
Households by Household Type and Size		<u>%</u>		<u>%</u>		<u>%</u>
Householder Under 25 Years	3,408	3.2	3,772	3.2	4,044	3.2
Householder Age 25 - 34	14,628	13.9	17,121	14.4	17,044	13.3
Householder Age 35 - 44	16,089	15.3	20,396	17.1	22,029	17.2
Householder Age 45 - 54	17,533	16.6	19,436	16.3	20,978	16.4
Householder Age 55 - 64	20,381	19.4	20,597	17.3	21,067	16.4
Householder Age 65 - 74	18,794	17.8	19,451	16.3	20,307	15.8
Householder Age 75 - 84	10,839	10.3	13,539	11.4	17,319	13.5
Householder Age 85 Years and Over	3,677	3.5	4,716	4.0	5,499	4.3
Median Age of Householder	55.5		53.4		53.8	
Household Income						
Income Less Than \$15,000			11,025	9.3	11,143	8.7
Income \$15,000 - \$24,999			9,159	7.7	9,130	7.1
Income \$25,000 - \$34,999			10,367	8.7	10,367	8.1
Income \$35,000 - \$49,999			15,174	12.8	15,588	12.2
Income \$50,000 - \$74,999			21,607	18.2	22,397	17.5
Income \$75,000 - \$99,999			17,154	14.4	18,216	14.2
Income \$100,000 - \$124,999			11,772	9.9	13,325	10.4
Income \$125,000 - \$149,999			7,925	6.7	9,206	7.2
Income \$150,000 - \$199,999			7,841	6.6	9,478	7.4
Income \$200,000 - \$249,999			3,071	2.6	4,277	3.3
Income \$250,000 - \$499,999			3,082	2.6	3,869	3.0
Income \$500,000 or more			850	0.7	1,288	1.0
Median Household Income			\$65,335		\$69,592	
Average Household Income			\$84,746		\$90,760	

Data Source: Environics Analytics, Claritas

Five-year forecasts suggest that the average annual income of households within the trade area will approach \$90,760 by 2030.

Table 3.2 presents the current attendant employment profile for the Lakeland Electric Service Area, as defined by the North American Industry Classification System (NAICS) code.

A total of 108,309 employees work within 13,398 public and private organizations in the subject property’s Lakeland Electric Service Area. 46.7% percent of the attendant labor force within the Lakeland Electric Service Area works within 4 industry sectors: retail trade, health care & social assistance, educational services, and accommodation & food services.

	Businesses	Employees	Employees per Establishment	Sales
11: Agriculture, Forestry, Fishing and Hunting	47	171	4	\$22,221,000
21: Mining, Quarrying, and Oil and Gas Extraction	4	20	5	\$4,331,000
22: Utilities	5	5	5	\$29,593,000
23: Construction	909	6,141	7	\$1,203,624,000
31: Manufacturing	43	1,134	26	\$319,557,000
32: Manufacturing	79	1,191	15	\$506,234,000
33: Manufacturing	211	3,308	16	\$1,628,131,500
42: Wholesale Trade	345	6,047	18	\$7,318,321,000
44: Retail Trade	616	9,220	15	\$2,627,088,000
45: Retail Trade	794	6,173	8	\$1,271,791,000
48: Transportation and Warehousing	221	2,097	9	\$326,523,000
49: Transportation and Warehousing	29	320	11	\$12,896,000
51: Information	189	2,236	12	\$600,961,000
52: Finance and Insurance	861	7,974	9	\$1,356,102,000
53: Real Estate and Rental and Leasing	538	2,628	5	\$356,469,000
54: Professional, Scientific, and Technical Services	1,166	7,601	7	\$904,594,538
55: Management of Companies and Enterprises	28	164	6	\$88,744,000
56: Admin. & Support and Waste Mgmt. and Remediation Svcs.	486	3,075	6	\$265,793,000
61: Educational Services	230	8,397	37	\$69,041,829
62: Health Care and Social Assistance	3,529	16,678	5	\$2,056,056,500
71: Arts, Entertainment, and Recreation	185	1,602	9	\$199,980,000
72: Accommodation and Food Services	632	10,153	16	\$646,592,000
81: Other Services (except Public Administration)	1,528	7,351	5	\$577,558,242
811: Religious, Grantmaking, Civic, Professional, & Similar Org.	799	3,621	5	\$234,595,242
92: Public Administration	141	4,585	33	\$46,780,611
99: Unassigned	582	38	0	\$3,674,000
Totals	13,398	108,309	8	\$22,442,657,220

3.3 Lakeland CRA Local Area Profile

From 2020 to 2025, the population of the Lakeland CRA Local Area has increased by 11.1 percent, or 8,976 persons. 2025 estimates place the permanent population of this area at 89,358 residing in 35,362 households.

Year 2030 baseline forecasts project the Lakeland CRA Local Area population at 95,413 persons, 37,858 households, and 41,955 housing units. These forecasts

suggest that, over the next 5 years, the trade area’s residential base is expected to grow by roughly 6.8 percent. estimates indicate that households within the Lakeland CRA Local Area have an average annual income of \$69,872.

Table 3.3
Lakeland CRA Area
Population and Housing Profile

	2020	2025	2030			
	<u>Census</u>	<u>Estimate</u>	<u>Projection</u>			
Population	80,382	89,358	95,413			
Households	31,787	35,362	37,858			
Families	18,765	20,795	22,273			
Housing Units	35,899	39,512	41,955			
Group Quarters Population	5,279	5,815	5,833			
Households by Age		<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	
Householder Under 25 Years	1,457	4.6	1,560	4.4	1,684	4.5
Householder Age 25 - 34	5,030	15.8	5,872	16.6	5,526	14.6
Householder Age 35 - 44	4,592	14.5	5,977	16.9	6,758	17.9
Householder Age 45 - 54	4,574	14.4	5,070	14.3	5,625	14.9
Householder Age 55 - 64	5,758	18.1	5,528	15.6	5,572	14.7
Householder Age 65 - 74	5,456	17.2	5,505	15.6	5,598	14.8
Householder Age 75 - 84	3,434	10.8	4,025	11.4	5,067	13.4
Householder Age 85 Years and Over	1,486	4.7	1,825	5.2	2,029	5.4
Median Age of Householder	55.5		53.4		53.8	
Household Income						
Income Less Than \$15,000		4,624	13.1	4,677	12.4	
Income \$15,000 - \$24,999		3,483	9.9	3,461	9.1	
Income \$25,000 - \$34,999		4,031	11.4	4,068	10.7	
Income \$35,000 - \$49,999		4,709	13.3	5,018	13.3	
Income \$50,000 - \$74,999		6,642	18.8	6,826	18.0	
Income \$75,000 - \$99,999		4,359	12.3	4,739	12.5	
Income \$100,000 - \$124,999		2,872	8.1	3,253	8.6	
Income \$125,000 - \$149,999		1,856	5.3	2,180	5.8	
Income \$150,000 - \$199,999		1,512	4.3	1,917	5.1	
Income \$200,000 - \$249,999		550	1.6	781	2.1	
Income \$250,000 - \$499,999		557	1.6	690	1.8	
Income \$500,000 or more		167	0.5	249	0.7	
Median Household Income		\$52,810		\$55,615		
Average Household Income		\$69,872		\$74,737		

Data Source: Environics Analytics, Claritas

Table 3.4 presents the current attendant employment profile for the Lakeland CRA Local Area, as defined by the North American Industry Classification System (NAICS) code.

A total of 46,469 employees work within 5,875 public and private organizations in the subject property's Lakeland CRA Local Area. 53.9% percent of the attendant labor force within the Lakeland Electric Service Area works within 4 industry sectors: retail, health care & social assistance, educational services, and accommodation & food services.

Table 3.4
Lakeland CRA Area
Current Attendant Employment by Industry (NAICS Code)

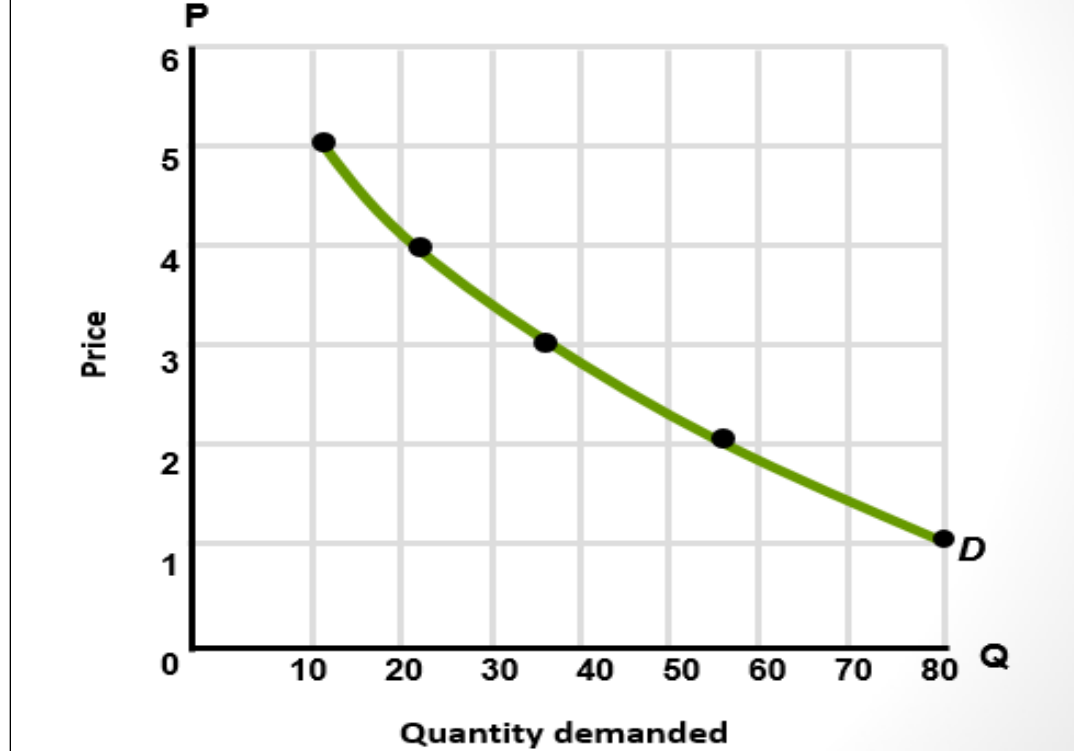
	Businesses	Employees	Employees per Establishment	Sales
11: Agriculture, Forestry, Fishing and Hunting	9	20	2	\$2,558,000
21: Mining, Quarrying, and Oil and Gas Extraction	1	3	3	\$1,412,000
22: Utilities	5	5	5	\$22,446,000
23: Construction	233	1,362	6	\$245,948,000
31: Manufacturing	15	739	49	\$130,078,000
32: Manufacturing	26	569	22	\$269,217,000
33: Manufacturing	34	265	8	\$308,395,500
42: Wholesale Trade	92	2,093	23	\$2,105,060,000
44: Retail Trade	224	4,270	19	\$1,367,022,000
45: Retail Trade	338	2,494	7	\$498,189,000
48: Transportation and Warehousing	58	459	8	\$59,099,000
49: Transportation and Warehousing	6	122	20	\$1,640,000
51: Information	84	1,321	16	\$264,622,000
52: Finance and Insurance	413	1,660	4	\$570,901,000
53: Real Estate and Rental and Leasing	245	1,445	6	\$179,328,000
54: Professional, Scientific, and Technical Services	484	3,125	6	\$394,153,538
55: Management of Companies and Enterprises	14	49	4	\$25,749,000
56: Admin. & Support and Waste Mgmt. and Remediation Svcs.	145	1,220	8	\$114,149,000
61: Educational Services	104	3,446	33	\$29,772,947
62: Health Care and Social Assistance	1,990	10,095	5	\$1,282,387,167
71: Arts, Entertainment, and Recreation	78	723	9	\$72,933,500
72: Accommodation and Food Services	284	4,723	17	\$309,844,000
81: Other Services (except Public Administration)	648	3,045	5	\$199,208,163
<i>811: Religious, Grantmaking, Civic, Professional, & Similar Org.</i>	<i>386</i>	<i>1,918</i>	<i>5</i>	<i>\$112,932,163</i>
92: Public Administration	91	3,195	35	\$30,252,167
99: Unassigned	254	21	0	\$2,004,000
Totals	5,875	46,469	8	\$8,486,368,982

4.0: An Explanation of Demand and Supply Factors Relevant to Determining Market Equilibrium

Real estate market analysis falls under the sub-discipline of economics known as *urban and regional economics*. All economic phenomena take place within geographical space. Economic issues invariably involve questions considering the place specificity of particular activities, or alternatively questions relating to the overcoming of space and geographical distance. For example, all commodities are traded at various market locations. However, in order to reach the appropriate market locations, goods have to be transported and delivered across space. Similarly, service activities take place at particular locations, and the information required to carry out the activity must be transmitted or acquired across geographical space. In each case, the costs incurred in these spatial transactions will themselves partly determine the price and cost conditions at each market location. Yet, the reasons why particular markets are located in particular places are also economic questions, and the nature and behavior of markets depend somewhat on their locations. Market performance, therefore, is partly dependent upon geography. At the same time, the economic performance of a particular area also depends on the nature and performance of the various markets located within that area. Acknowledging that geography plays a role in determining economic behavior, many discussions about the performance of particular local, urban, or regional economies are, in fact, fundamental questions about the relationships between geography and the economy. Geography and economics are usually interrelated issues.

In market economies, the forces of *supply* and *demand* are what bring buyers and sellers together to exchange goods and services at price and quantity levels that both parties find acceptable. Price is what serves as the regulating mechanism for facilitating transactions, and buyers and sellers impose equal, yet opposing forces related to price on one another, until the market ultimately stabilizes at a price and quantity where producers and consumers regularly engage in transactions. The law of demand states, other things being equal, consumers will demand a greater quantity of an item as its price falls; and conversely, they will demand a lesser quantity of that item as its price rises; therefore, there is an inverse relationship between price and quantity demanded with consumers, and it is reflected in the graph shown on Figure 11.

Fig.11: The Demand Curve

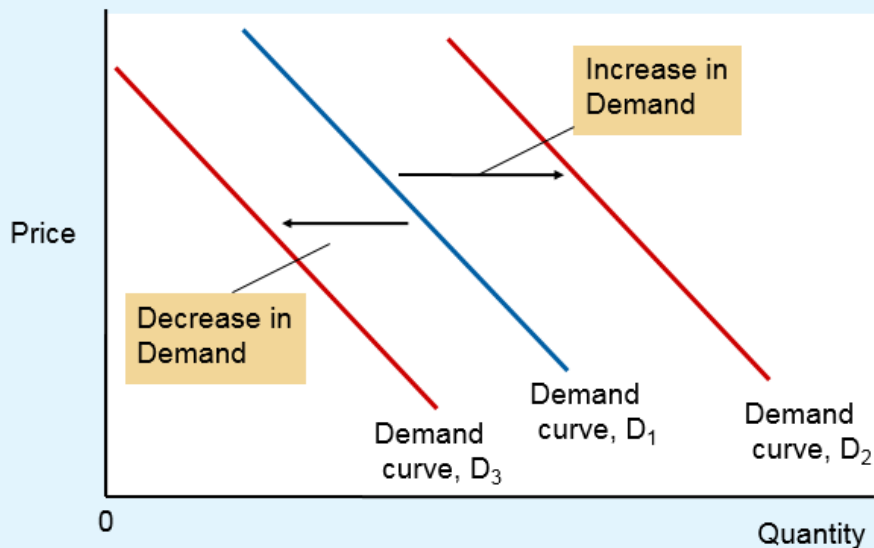


There are factors, however, other than the price of the item itself, that can change demand for goods and services by consumers. These are referred to as *shift factors*. Shift factors increase or decrease the quantity demanded of an item at every price, as displayed by the shifting demand curve in Figure 12. These five categories of shift factors include:

- Changes in consumer income
- Changes in the prices of related goods (i.e., substitutes and complements)
- Changes in consumer tastes and preferences
- Changes in consumer expectations
- Changes in the number of buyers in the market

Increases in any of these shift factors will shift the market demand curve to the right, and will create upward pressures on market prices. Decreases in any of the aforementioned factors will shift the market demand curve to the left, and create downward pressure on prices.

Fig. 12: Shifts in the Demand Curve



Any change that raises the quantity that buyers wish to purchase at any given price shifts the demand curve to the right.
Any change that lowers the quantity that buyers wish to purchase at any given price shifts the demand curve to the left.

In the case of suppliers, entrepreneurs and firms are motivated to supply goods and services based on a price that allows them to produce and sell the item at a profit. Therefore, the more profit potential a firm has, the greater their motivation to supply the product. This means that there is a *positive* relationship between price and quantity supplied, as shown in Figure 13. The *law of supply* addresses this positive relationship. The *law of supply* states, other things being equal, when the price of a good rises, the quantity supplied of that good also rises, and when the price of a good falls, the quantity supplied of that good also falls.

Similar to the case of demand, there are factors other than the price of the item itself, that can change supply for goods and services by producers. Again, these are referred to as *shift factors*. Shift factors increase or decrease the quantity supplied of an item at every price, as displayed by the shifting supply curve in Figure 14. The four categories of shift factors include:

- Changes in input prices (costs of production)
- Changes in technology
- Changes in producer expectations
- Changes in the number of sellers in the market

Fig. 13: The Supply Curve

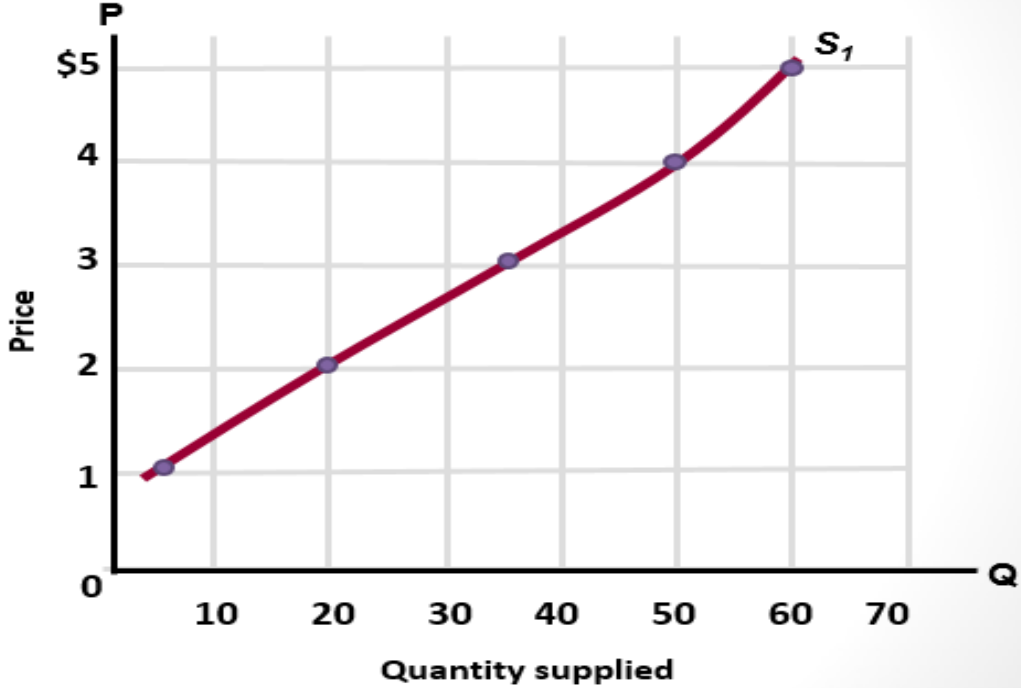
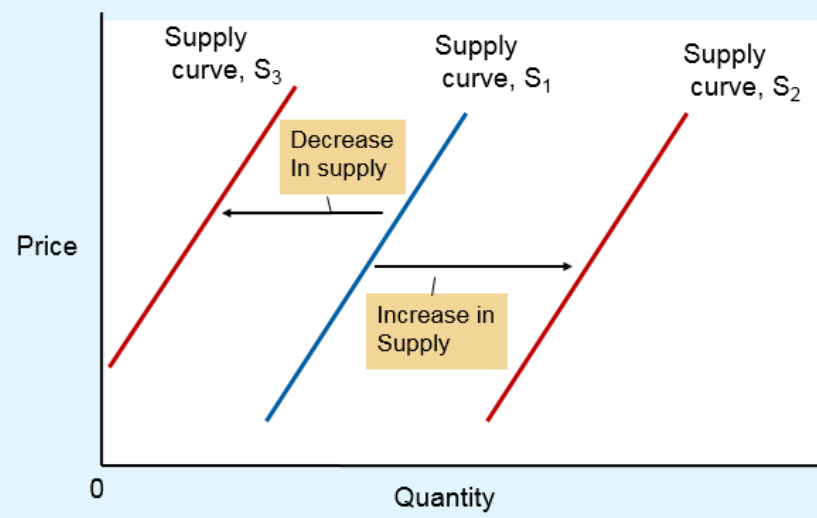


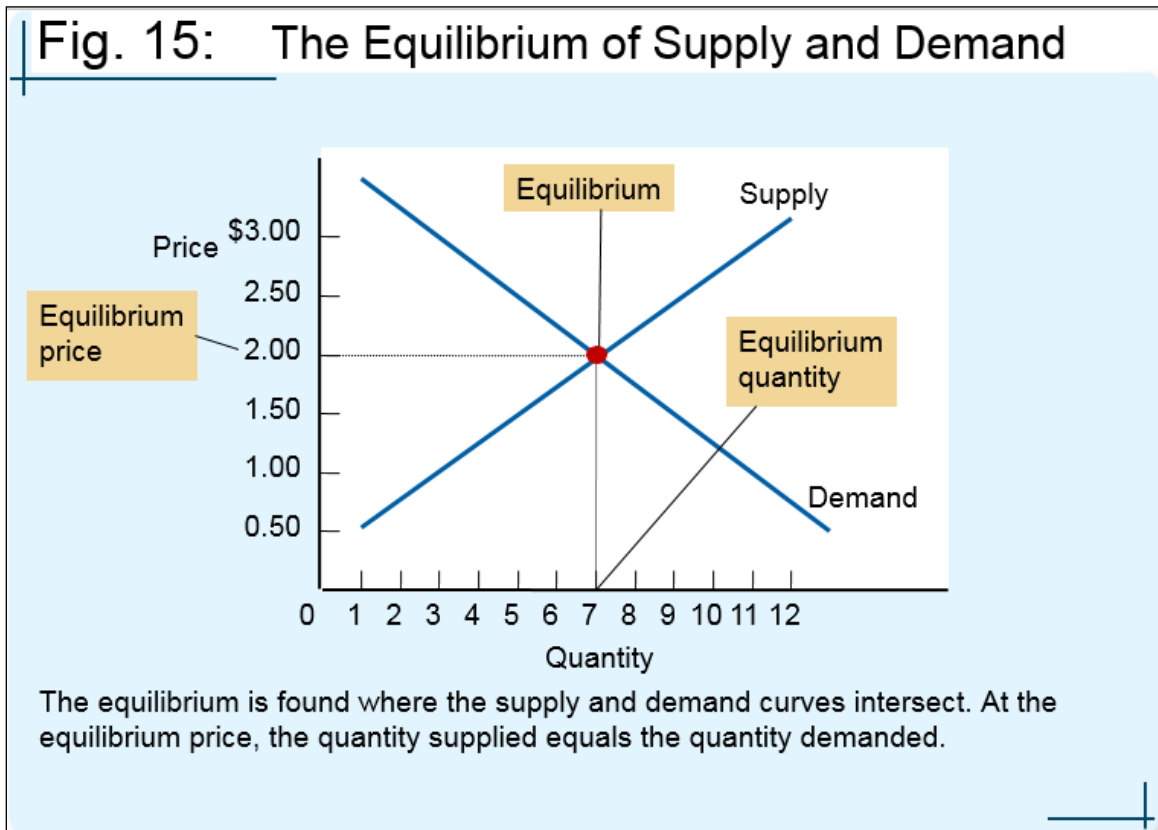
Fig. 14: Shifts in the Supply Curve



Any change that raises the quantity that sellers wish to produce at any given price shifts the supply curve to the right.
Any change that lowers the quantity that sellers wish to produce at any given price shifts the supply curve to the left.

Increases in any of these factors will shift the market supply curve to the right, and will create downward pressures on market prices. Decreases in any of the aforementioned factors will shift the market demand curve to the right and create upward pressure on prices.

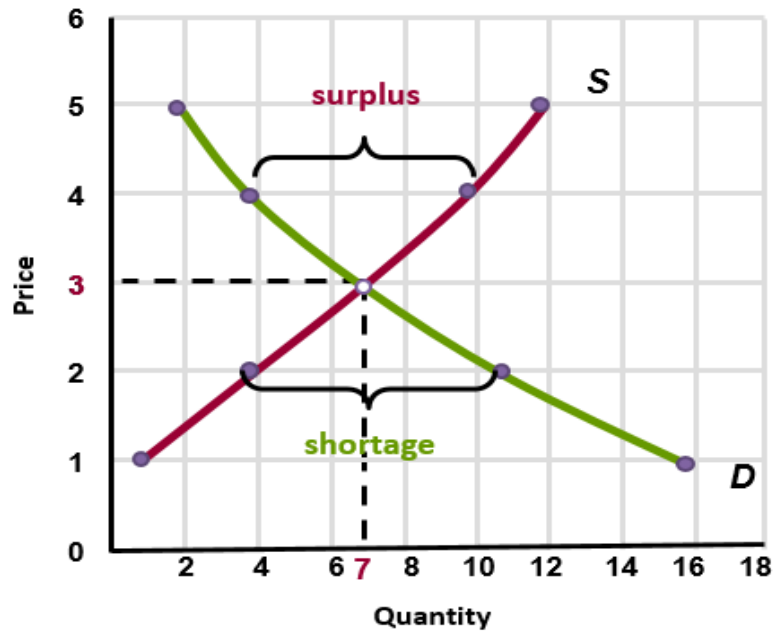
Market equilibrium is achieved when a price for a commodity is reached that perfectly equalizes the quantity demanded of a product with the quantity supplied of a product. This is displayed in Figure 15.



When a market is in equilibrium, short-run price and quantity tend to stabilize, but there is no guarantee that the market will remain in that equilibrium condition indefinitely. In fact, more often than not, given the shift factors previously referenced, market conditions will change such that the quantity demanded of a commodity becomes greater or smaller than the quantity supplied. When conditions are such that quantity demanded of an item is greater than quantity supplied, the market is said to be in a state of *shortage*. From the perspective of a real estate developer, market shortages of various uses are highly desirable. Delivering uses to the market in a state of shortage brings a greater likelihood of project success and higher returns on investment. When conditions reflect an environment where the quantity demanded of a good is less than the quantity supplied, the market is said to be in a state of *surplus*. In the real estate market, this creates

challenges for a developer to deliver a product that is superior to the competition in an otherwise oversupplied marketplace. These conditions are illustrated in Figure 16.

Fig. 16: Surpluses and Shortages



5.0: Summary Profile of Residential Market Dynamics

5.1 Introduction

This section of the study looks at development, sales, and leasing activity for single-family residential, multifamily for-sale (MFS) and multifamily rental apartments (MFA) in Polk County, the Lakeland Electric Service Area, and the Lakeland CRA Local Area. The reader is reminded that Figure 4 in report section 2.3 provides a profile of historical single family and multifamily construction activity from 1986 through year-end 2024 in Polk County.

5.2 Current For-Sale Residential Conditions in Polk County

As of September 2025, the median home sales transaction in Polk County was for a 1,772 square foot unit listing at \$335,000 (\$189 per square foot), and selling for \$315,000. Since February of 2024 list prices have dropped by 4 percent and sales prices have dropped by 3 percent in Polk. 5.5 percent of the county's single family and condominium inventory currently has an active for-sale listing, and from January through August of 2025 construction began on 4,841 new single family and condominium units with an average value of \$311,217 per unit.

5.3 Residential For-Sale Development Trends in Polk County

Table 5.1 profiles development and just valuation trends in Polk County's residential for-sale market, using parcel data from the Polk County Property appraiser. A total of 229,657 single family² units and 8,522 condominium³ units were identified in the parcel survey for Polk County. Starting with single family, over the decades the average size of a constructed home has increased, although there has been an ever so slight decline in average over the past 15 years. Since 2010 the average size of a constructed single family unit in Polk County is 2,562 square feet, with an average just (assessed) value of \$117.19 per square foot. Nearly 58 percent of Polk County's existing single family inventory was constructed within the past 25 years. Delivery since 2000 has averaged approximately 5,300 units per year, although Figure 4 in report section 2.3 shows us the annual rates have been increasing in recent years.

With respect to condominiums, there has been negligible development activity over the past 15 years in this residential sector. Only a total of 226 condominium units have been delivered since 2010, at an average size of 1,100 square feet and a just (assessed) value of \$140.30 per square foot. 54.3 percent of Polk's condominium inventory is pre-1990 construction.

² DOR Use Code 001

³ DOR Use Code 004

Table 5.1
Polk County, Florida
Residential For-Sale Development Trends
Single Family and Condominium Units

A. Current Inventory By Property Type

<u>Type</u>	<u>Units</u>	<u>Percent</u>
Single Family	229,657	96.4%
Condominium	8,522	3.6%
Total	238,179	100.0%

B. Development by Period - Single Family

<u>Year Built</u>	<u>Units</u>	<u>Percent</u>	<u>Avg. Sq. Ft.</u>	<u>Just Value/Sq. Foot</u>
Pre-1980	52,095	23%	1,908	\$107.01
1980-89	19,840	9%	2,246	\$112.55
1990-99	24,696	11%	2,432	\$116.66
2000-09	52,916	23%	2,615	\$112.88
2010-24	80,110	35%	2,562	\$117.19
Total	229,657	100.0%	2,385	\$113.82

C. Development by Period - Condominium

<u>Year Built</u>	<u>Units</u>	<u>Percent</u>	<u>Avg. Sq. Ft.</u>	<u>Just Value/Sq. Foot</u>
Pre-1980	2,458	28.8%	1,234	\$96.40
1980-89	2,169	25.5%	1,144	\$105.51
1990-99	1,214	14.2%	893	\$132.53
2000-09	2,455	28.8%	1,282	\$130.18
2010-24	226	2.7%	1,100	\$140.30
Total	8,522	100.0%	2,358	\$114.31

Sources: Polk Co. Property Appraiser; Florida Economic Advisors, LLC

5.4 Residential For-Sale Development Trends in the Lakeland Electric Service Area

Table 5.2 profiles development and just valuation trends in LESA’s residential for-sale market, using parcel data from the Polk County Property appraiser. A total of 71,608 single family⁴ units and 2,262 condominium⁵ units were identified in the parcel survey for this submarket. While the general long run construction trend

⁴ DOR Use Code 001

⁵ DOR Use Code 004

has been for larger units, the average size of newly constructed homes from 2010 to the present declined by 5.6 percent relative to the 2000s. The average size of a new home built over the past 15 years in this submarket has been 2,626 square feet. The average just (assessed) value of homes constructed post-2010 in this submarket is \$123.34 per square foot, 5.2 percent higher than the county average. The LESA submarket is an older residential submarket, with only 43 percent of its existing single family inventory constructed during the past 25 years. Delivery since 2010 has averaged approximately 1,134 units per year, accounting for 21.2 percent of County single family construction.

Table 5.2

**Lakeland Electric Service Area
Residential For-Sale Development Trends
Single Family and Condominium Units**

A. Current Inventory By Property Type

<u>Type</u>	<u>Units</u>	<u>Percent</u>
Single Family	71,608	96.9%
Condominium	2,262	3.1%
Total	73,870	100.0%

B. Development by Period - Single Family

<u>Year Built</u>	<u>Units</u>	<u>Percent</u>	<u>Avg. Sq. Ft.</u>	<u>Just Value/Sq. Foot</u>
Pre-1980	21,147	29.5%	2,002	\$113.00
1980-89	9,977	13.9%	2,255	\$116.68
1990-99	9,758	13.6%	2,596	\$117.38
2000-09	13,713	19.2%	2,783	\$117.24
2010-24	17,013	23.8%	2,626	\$123.34
Total	71,608	100.0%	2,416	\$117.72

C. Development by Period - Condominium

<u>Year Built</u>	<u>Units</u>	<u>Percent</u>	<u>Avg. Sq. Ft.</u>	<u>Just Value/Sq. Foot</u>
Pre-1980	899	39.7%	1,440	\$101.97
1980-89	295	13.0%	1,696	\$102.83
1990-99	216	9.5%	1,842	\$125.63
2000-09	803	35.5%	1,406	\$121.21
2010-24	49	2.2%	1,975	\$115.25
Total	2,262	100.0%	1,511	\$111.58

Sources: Polk Co. Property Appraiser; Florida Economic Advisors, LLC

There has been very little activity over the past 15 years in the LESA submarket in the condominium sector. Only 49 condominium units have been delivered since 2010, at an average size of 1,975 square feet and a just (assessed) value of \$115.25 per square foot. 52.7 percent of the submarket’s condominium inventory is pre-1990 construction.

5.5 Residential For-Sale Development Trends in the Lakeland CRA

Table 5.3 reflects the existing for-sale development profile of the Lakeland CRA.

Table 5.3				
Lakeland CRA				
Residential For-Sale Development Trends				
Single Family and Condominium Units				
<i>A. Current Inventory By Property Type</i>				
<u>Type</u>	<u>Units</u>	<u>Percent</u>		
Single Family	4,145	95.4%		
Condominium	200	4.6%		
Total	4,345	100.0%		
<i>B. Development by Period - Single Family</i>				
<u>Year Built</u>	<u>Units</u>	<u>Percent</u>	<u>Avg. Sq. Ft.</u>	<u>Just Value/Sq. Foot</u>
Pre-1980	2,706	65.3%	1,496	\$98.91
1980-89	146	3.5%	1,680	\$101.02
1990-99	180	4.3%	1,534	\$105.54
2000-09	420	10.1%	1,649	\$107.58
2010-24	693	16.7%	1,585	\$118.09
Total	4,145	100.0%	1,534	\$103.54
<i>C. Development by Period - Condominium</i>				
<u>Year Built</u>	<u>Units</u>	<u>Percent</u>	<u>Avg. Sq. Ft.</u>	<u>Just Value/Sq. Foot</u>
Pre-1980	136	68.0%	972	109.30
1980-89	48	24.0%	1,077	\$104.59
1990-99	0	0.0%	0	\$0.00
2000-09	16	8.0%	888	\$285.47
2010-24	0	0.0%	0	\$0.00
Total	200	100.0%	990	\$120.71

A total of 4,145 single family⁶ units and 200 condominium⁷ units were identified

⁶ DOR Use Code 001

⁷ DOR Use Code 004

in the parcel survey for the CRA. While the general long run construction trend has been for larger units, the average size of newly constructed homes from 2010 to the present declined by 5.6 percent relative to the 2000s. The average size of a new home built over the past 15 years in this submarket has been 2,626 square feet. The average just (assessed) value of homes constructed post-2010 in the CRA is \$118.09 per square foot, slightly higher than the county average but lower than the overall LESA submarket. CRA housing stock is even older than the LESA submarket as a whole, with only 26.8 percent of its existing single family inventory constructed during the past 25 years. Delivery since 2010 has averaged approximately 46.2 units per year, accounting for 0.87 percent of County single family construction.

There is little to offer in commentary regarding the CRA condominium market, because only 200 condominium units exist within the CRA. Only 16 units were delivered during the 2000-2009 period, and no units over the past 15 years. The average size of CRA condominium units is 990 square feet, with a just (assessed) value of \$120.71 per square foot. 93 percent of the CRA's condominium inventory is pre-1990 construction.

5.7 Current Multifamily Apartment Market Conditions in Polk County

Table 5.4 profiles the current apartment market conditions in Polk County.

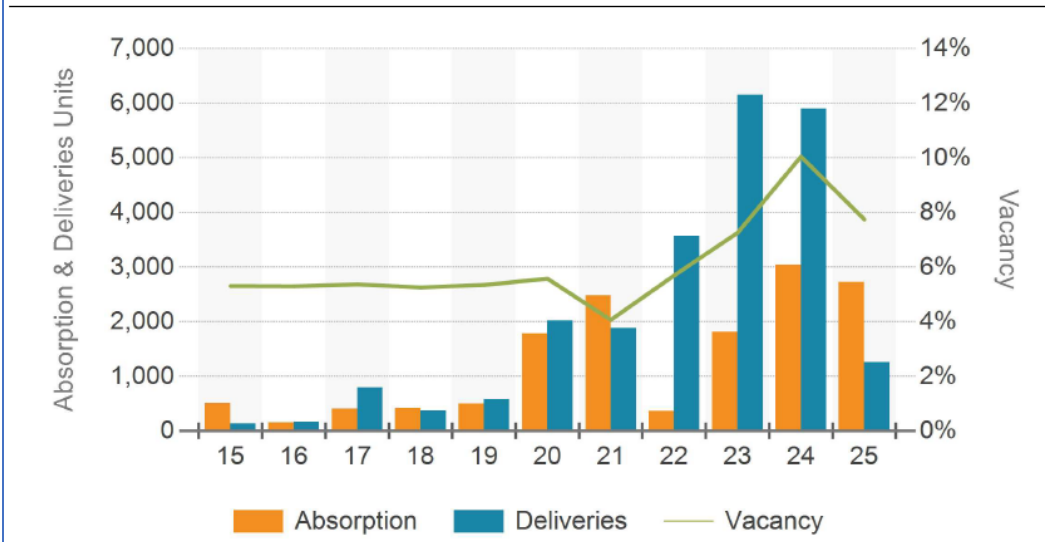
Table 5.4: Polk County Apartment Market					
SUMMARY STATISTICS					
Leasing Units	Survey	5-Year Avg	Inventory in Units	Survey	5-Year Avg
Vacant Units	5,353	4,071	Existing Units	80,693	66,933
Vacancy Rate	7.7%	6.6%	12 Mo. Const. Starts	1,413	3,946
12 Mo. Absorption Units	3,705	2,211	Under Construction	3,121	5,638
			12 Mo. Deliveries	3,430	3,954
Rents	Survey	5-Year Avg	Sales	Past Year	5-Year Avg
Studio Asking Rent	\$1,270	\$1,154	Sale Price Per Unit	\$167,516	\$181,823
1 Bed Asking Rent	\$1,305	\$1,213	Asking Price Per Unit	\$151,283	\$97,802
2 Bed Asking Rent	\$1,535	\$1,439	Sales Volume (Mil.)	\$229	\$590
3+ Bed Asking Rent	\$1,800	\$1,727	Cap Rate	7.7%	7.1%
Concessions	2.0%	1.3%			

Source: CoStar

A total of 80,693 rental apartment units exist within the Polk County. The current market vacancy rate is 7.7 percent, reflecting a drop of more than 2 percent over the past year. A total of 1,413 multifamily starts have occurred within the last year, and 3,430 new units have been delivered to market. Average monthly rental rates in Polk are \$1,270 for studio units, \$1,305 for one-bedroom, \$1,535 for two-bedroom, and \$1,800 for 3+ bedroom. Absorption of 3,705 leased units has occurred over the past 12 months.

Fig. 17(a): Polk County Apartment Market 10-Year Performance

ABSORPTION, DELIVERIES, VACANCY



Source: CoStar

5.8 Lakeland Electric Service Area Apartment Market Conditions

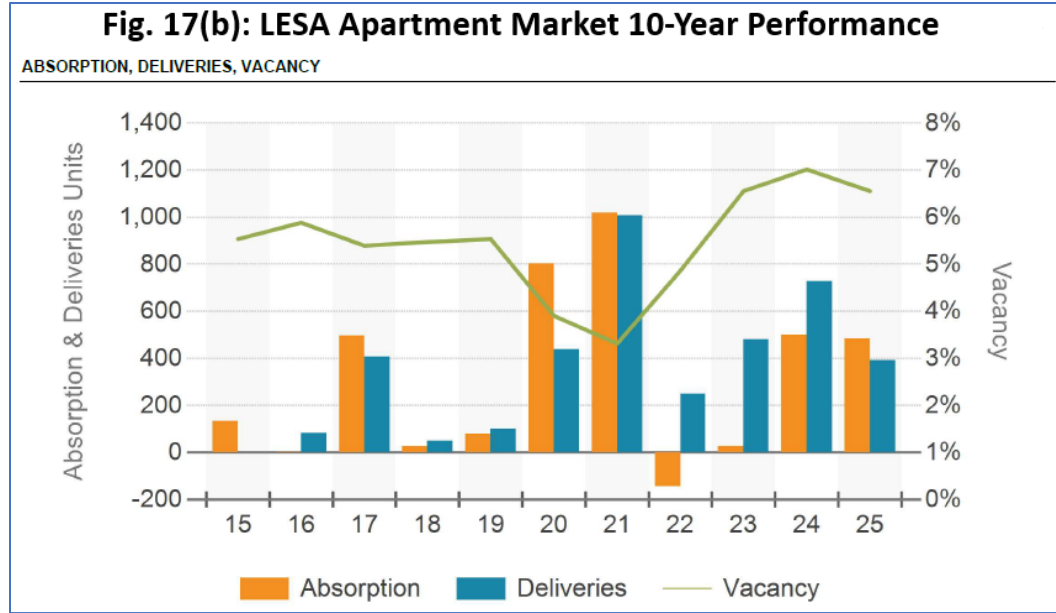
A total of 28,037 rental apartment units exist within the Lakeland Electric Service Area. This accounts for 34.7 percent of Polk County’s market inventory. The current market vacancy rate is 6.6 percent, reflecting a drop of a full percentage percent over the past year. A total of 298 apartment starts have occurred within the last year, and 727 new units have been delivered to market. Average monthly rental rates in Polk are \$1,250 for studio units, \$1,236 for one-bedroom, \$1,485 for two-bedroom, and \$1,760 for 3+ bedroom. Absorption of 599 leased units has occurred over the past 12 months.

Table 5.5: LESA Apartment Market

SUMMARY STATISTICS

Leasing Units			Inventory in Units		
	Survey	5-Year Avg		Survey	5-Year Avg
Vacant Units	1,736	1,359	Existing Units	28,037	25,786
Vacancy Rate	6.6%	5.4%	12 Mo. Const. Starts	288	606
12 Mo. Absorption Units	599	457	Under Construction	852	746
			12 Mo. Deliveries	727	600
Rents			Sales		
	Survey	5-Year Avg		Past Year	5-Year Avg
Studio Asking Rent	\$1,250	\$1,133	Sale Price Per Unit	\$153,241	\$216,269
1 Bed Asking Rent	\$1,236	\$1,170	Asking Price Per Unit	\$121,465	\$90,563
2 Bed Asking Rent	\$1,485	\$1,423	Sales Volume (Mil.)	\$78	\$300
3+ Bed Asking Rent	\$1,760	\$1,682	Cap Rate	10.8%	7.4%
Concessions	0.8%	0.7%			

Source: CoStar



Source: CoStar

5.9 Lakeland CRA Local Area Apartment Market Conditions

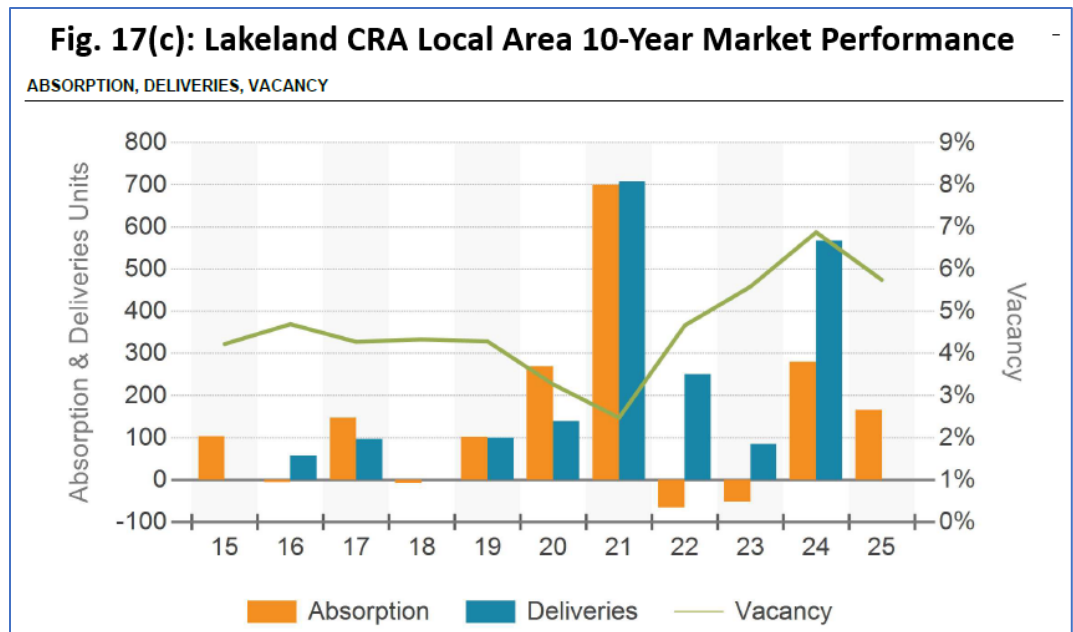
A total of 28,037 rental apartment units exist within the Lakeland Electric Service Area. This accounts for 34.7 percent of Polk County’s market inventory. The current market vacancy rate is 6.6 percent, reflecting a drop of a full percentage percent over the past year. A total of 298 apartment starts have occurred within the last year, and 727 new units have been delivered to market. Average monthly rental rates in Polk are \$1,250 for studio units, \$1,236 for one-bedroom, \$1,485 for two-bedroom, and \$1,760 for 3+ bedroom. Absorption of 599 leased units has occurred over the past 12 months.

Table 5.6: Lakeland CRA Local Area
 SUMMARY STATISTICS

Leasing Units			Inventory in Units		
	Survey	5-Year Avg		Survey	5-Year Avg
Vacant Units	850	691	Existing Units	15,728	14,815
Vacancy Rate	5.7%	4.9%	12 Mo. Const. Starts	0	280
12 Mo. Absorption Units	321	265	Under Construction	288	378
			12 Mo. Deliveries	332	349

Rents			Sales		
	Survey	5-Year Avg		Past Year	5-Year Avg
Studio Asking Rent	\$1,297	\$1,174	Sale Price Per Unit	\$161,406	\$136,252
1 Bed Asking Rent	\$1,178	\$1,107	Asking Price Per Unit	\$128,465	\$82,754
2 Bed Asking Rent	\$1,428	\$1,365	Sales Volume (Mil.)	\$5.2	\$88
3+ Bed Asking Rent	\$1,614	\$1,535	Cap Rate	10.8%	7.0%
Concessions	0.8%	0.7%			

Source: CoStar



Source: CoStar

5.10 Concluding Remarks on Residential Market Activity

The CRA Local Area⁸ (which includes the physical CRA boundaries and lands surrounding the CRA) is forecasted to realize annual household growth of 499 occupied units per year, representing 12 percent of forecasted County growth. While the CRA itself has been largely non-responsive in recent years with the delivery of residential products, the area’s aging for-sale housing stock and considerable employment base⁹ have created latent demands for new product within the CRA. Not only are there opportunities to deliver product within this area, failure to deliver an adequate residential inventory may stifle growth in other non-residential segments as it becomes more difficult for workers to find nearby housing options. Apartment products have proven successful within this submarket, and the lack of any recent delivery of high density for-sale product should create opportunities for condominium development within the area. FEA believes it is reasonable for the CRA itself to average 200-250 units per year of high-density residential product over the next decade, with a 65% apartment/35% condominium mix.

⁸ Refer to the map on Page 18 of the report.

⁹ 46,469 employees presently work within the CRA Local Area. See Table 3.4.

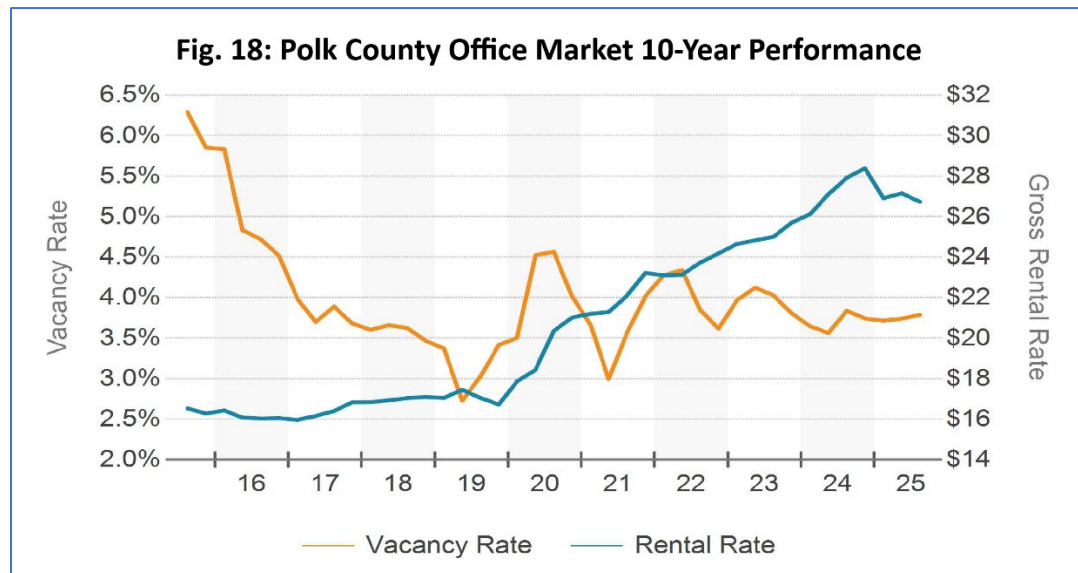
6.0: Office Market Analysis

6.1 Profile of the Polk County Office Market

Polk County presently houses an inventory of 14.75 million square feet¹⁰ of office space. Market conditions are presently tight, with only 558,262 square feet of vacant space, for a market vacancy rate of 3.8 percent. Average lease rates have dipped slightly in past year, to a current weighted average of \$26.73 per square foot. 9,000 square feet in construction starts have occurred over the previous 12 months, along with a delivery of 18,352 square feet in space over that same time period.

Availability	Survey	5-Year Avg	Inventory	Survey	5-Year Avg
Gross Rent Per SF	\$26.73	\$24.40	Existing Buildings	1,790	1,770
Vacancy Rate	3.8%	3.9%	Existing SF	14,750,177	14,557,625
Vacant SF	558,262	563,724	12 Mo. Const. Starts	9,000	67,565
Availability Rate	8.0%	8.2%	Under Construction	0	111,947
Available SF	1,176,453	1,198,532	12 Mo. Deliveries	18,352	110,314
Sublet SF	565,463	453,198			
Months on Market	7.4	6.5			
Demand	Survey	5-Year Avg	Sales	Past Year	5-Year Avg
12 Mo. Absorption SF	-1,783	99,940	Sale Price Per SF	\$199	\$133
12 Mo. Leasing SF	291,083	308,529	Asking Price Per SF	\$280	\$177
			Sales Volume (Mil.)	\$97	\$95
			Cap Rate	7.1%	7.5%

Source: CoStar



Source: CoStar

¹⁰ Source: CoStar. A matching analysis of office parcels in the Polk County Property Appraiser database reveals an inventory of 14.58 million square feet.

Long-term trends in office space inventory within Polk County were determined by assembling vertical development and construction date information from office property parcel records. This information was obtained from a Polk County database of property records provided by the Polk Property Appraiser's Office. Department of Revenue (DOR) land use codes for office buildings, office condominiums, modular office, flex, and financial buildings were selected to represent the office category from the County parcel database.

In spite of the business cycle driven ups and downs of space demand, Polk County's long-range trend in the office market has been steady and expansive, with the continued growth of the area economy increasing the demands for professional and regional office uses.

Table 6.2
Polk County, Florida
Office Development Trends

A. Regional Office Space (Buildings Greater than 50,000 Gross Square Feet)

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	2	6.9%	110,164	3.0%	\$13,511,718	\$122.65
1990-99	9	31.0%	1,156,045	31.0%	\$98,723,656	\$85.40
2000-09	11	37.9%	1,786,273	47.9%	\$189,447,879	\$106.06
2010-19	5	17.2%	322,434	8.6%	\$46,285,875	\$143.55
2020-24	2	6.9%	357,067	9.6%	\$53,478,535	\$149.77
Total	29	100.0%	3,731,983	100.0%	\$401,447,663	\$107.57

B. Professional Office Space (Buildings 10 to 50,000 Gross Square Feet)

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	5,819	49.2%	1,305,150	12.0%	\$125,585,315	\$96.22
1990-99	507	4.3%	2,969,307	27.4%	\$307,525,882	\$103.57
2000-09	3,533	29.8%	3,563,490	32.8%	\$460,633,389	\$129.26
2010-19	1,795	15.2%	2,575,552	23.7%	\$394,749,820	\$153.27
2020-24	185	1.6%	436,562	4.0%	\$79,702,194	\$182.57
Total	11,839	100.0%	10,850,061	100.0%	\$1,368,196,600	\$126.10

C. Total Office Space (Professional + Regional Office Space)

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	5,821	49.0%	1,415,314	9.7%	\$139,097,033	\$98.28
1990-99	516	4.3%	4,125,352	28.3%	\$406,249,538	\$98.48
2000-09	3,544	29.9%	5,349,763	36.7%	\$650,081,268	\$121.52
2010-19	1,800	15.2%	2,897,986	19.9%	\$441,035,695	\$152.19
2020-24	187	1.6%	793,629	5.4%	\$133,180,729	\$167.81
Total	11,868	100.0%	14,582,044	100.0%	\$1,769,644,263	\$121.36

Regional Office Space is defined as buildings in excess of 50,000 square feet

Professional Office Space is defined as buildings 50,000 square feet or less

Sources: Polk County Property Appraiser; Florida Economic Advisors, LLC

Approximately 13.2 million square feet of office space has been delivered in Polk County since 1990, with 62.6 percent of that development occurring in the 2000-2019 period. Polk County's distribution of office space development is estimated at 25.6% regional office / 74.4% professional office.

Average annual rates of office construction were 412,535 square feet in the 1990s, 534,976 square feet in the 2000's, 289,799 square feet in the 2010s, and 158,726 square feet in this decade.

6.2 Forecasted Office Space Demand for Polk County

Future demand for office space in Polk County is estimated using a two-step process. Step 1 involves projecting growth in "office employment" within Polk County. This would consist of job growth in NAICS industry sectors where business activity typically occurs in an office setting. These sectors, also shown in report Tables 2.1 and 2.2, include the following:

- Information (100% of industry employment)
- Finance and Insurance (100% of industry employment)
- Real Estate, Rental, & Lease (100% of industry employment)
- Professional & Tech Services (100% of industry employment)
- Management & Enterprises (100% of industry employment)
- Educational Services (20% of industry employment)
- Health Care & Social Assistance (25% of industry employment)
- "Other" Services (25% of industry employment)
- Federal Civilian Government (25% of industry employment)
- State and Local Government (40% of industry employment)

These industry sectors are forecasted to create a total of 18,214 "office" jobs between 2025 and 2050.

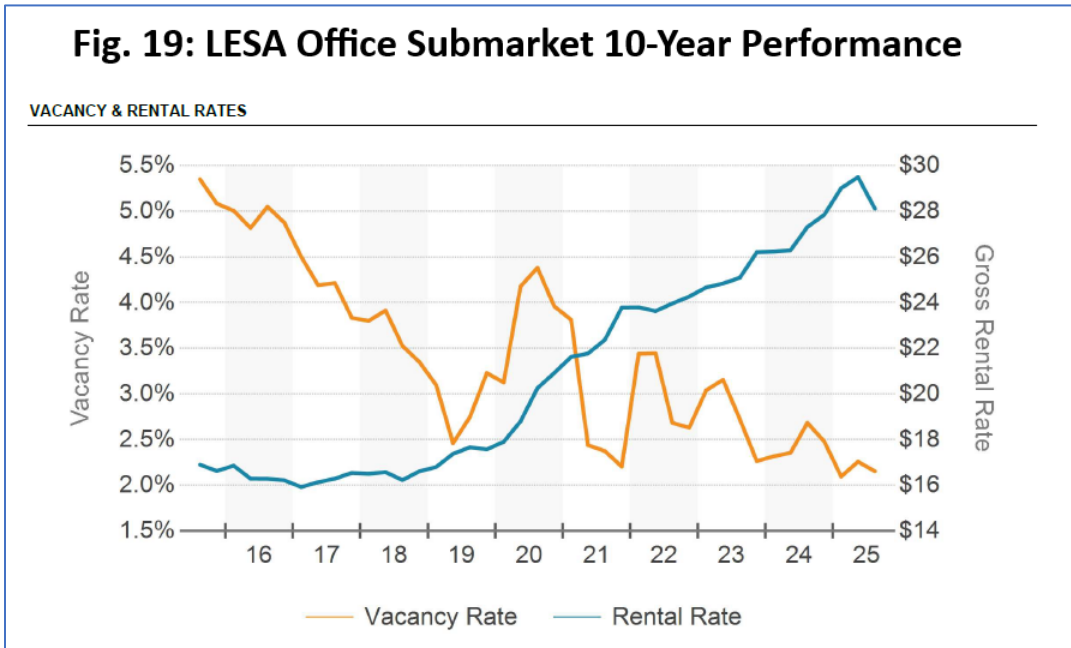
Step 2 of the forecast process involves the application of an employee per square foot ratio to the office employment forecasts. For purposes of this analysis, we use an industry-accepted ratio of 1 employee per 250 square feet of space. Applying this ratio to the employment forecast provides a 2025-2050 demand estimate of **4,553,375** square feet of office space in Polk County. If we factor in the current inventory of 558,262 square feet of vacant space (3.8%) within the market, net demands for new space within the county would total **3,995,113** square feet during the 2025-2050 period, or **159,805** square feet of new space per year.

6.3 Profile of Office Submarket Activity Within the Lakeland Electric Service Area

The Lakeland Electric Service Area presently houses an inventory of 8.44 million square feet¹¹ of office space, accounting for 57.5 percent of the Polk County office market. Submarket conditions are very tight, with only 181,690 square feet of vacant space, for a submarket vacancy rate of 2.2 percent. Average lease rates have dipped slightly in past year, to a current weighted average of \$28.11 per square foot. No new construction starts occurred over the previous 12 months, and only 1,657 square feet in space was delivered over that same time period.

Availability			Inventory		
	Survey	5-Year Avg		Survey	5-Year Avg
Gross Rent Per SF	\$28.11	\$24.45	Existing Buildings	942	939
Vacancy Rate	2.2%	2.8%	Existing SF	8,444,594	8,487,418
Vacant SF	181,690	238,714	12 Mo. Const. Starts	0	28,999
Availability Rate	3.9%	5.4%	Under Construction	0	72,466
Available SF	330,298	459,924	12 Mo. Deliveries	1,657	71,040
Sublet SF	30,360	30,711			
Months on Market	6.5	6.1			
Demand			Sales		
	Survey	5-Year Avg		Past Year	5-Year Avg
12 Mo. Absorption SF	21,202	74,198	Sale Price Per SF	\$166	\$149
12 Mo. Leasing SF	189,141	194,668	Asking Price Per SF	\$259	\$179
			Sales Volume (Mil.)	\$47	\$49
			Cap Rate	7.5%	7.6%

Source: CoStar



Source: CoStar

¹¹ Source: CoStar. A matching analysis of office parcels in the Polk County Property Appraiser database reveals an inventory of 8.39 million square feet.

Table 6.4**Lakeland Electric Service Area
Office Development Trends****A. Regional Office Space (Buildings Greater than 50,000 Gross Square Feet)**

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	1	4.2%	50,305	1.7%	\$6,897,364	\$137.11
1990-99	7	29.2%	644,151	21.5%	\$59,848,397	\$92.91
2000-09	9	37.5%	1,627,454	54.2%	\$175,120,549	\$107.60
2010-19	5	20.8%	322,434	10.7%	\$46,285,875	\$143.55
2020-24	2	8.3%	357,067	11.9%	\$53,478,535	\$149.77
Total	24	100.0%	3,001,411	100.0%	\$341,630,720	\$113.82

B. Professional Office Space (Buildings 10 to 50,000 Gross Square Feet)

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	181	16.4%	537,134	10.0%	\$48,885,828	\$91.01
1990-99	310	28.2%	1,416,378	26.3%	\$153,286,824	\$108.22
2000-09	352	32.0%	1,954,862	36.3%	\$264,495,794	\$135.30
2010-19	222	20.2%	1,260,204	23.4%	\$196,004,767	\$155.53
2020-24	36	3.3%	215,822	4.0%	\$39,009,766	\$180.75
Total	1,101	100.0%	5,384,400	100.0%	\$701,682,979	\$130.32

C. Total Office Space (Professional + Regional Office Space)

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	182	16.2%	587,439	7.0%	\$55,783,192	\$94.96
1990-99	317	28.2%	2,060,529	24.6%	\$213,135,221	\$103.44
2000-09	361	32.1%	3,582,316	42.7%	\$439,616,343	\$122.72
2010-19	227	20.2%	1,582,638	18.9%	\$242,290,642	\$153.09
2020-24	38	3.4%	572,889	6.8%	\$92,488,301	\$161.44
Total	1,125	100.0%	8,385,811	100.0%	\$1,043,313,699	\$124.41

Regional Office Space is defined as buildings in excess of 50,000 square feet

Professional Office Space is defined as buildings 50,000 square feet or less

Sources: Polk County Property Appraiser; Florida Economic Advisors, LLC

7.8 million square feet of office space has been delivered within this subarea since 1990, with 66.2 percent of that delivery occurring in the 2000-2019 period. The Lakeland Electric Service Area's distribution of office space is estimated at 35.8% regional office / 64.2% professional office.

Average annual rates of office construction were 206,053 square feet in the 1990s, 358,232 square feet in the 2000s, 158,264 square feet in the 2010s, and 143,122 square feet in this recent decade. Since 2010 the Lakeland Electric Service Area has accounted for 58.4 percent of all new office development in Polk County.

6.4 Profile of Office Submarket Activity Within the Lakeland CRA Local Area

The Lakeland CRA Local Area presently houses an inventory of 4.21 million square feet¹² of office space, accounting for 28.5 percent of the Polk County office market, or roughly half of the LESA submarket. Similar to the Lakeland Electric service area, conditions are very tight in this submarket; only 97,371 square feet of vacant space exists, for a submarket vacancy rate of 2.3 percent. Average lease rates have dipped slightly in past year, to a current weighted average of \$26.37 per square foot. No new construction starts occurred over the previous 12 months, and no new space was delivered over that time period.

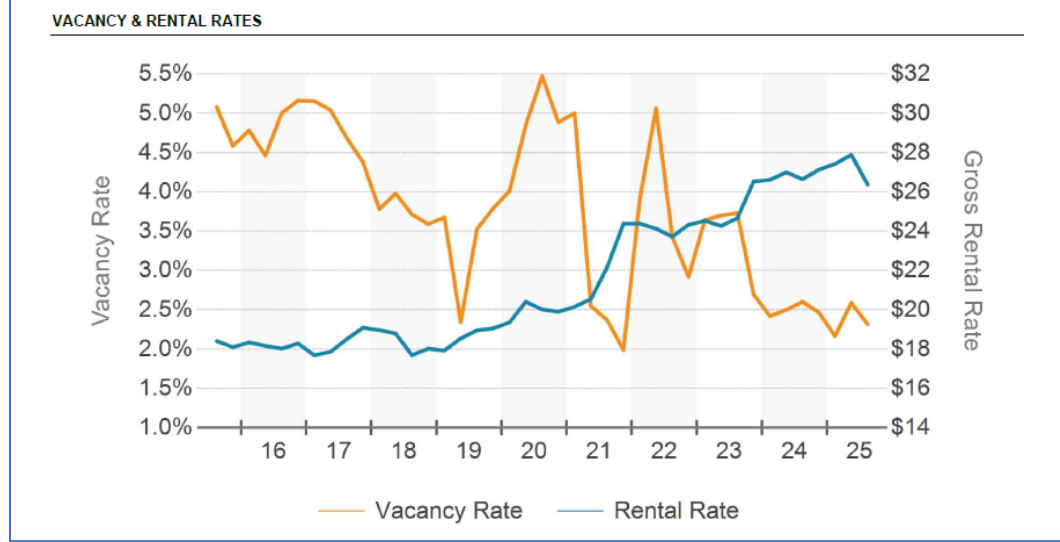
Table 6.5: Lakeland CRA Local Area Office Submarket
SUMMARY STATISTICS

Availability	Survey	5-Year Avg	Inventory	Survey	5-Year Avg
Gross Rent Per SF	\$26.37	\$23.99	Existing Buildings	458	456
Vacancy Rate	2.3%	3.3%	Existing SF	4,210,209	4,271,674
Vacant SF	97,371	139,072	12 Mo. Const. Starts	0	12,440
Availability Rate	5.4%	5.7%	Under Construction	0	55,663
Available SF	227,689	245,277	12 Mo. Deliveries	0	47,228
Sublet SF	15,360	4,130			
Months on Market	6.7	6.9			
Demand	Survey	5-Year Avg	Sales	Past Year	5-Year Avg
12 Mo. Absorption SF	169	42,596	Sale Price Per SF	\$161	\$150
12 Mo. Leasing SF	78,126	99,540	Asking Price Per SF	\$430	\$169
			Sales Volume (Mil.)	\$15	\$28
			Cap Rate	7.8%	7.9%

Source: CoStar

¹² Source: CoStar. An analysis of office parcels strictly within the Lakeland CRA itself from the Polk County Property Appraiser database reveals an inventory of 3.24 million square feet. The defined Lakeland CRA local area has a slightly larger geography which extends to the north of Interstate 4 (see report section 3.0).

Fig. 20: Lakeland CRA Local Area Office Submarket 10-Year Performance



Source: CoStar

3.1 million square feet of office space has been delivered within the CRA since 1990, with 58.7 percent of that delivery occurring in the 2000-2019 period. The CRA's distribution of office space is estimated at 42.6% regional office / 57.4% professional office.

Average annual rates of office construction were 100,295 square feet in the 1990s, 152,788 square feet in the 2000s, 30,257 square feet in the 2010s, and 57,258 square feet in this recent decade. Since 2010 the Lakeland CRA has accounted for 16 percent of all new office development in Polk County.

Table 6.6**Lakeland CRA****Office Development Trends****A. Regional Office Space (Buildings Greater than 50,000 Gross Square Feet)**

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	0	0.0%	0	0.0%	\$0	\$0.00
1990-99	5	45.5%	517,199	37.4%	\$43,531,401	\$84.17
2000-09	4	36.4%	589,985	42.7%	\$51,067,600	\$86.56
2010-19	1	9.1%	52,242	3.8%	\$9,170,466	\$175.54
2020-24	1	9.1%	222,508	16.1%	\$30,968,207	\$139.18
Total	11	100.0%	1,381,934	100.0%	\$134,737,674	\$97.50

B. Professional Office Space (Buildings 10 to 50,000 Gross Square Feet)

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	38	12.9%	120,864	6.5%	\$11,665,218	\$96.52
1990-99	108	36.7%	485,748	26.1%	\$52,366,043	\$107.80
2000-09	106	36.1%	937,897	50.5%	\$127,343,553	\$135.78
2010-19	33	11.2%	250,330	13.5%	\$35,182,055	\$140.54
2020-24	9	3.1%	63,784	3.4%	\$10,381,783	\$162.76
Total	294	100.0%	1,858,623	100.0%	\$236,938,652	\$127.48

C. Total Office Space (Professional + Regional Office Space)

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	38	12.5%	120,864	3.7%	\$11,665,218	\$96.52
1990-99	113	37.0%	1,002,947	30.9%	\$95,897,444	\$95.62
2000-09	110	36.1%	1,527,882	47.1%	\$178,411,153	\$116.77
2010-19	34	11.1%	302,572	9.3%	\$44,352,521	\$146.59
2020-24	10	3.3%	286,292	8.8%	\$41,349,990	\$144.43
Total	305	100.0%	3,240,557	100.0%	\$371,676,326	\$114.70

Regional Office Space is defined as buildings in excess of 50,000 square feet

Professional Office Space is defined as buildings 50,000 square feet or less

Sources: Polk County Property Appraiser; Florida Economic Advisors, LLC

6.5 Implications of Office Market Conditions for the CRA

With a county projection of 159,805 per year in new office space demand, if the CRA can hold onto its 16 percent market capture share, 10 year demands for new space within the CRA would total 255,688 square feet. FEA believes it is possible, for the district to capture an even higher share over that period, due to historically low vacancies within the CRA Local Area. A capture rate of 20 percent would be reasonable for the CRA, yielding 319,610 square feet of demand over a 10-year horizon. As mentioned in Section 5.10, the increased delivery of residential product will also go a long way towards helping support future office development in this area.

FEA recognizes that certain limiting physical conditions may preclude regional office development in some locations within the CRA, but believes that many do exist. The character of future office space within the CRA is likely to have a slight tilt towards professional office users, but still with some opportunities for regional space delivery. A 60% professional office/40% regional office mix should be successful within the area.

7.0: Industrial Market Analysis

7.1 Profile of the Polk County Industrial Market

Polk County presently houses an inventory of 87.5 million square feet¹³ of industrial space. Presently 7.7 million square feet of vacant space exists, for a market vacancy rate of 8.8 percent. Average lease rates have risen slightly in recent months, to a current weighted average of \$9.90 per square foot. 892,285 square feet in construction starts have occurred over the previous 12 months, along with a delivery of 1.53 million square feet in space over that same time period.

Table 7.1: Polk County Industrial Market

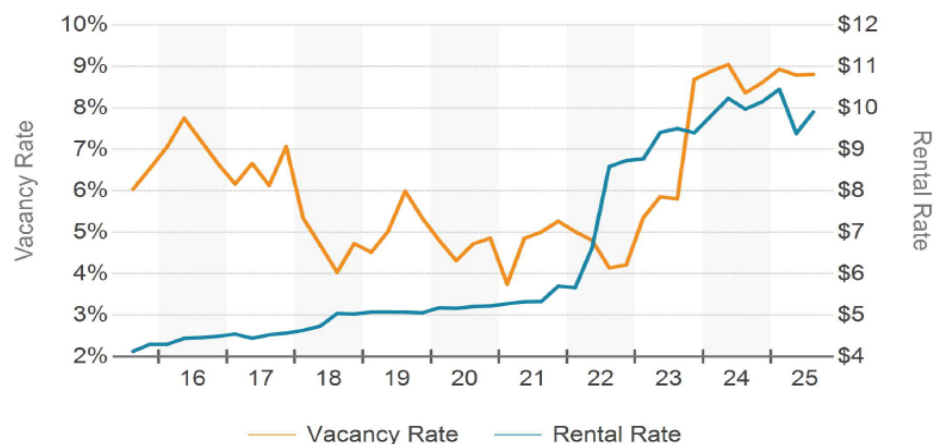
SUMMARY STATISTICS

Availability	Survey	5-Year Avg	Inventory	Survey	5-Year Avg
Rent Per SF	\$9.90	\$6.57	Existing Buildings	1,755	1,722
Vacancy Rate	8.8%	6.3%	Existing SF	87,521,209	82,450,158
Vacant SF	7,707,086	5,214,644	12 Mo. Const. Starts	892,285	1,244,179
Availability Rate	8.0%	7.7%	Under Construction	1,240,852	1,987,267
Available SF	7,104,024	6,514,118	12 Mo. Deliveries	1,527,431	2,381,692
Sublet SF	9,824	271,550			
Months on Market	5.9	4.8			
Demand	Survey	5-Year Avg	Sales	Past Year	5-Year Avg
12 Mo. Absorption SF	1,682,105	1,476,082	Sale Price Per SF	\$113	\$107
12 Mo. Leasing SF	2,176,523	3,949,010	Asking Price Per SF	\$167	\$104
			Sales Volume (Mil.)	\$476	\$535
			Cap Rate	5.8%	7.6%

Source: CoStar

Fig. 21: Polk County Industrial Market 10-Year Performance

VACANCY & RENTAL RATES



Source: CoStar

¹³ Source: CoStar. A matching analysis of industrial parcels in the Polk County Property Appraiser database reveals an inventory of 100.3 million square feet.

Long-term trends in industrial space inventory within Polk County were determined by assembling vertical development and construction date information from industrial property parcel records. This information was obtained from a Polk County database of property records provided by the Polk Property Appraiser's Office. Department of Revenue (DOR) land use codes 40 through 48 were selected to represent the industrial category from the County parcel database.

In spite of the recent market increases in vacancy, Polk County's growth has been considerable, supporting the expansion of the multi-MSA Interstate 4 region.

Table 7.2
Polk County, Florida
Industrial Development Trends

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	195	9.3%	7,232,963	7.2%	\$204,086,190	\$28.22
1990-99	455	21.7%	14,348,954	14.3%	\$626,597,676	\$43.67
2000-09	937	44.7%	32,689,916	32.6%	\$1,968,496,953	\$60.22
2010-19	400	19.1%	31,719,278	31.6%	\$2,400,096,691	\$75.67
2020-24	110	5.2%	14,292,136	14.3%	\$1,231,423,281	\$86.16
Total	2,097	100.0%	100,283,247	100.0%	\$6,430,700,791	\$64.13

Sources: Polk County Property Appraiser; Florida Economic Advisors, LLC

Approximately 93.1 million square feet¹⁴ of industrial space has been delivered in Polk County since 1990, with 69.2 percent of that development occurring in the 2000-2019 period. Average annual rates of industrial construction were 1.4 million square feet in the 1990s, 3.3 million square feet in the 2000's, 3.2 million square feet in the 2010s, and 2.9 million square feet in this decade.

7.2 Forecasted Industrial Space Demand for Polk County

Future demand for industrial space in Polk County is estimated using a two-step process. Step 1 involves projecting growth in "industrial employment" within Polk County. This would consist of job growth in NAICS industry sectors where business activity typically occurs in an Industrial setting. These sectors, also shown in report Tables 2.1 and 2.2, include the following:

- Mining (100%)
- Utilities (100%)
- Construction (100%)
- Manufacturing (100%)

¹⁴ Based on Property Appraiser DOR Codes 40-48

- Wholesale Trade (100%)
- Transportation & Warehousing (100%)
- Administrative & Waste Services (60%)

These industry sectors are forecasted to create a total of 12,588 "industrial" jobs between 2025 and 2050.

Step 2 of the forecast process involves the application of an employee per square foot ratio to the Industrial employment forecasts. During the 2000-2025 period, industrial space grew at a rate of 1,544 square feet per employee (78.7 million square feet / 50,986 industrial employees). For purposes of this analysis, we use that ratio of 1 employee per 1,544 square feet of space. Applying this ratio to the employment forecast provides a 2025-2050 demand estimate of **19,435,872** square feet of industrial space in Polk County. If we factor in the current inventory of 7,707,086 square feet of vacant space (8.8%) **11,728,786** square feet during the 2025-2050 period, or **469,151** square feet of new space per year.

7.3 Profile of Industrial Submarket Activity in the Lakeland Electric Service Area

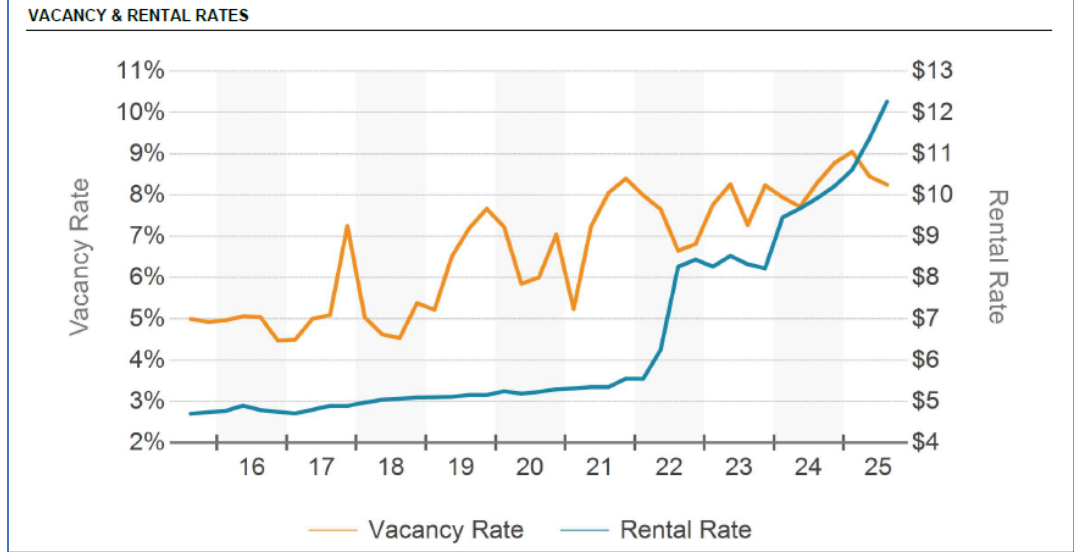
The Lakeland Electric Service Area presently houses an inventory of 44.5 million square feet¹⁵ of Industrial space, accounting for 50.9 percent of the Polk County industrial market. The submarket is performing slightly better than the county as a whole. 3.67 million square feet of space is unoccupied, for a submarket vacancy rate of 8.2 percent. The tightening vacancies have been driving an increase in lease rates, to a current weighted average of \$12.26 per square foot. 315,443 square feet of new construction occurred over the previous 12 months, and 1,070,711 square feet in space was delivered over that same time period.

Table 7.3: LESA Industrial Submarket					
SUMMARY STATISTICS					
Availability	Survey	5-Year Avg	Inventory	Survey	5-Year Avg
Rent Per SF	\$12.26	\$6.24	Existing Buildings	906	887
Vacancy Rate	8.2%	7.7%	Existing SF	44,531,509	42,044,412
Vacant SF	3,673,199	3,237,146	12 Mo. Const. Starts	315,443	722,886
Availability Rate	8.4%	8.5%	Under Construction	476,960	896,403
Available SF	3,763,721	3,652,534	12 Mo. Deliveries	1,070,711	1,258,092
Sublet SF	6,624	211,200			
Months on Market	5.6	3.7			
Demand	Survey	5-Year Avg	Sales	Past Year	5-Year Avg
12 Mo. Absorption SF	749,441	949,069	Sale Price Per SF	\$111	\$114
12 Mo. Leasing SF	1,467,465	2,381,840	Asking Price Per SF	\$167	\$144
			Sales Volume (Mil.)	\$225	\$258
			Cap Rate	5.8%	6.2%

Source: CoStar

¹⁵ Source: CoStar. A matching analysis of industrial parcels in the Polk County Property Appraiser database reveals an inventory of 50.2 million square feet.

Fig. 22: LESA Industrial Submarket 10-Year Performance



Source: CoStar

Table 7.4
Lakeland Electric Service Area
Industrial Development Trends

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	52	5.4%	1,402,197	2.8%	\$72,774,892	\$51.90
1990-99	183	19.2%	6,762,979	13.5%	\$333,835,926	\$49.36
2000-09	474	49.6%	18,144,004	36.2%	\$1,193,353,789	\$65.77
2010-19	188	19.7%	15,560,657	31.0%	\$1,207,951,583	\$77.63
2020-24	58	6.1%	8,312,743	16.6%	\$733,643,970	\$88.26
Total	955	100.0%	50,182,580	100.0%	\$3,541,560,160	\$70.57

Sources: Polk County Property Appraiser; Florida Economic Advisors, LLC

48.8 million square feet of industrial space has been delivered within this subarea since 1990, with 69.1 percent of that delivery occurring in the 2000-2019 period. Average annual rates of Industrial construction were 676,298 square feet in the 1990s, 1.8 million square feet in the 2000s, 1.6 million square feet in the 2010s, and 1.7 million square feet in this recent decade. Since 2010 the Lakeland Electric Service Area has accounted for 51.9 percent of all new industrial development in Polk County.

7.4 Profile of Industrial Submarket Activity Within the Lakeland CRA Local Area

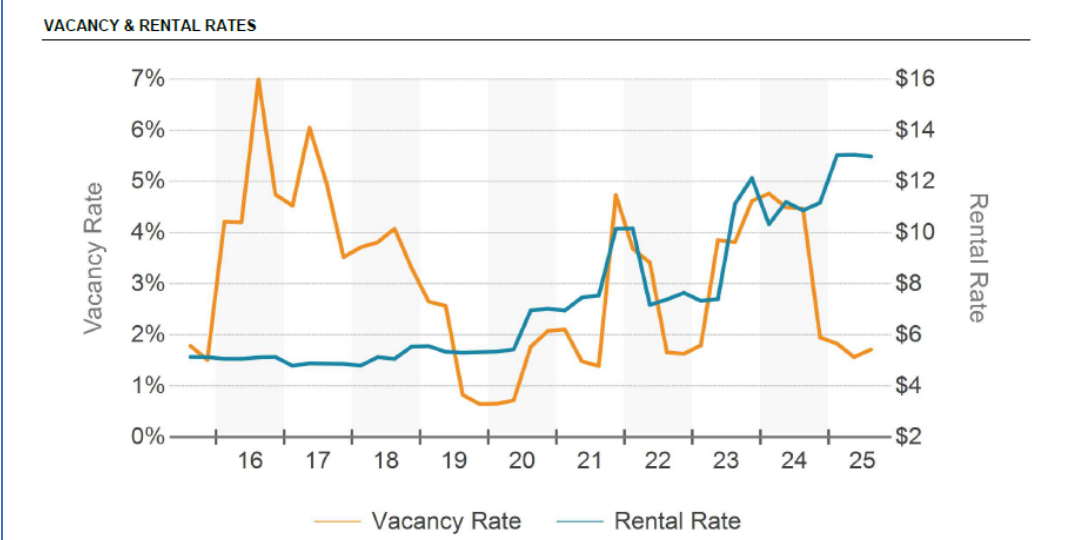
The Lakeland CRA Local Area presently houses an inventory of 9.2 million square feet¹⁶ of Industrial space, accounting for 9.2 percent of the Polk County Industrial market, or 20.7 percent of the LESA submarket. Conditions are very tight in this submarket; only 157,474 square feet of vacant space exists, for a submarket vacancy rate of 1.7 percent. Average lease rates have remained steady for the past several months, to a current weighted average of \$12.97 per square foot. 70,000 square feet in construction starts have occurred over the previous 12 months, and no new space was delivered over that time period.

Table 7.5: Lakeland CRA Local Area Industrial Submarket

SUMMARY STATISTICS					
Availability			Inventory		
	Survey	5-Year Avg		Survey	5-Year Avg
Rent Per SF	\$12.97	\$8.38	Existing Buildings	204	203
Vacancy Rate	1.7%	2.9%	Existing SF	9,197,835	9,118,117
Vacant SF	157,474	261,023	12 Mo. Const. Starts	0	62,998
Availability Rate	2.2%	2.9%	Under Construction	70,000	66,256
Available SF	207,076	261,727	12 Mo. Deliveries	0	83,661
Sublet SF	6,624	1,550			
Months on Market	6.6	5.6			
Demand			Sales		
	Survey	5-Year Avg		Past Year	5-Year Avg
12 Mo. Absorption SF	204,059	63,351	Sale Price Per SF	\$135	\$116
12 Mo. Leasing SF	186,999	205,794	Asking Price Per SF	\$225	\$146
			Sales Volume (Mil.)	\$6.2	\$29
			Cap Rate	-	5.5%

Source: CoStar

Fig. 23: Lakeland CRA Local Area Industrial Submkt. 10-Year Performance



Source: CoStar

¹⁶ Source: CoStar. An analysis of industrial parcels strictly within the Lakeland CRA itself from the Polk County Property Appraiser database reveals an inventory of 3.12 million square feet. The defined Lakeland CRA local area has a slightly larger geography which extends to the north of Interstate 4 (see report section 3.0).

3.1 million square feet of industrial space has been delivered within the CRA since 1990, with 67.1 percent of that delivery occurring in the 2000-2019 period. Average annual rates of Industrial construction were 73,949 square feet in the 1990s, 131,706 square feet in the 2000s, 74,145 square feet in the 2010s, and 54,211 square feet in this recent decade. Since 2010 the Lakeland CRA has accounted for 2.2 percent of all new industrial development in Polk County.

Table 7.6
Lakeland CRA
Industrial Development Trends

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot (\$2025)
Pre-1990	9	10.2%	54,200	1.7%	\$1,982,808	\$36.58
1990-99	27	30.7%	739,489	23.7%	\$44,921,244	\$60.75
2000-09	34	38.6%	1,317,059	42.2%	\$89,491,356	\$67.95
2010-19	13	14.8%	741,451	23.7%	\$54,395,601	\$73.36
2020-24	5	5.7%	271,055	8.7%	\$22,778,809	\$84.04
Total	88	100.0%	3,123,254	100.0%	\$213,569,818	\$68.38

Sources: Polk County Property Appraiser; Florida Economic Advisors, LLC

7.5 Implications of Industrial Market Conditions for the Subject Property

While industrial properties may not be the most desirable for an urban redevelopment proposal, several important factors must be taken into consideration. First, The Polk County/Lakeland industrial market is among the strongest in Florida, and should continue to remain so for the foreseeable future. Second, the CRA local area houses 10.5 percent Polk’s industrial inventory (9.2 million square feet), a third of which is within the administrative boundaries of the CRA. Third, the CRA itself has seen more than a million square feet of new delivery since 2010. And finally, not all industrial operations are space consuming, semi-requiring operations. Tech industrial tenants typically operate in similar space platforms to office tenants, with their primary specialized requirements being interior improvements for fiber optic connections. The point of these observations is to suggest that ignoring industrial uses for the future of the CRA would be a mistake, as properly positioned properties could attract high-wage tenants to this area. At even a modest 3 percent capture of forecasted county demand, 140,750 square feet of new industrial space would be viable for the CRA over the next 10 years.

8.0: Commercial/Retail Market Analysis

8.1 Profile of Major Economic Drivers Influencing the Commercial/Retail Market

The makeup and composition of Polk's diversifying population is constantly shifting and creating new influences that impact people's taste and style. This evolving demographic profile of people who live, work and visit the area creates a strong environment for the confluence of wealth and consumer spending that can support a vibrant retail market.

Polk is not immune to the challenges that traditional retail is experiencing nationally in today's market. The fast pace of change is leaving some retailers and older shopping areas struggling to find ways to attract customers and increase foot traffic. The digital infrastructure and the curated experiential environments are creating new touch points with customers that are more intertwined and interconnected between the digital and brick-and-mortar world. Polk's retail submarkets are adjusting the changing landscape of how consumers shop.

Central Florida in 2025 is a microcosm of how these changes are affecting the old retail model and of how retailers are confronting the new subtleties in the 21st century. Due to its size, Polk has a considerable regional impact. It is in the center of one of the fastest growing regional markets in the United States, and hosts nearly 6 million visitors annually. This vibrant market offers a favorable testing ground for new retail ventures that may eventually expand to other regional markets in the Southeast and throughout the country.

The last 20 years has seen eCommerce take a larger share of U.S. retail sales that is expected to reach a 21 percent share by 2027. eCommerce is a factor in store-traffic erosion and the failure of some brick-and-mortar companies. A relevant consideration in this consumer demand shift is the spending habits and preferences of the Millennial and Gen-Z generations. Matching the baby-boom and Gen-X generations in size, these shoppers are not attracted as much to the conventional retail model as consumers in the older generations. Millennials and Gen-Zers desire convenience, a good deal and, if they do choose to go out, they want an experience. Brick-and-mortar stores need to have a compelling and unique environment to draw these consumers in. Retail in Polk has struggled to keep pace to in bridging the offline storefront with an online presence. In urban markets that lead this revolution, retailers are reinventing their business models to use technology to attract and retain customers. Destination retail creates an experience that captures people's attention and cannot easily be replicated online.

There is an emerging trend of e-retailers buying or opening brick-and-mortar storefronts to create more direct "retail touch points" with customers. These

stand-alone touch points serve as a driver for brand awareness and as a connection to the online marketplace. New brick-and-mortar stores can also be part of a last-mile delivery and fulfillment strategy. Online retail brands can be drawn to Polk's market because it has the density, consumer purchasing power, and diversifying customer base that can support the creation of physical storefronts.

Many new developments that are under construction or proposed actively pursue online brands because they are attractive to these large Millennial and Gen-Z demographic cohorts, ultimately driving more customer traffic to their projects. This trend has the potential of accelerating online brands movement into yet-untapped retail concepts, including local corner convenience stores.

While some analysts lament the retail sector has reached the end of the conventional storefront era, that assessment is a bit premature. While some chains and retail sectors are being hit harder than others, the overall trend nationally remains positive. Polk County's retail market is undeniably in a state of flux. Stores must innovate, focusing on flexibility and adaptability to capture customers. Sometimes the new ideas work, sometimes they do not. The survival of brick-and-mortar retail is dependent on the ability of the retailers to adapt to changing conditions and demographics.

Sporadic vacancies and the presence of empty storefronts are witnessed in Polk for many reasons. Retailers are still learning to adapt to online competition and to changing neighborhood characteristics. A number of regional and national chains are closing larger spaces and opening smaller retail footprints in the same areas. The spatial repositioning helps to lower costs, while allowing the retailers to tailor the shopping experience for the local area, while rapidly changing and customizing the store experience.

Another emerging trend in the repositioning of brick-and-mortar retail space to stimulate foot traffic is by connecting the retail to complementary uses. In some centers, the total amount of retail square feet may be reduced and replaced with entertainment, office and even some residential space to create an atmosphere in which people want to come, stay and spend money. Owners are trying to provide an alternative environment to online shopping where people can gather and interact. In Polk, opportunities exist for the development of outdoor and community-oriented space in urban projects that bring people together for experiential shopping and dining ventures.

8.2 Profile of the Polk County Commercial/Retail Market

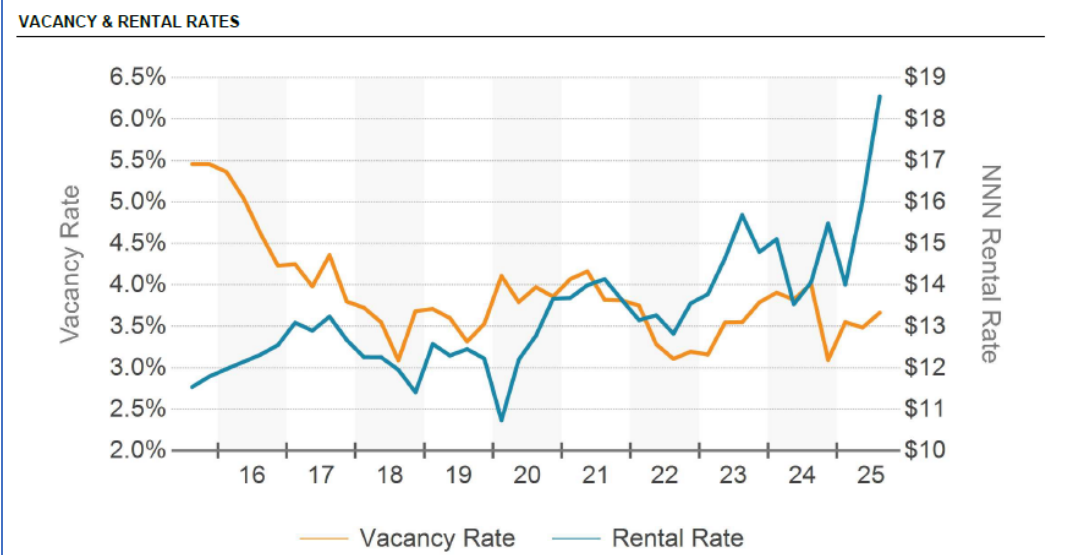
Polk County presently houses an inventory of 34.2 million square feet¹⁷ of commercial/retail space. The market has tightened over the previous 18 months, tight, with only 1.25 million square feet of vacant space, for a market vacancy rate of 3.7 percent. Average lease rates have dipped slightly in past year, to a current weighted average of \$18.54 per square foot. 194,392 square feet in construction starts have occurred over the previous 12 months, along with a delivery of 299,119 square feet in space over that same time period.

Table 8.1: Polk County Commercial/Retail Market Conditions

SUMMARY STATISTICS					
Availability			Inventory		
NNN Rent Per SF	Survey	5-Year Avg	Existing Buildings	Survey	5-Year Avg
	\$18.54	\$13.91	Existing SF	3,134	3,056
Vacancy Rate	3.7%	3.7%	12 Mo. Const. Starts	34,226,822	33,537,475
Vacant SF	1,253,625	1,223,789	Under Construction	116,688	265,074
Availability Rate	4.2%	4.8%	12 Mo. Deliveries	194,392	247,754
Available SF	1,450,120	1,606,015		299,119	311,555
Sublet SF	45,025	14,641			
Months on Market	5.9	12.6			
Demand			Sales		
12 Mo. Absorption SF	Survey	5-Year Avg	Sale Price Per SF	Past Year	5-Year Avg
	335,385	297,492	Asking Price Per SF	\$153	\$176
12 Mo. Leasing SF	582,473	549,014	Sales Volume (Mil.)	\$475	\$348
			Cap Rate	\$268	\$256
				6.3%	6.2%

Source: CoStar

Fig. 24: Polk Co. Commercial/Retail Market 10-Year Performance



Source: CoStar

¹⁷ Source: CoStar. A matching analysis of commercial/retail parcels in the Polk County Property Appraiser database reveals an inventory of 37 million square feet.

Long-term trends in commercial/retail space inventory within Polk County were determined by assembling vertical development and construction date information from commercial/retail property parcel records. This information was obtained from a Polk County database of property records provided by the Polk Property Appraiser's Office.

Table 8.2
Polk County, Florida
Commercial/Retail Development Trends
Commercial/Retail/Restaurant Space

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot
Pre-1990	880	21.2%	3,261,463	8.8%	\$180,481,368	\$55.34
1990-99	1,153	27.8%	9,803,201	26.5%	\$603,106,997	\$61.52
2000-09	1,153	27.8%	11,859,848	32.1%	\$987,641,582	\$83.28
2010-19	787	19.0%	10,188,401	27.5%	\$1,215,016,442	\$119.25
2020-24	172	4.1%	1,880,094	5.1%	\$309,927,424	\$164.85
Total	4,145	100.0%	36,993,007	100.0%	\$3,296,173,813	\$89.10

(Includes State of Florida DOR codes 010, 011, 012, 013, 014, 015, 016, 021, 022, 025, 026, 027, 029, 030, 031, 032, 033, and 034)
 Sources: FL Dept. of Revenue; Polk Co. Prop. Appraiser, Florida Economic Advisors, LLC

Approximately 33.7 million square feet of office space has been delivered in Polk County since 1990, with 65.4 percent of that development occurring in the 2000-2019 period. Average annual rates of commercial/retail construction were 980,320 square feet in the 1990s, 1,185,985 square feet in the 2000's, 1,018,840 square feet in the 2010s, and 376,019 square feet in this decade.

8.3 Forecasted Commercial/Retail Space Demand for Polk County

Section 2.0 of the report noted 2025-2050 growth in Polk County of 88,510 households. Based on current estimates of average household income, and non-online retail spending provided by the U.S. Department of Commerce and the U.S. Department of Labor, FEA estimates that the typical Polk household presently spends \$34,376 annually on non-online retail items. At a supportable rate of \$400 per square foot, this future household growth would then create 2025-2050 demand for **7,606,505** square feet of commercial/retail space within the county. Add to this projected growth in annual visitor spending of \$211.4 million over the 2025-2050 period,¹⁸ results in an additional **528,426** square feet of demand, for

¹⁸ Please refer to 2025-2050 visitor growth projections presented in Section 9.0 of this report, multiplied by \$40 per visitor in retail spending

projected aggregate demand for **8,135,030** in commercial retail space over the next 25 years.

8.4 Profile of Commercial/Retail Market Activity Within the Lakeland Electric Service Area

The Lakeland Electric Service Area presently houses an inventory of 15.7 million square feet¹⁹ of commercial/retail space, or 45.8 percent of the Polk County commercial/retail market. This submarket is slightly underperforming compared to the county as a whole, with 684,958 square feet of vacant space, for a submarket vacancy rate of 4.4 percent. It should be noted, however, that vacancies have been tightening in recent months, and this has led to a considerable bump in lease rates this year, to a current weighted average of \$18.36 per square foot. No new construction starts have occurred over the previous 12 months, while delivery of 45,343 square feet in space has occurred over that same time period.

Table 8.3: LESA Commercial/Retail Market Conditions

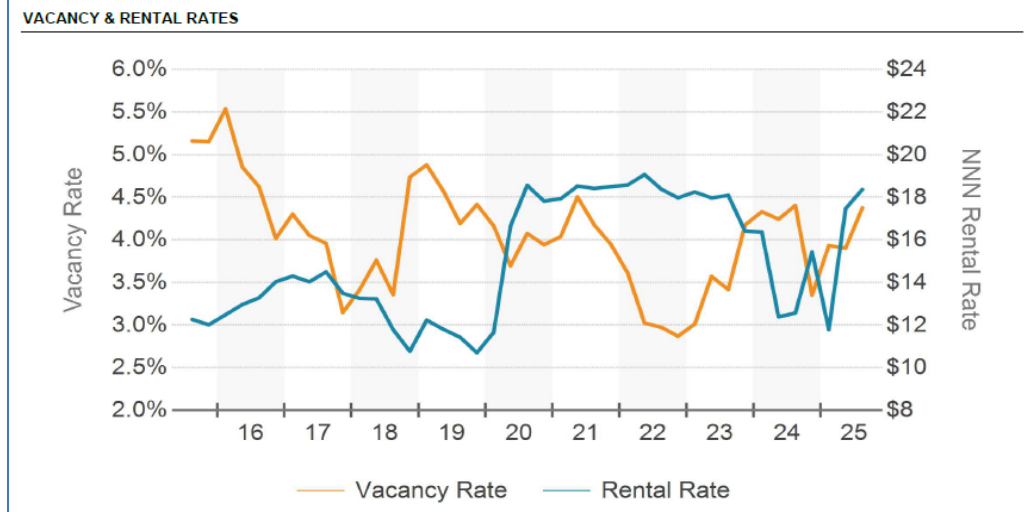
SUMMARY STATISTICS

Availability	Survey	5-Year Avg	Inventory	Survey	5-Year Avg
NNN Rent Per SF	\$18.36	\$14.82	Existing Buildings	1,372	1,356
Vacancy Rate	4.4%	3.8%	Existing SF	15,659,121	15,581,771
Vacant SF	684,958	589,229	12 Mo. Const. Starts	0	39,490
Availability Rate	4.5%	4.7%	Under Construction	0	52,135
Available SF	712,040	739,611	12 Mo. Deliveries	45,343	77,522
Sublet SF	40,716	11,021			
Months on Market	7.0	11.7			
Demand	Survey	5-Year Avg	Sales	Past Year	5-Year Avg
12 Mo. Absorption SF	31,188	57,055	Sale Price Per SF	\$192	\$175
12 Mo. Leasing SF	252,917	248,720	Asking Price Per SF	\$459	\$337
			Sales Volume (Mil.)	\$113	\$140
			Cap Rate	6.5%	6.1%

Source: CoStar

¹⁹ Source: CoStar. A matching analysis of commercial/retail parcels in the Polk County Property Appraiser database reveals an inventory of 16 million square feet.

Fig. 25: LESA Commercial/Retail 10-Year Market Performance



Source: CoStar

Table 8.4
Lakeland Electric Service Area
Commercial/Retail Development Trends

Commercial/Retail/Restaurant Space

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot
Pre-1990	295	18.7%	1,192,074	7.4%	\$72,425,889	\$60.76
1990-99	444	28.2%	5,207,361	32.4%	\$326,426,950	\$62.69
2000-09	444	28.2%	4,691,313	29.2%	\$420,735,659	\$89.68
2010-19	330	21.0%	4,110,951	25.6%	\$502,923,792	\$122.34
2020-24	62	3.9%	847,954	5.3%	\$131,866,755	\$155.51
Total	1,575	100.0%	16,049,653	100.0%	\$1,454,379,045	\$90.62

(Includes State of Florida DOR codes 010, 011, 012, 013, 014, 015, 016, 021, 022, 025, 026, 027, 029, 030, 031, 032, 033, and 034)

Sources: FL Dept. of Revenue; Polk Co. Prop. Appraiser, Florida Economic Advisors, LLC

Approximately 14.9 million square feet of commercial/retail space has been delivered in Polk County since 1990, with 59.2 percent of that development occurring in the 2000-2019 period. Average annual rates of commercial/retail construction were 520,736 square feet in the 1990s, 469,131 square feet in the 2000’s, 411,095 square feet in the 2010s, and 169,151 square feet in this decade. The LESA submarket has accounted for 41.1 percent of new commercial/retail construction in Polk County since 2010.

8.5 Profile of Commercial/Retail Market Activity Within the Lakeland CRA Local Area

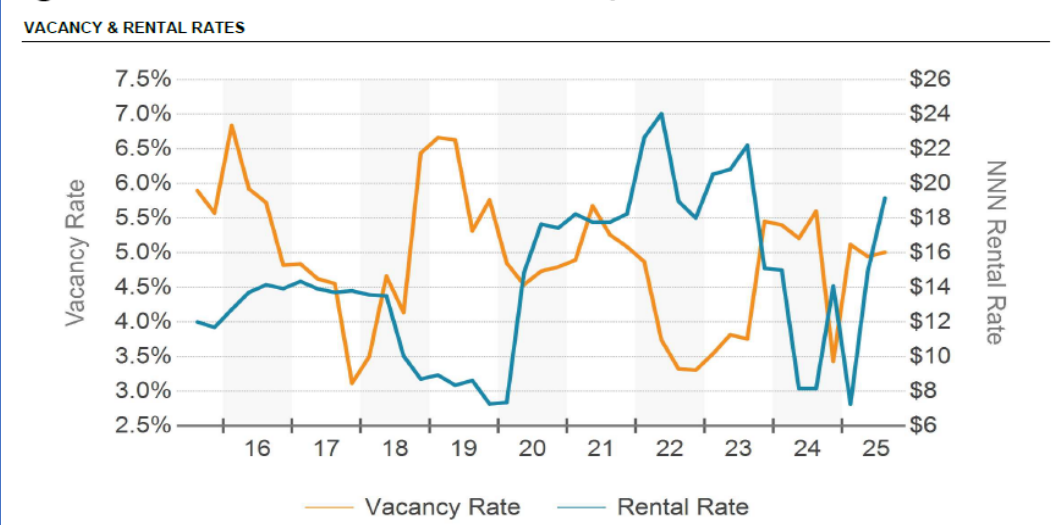
The Lakeland CRA Local Area presently houses an inventory of 7.1 million square feet²⁰ of commercial/retail space. This equates to 45.6 percent of the LESA submarket, and 20.8 percent of the Polk County commercial/retail market. This submarket is slightly underperforming the County and LESA submarkets, with 357,059 square feet of vacant space, for a submarket vacancy rate of 5.0 percent. Vacancy rates have been somewhat volatile in this submarket over the past 24 months, and lease rates are high at a current weighted average of \$19.15 per square foot. No new construction starts have occurred over the previous 12 months, while delivery of 15,749 square feet in space has occurred over that same time period.

Table 8.5: Lakeland CRA Local Area Comm./Ret. Mkt. Conditions

SUMMARY STATISTICS					
Availability			Inventory		
	Survey	5-Year Avg		Survey	5-Year Avg
NNN Rent Per SF	\$19.15	\$11.70	Existing Buildings	634	628
Vacancy Rate	5.0%	4.6%	Existing SF	7,135,801	7,154,364
Vacant SF	357,059	328,341	12 Mo. Const. Starts	0	20,325
Availability Rate	4.6%	5.5%	Under Construction	0	23,145
Available SF	329,998	396,785	12 Mo. Deliveries	15,749	28,972
Sublet SF	0	2,466			
Months on Market	7.3	9.9			
Demand			Sales		
	Survey	5-Year Avg		Past Year	5-Year Avg
12 Mo. Absorption SF	6,014	17,224	Sale Price Per SF	\$182	\$135
12 Mo. Leasing SF	68,168	95,540	Asking Price Per SF	\$567	\$333
			Sales Volume (Mil.)	\$60	\$57
			Cap Rate	6.9%	6.7%

Source: CoStar

Fig. 26: Lakeland CRA Local Area Comm./Ret. 10-Yr. Mkt. Performance



Source: CoStar

²⁰Source: CoStar. An analysis of commercial/retail parcels strictly within the Lakeland CRA itself from the Polk County Property Appraiser database reveals an inventory of 2.7 million square feet. The defined Lakeland CRA local area has a slightly larger geography which extends to the north of Interstate 4 (see report section 3.0).

Table 8.6**Lakeland CRA****Commercial/Retail Development Trends**Commercial/Retail/Restaurant Space

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Foot
Pre-1990	71	19.9%	348,122	13.1%	\$18,664,166	\$53.61
1990-99	125	35.1%	1,062,048	39.9%	\$64,306,043	\$60.55
2000-09	107	30.1%	754,915	28.4%	\$66,853,289	\$88.56
2010-19	47	13.2%	448,098	16.8%	\$65,876,004	\$147.01
2020-24	6	1.7%	49,320	1.9%	\$11,274,872	\$228.61
Total	356	100.0%	2,662,503	100.0%	\$226,974,374	\$85.25

(Includes State of Florida DOR codes 010, 011, 012, 013, 014, 015, 016, 021, 022, 025, 026, 027, 029, 030, 031, 032, 033, and 034)

Sources: FL Dept. of Revenue; Polk Co. Prop. Appraiser, Florida Economic Advisors, LLC

Approximately 2.3 million square feet of commercial/retail space has been delivered within the Lakeland CRA since 1990, with 52 percent of that development occurring in the 2000-2019 period. Average annual rates of commercial/retail construction were 106,205 square feet in the 1990s, 75,492 square feet in the 2000's, 44,810 square feet in the 2010s, and 9,864 square feet in this decade. The CRA has accounted for 4.1 percent of new commercial/retail construction in Polk County since 2010.

8.6 Commercial/Retail Gap Analysis – Lakeland Electric Service Area

Table 7.3 presents the results of a 2025 commercial/retail “gap analysis” for the Lakeland Electric Service Area, by store type. In effect, this is a demand and supply analysis of retail and restaurant uses for the trade area. Total consumer demand (represented in terms of local purchasing power from resident and attendant visitors) within the trade area is compared by actual sales volume from establishments within the trade area. If the amount of consumer purchasing power is greater than the volume of establishment sales, that means there is a “gap” of unmet demand for that store/business type within the trade area. If the overall sales volume of store sales exceeds purchasing power, this is suggestive of a market that has greater supply of a specific retail/restaurant category than consumers actually demand. Gaps in spending are divided by an average volume of \$400 per square foot of establishment activity, to arrive an estimate of square footage needs for the trade area.

The area gap analysis indicates that the Lakeland Electric Service Area is a very competitive market with regards to retail and restaurant uses, and overall the area

is in a current state of oversupply. Retail/restaurant categories which reveal both (1) shortages of space and (2) a category suitable for development within an urban mixed-use project include:

- Furniture and Home Furnishing Stores (90,418 square feet)
- Building Material & Garden Equipment Supplies (247,343 square feet)
- Beer Wine & Liquor Stores (53,038 square feet)
- Men's & Women's Clothing Stores (52,497 square feet)
- Pharmacies and Drug Stores (83,561 square feet)
- Specialty Food Stores (15,527 square feet)
- Jewelry & Luggage Stores (61,326 square feet)
- Sporting Goods Stores (47,021 square feet)
- Used Merchandise Stores (27,916 square feet)
- Food Services and Drinking Places (191,201 square feet)

The reader should recognize that the aforementioned gap analysis is not concluding that store types and categories other than the four mentioned will be unsuccessful on the subject property. It simply means that these four categories are those that actually display shortages and unmet needs within this trade area. This will be discussed further in Section 8.8 of the report.

Table 8.7
Retail Stores Opportunity Gap Analysis
Demand v. Supply by Store Type - Lakeland Electric Service Area

	2025 \$ Demand	2025 \$ Supply	Opportunity Gap/Surplus	Sq. Ft. Demand @ \$400/PSF
Totals				
Total retail trade including food and drink (NAICS 44, 45 and 722)	\$7,023,005,025	\$8,055,057,445	(\$1,032,052,420)	(2,580,131)
Total retail trade (NAICS 44 and 45)	\$6,093,274,536	\$7,201,807,318	(\$1,108,532,782)	(2,771,332)
Motor Vehicle and Parts Dealers				
Motor vehicle and parts dealers (NAICS 441)	\$1,404,815,997	\$2,179,473,658	(\$774,657,661)	(1,936,644)
Automobile dealers (NAICS 4411)	\$1,215,268,749	\$1,829,043,893	(\$613,775,144)	(1,534,438)
New car dealers (NAICS 44111)	\$1,090,399,546	\$1,735,189,405	(\$644,789,859)	(1,611,975)
Used car dealers (NAICS 44112)	\$124,869,202	\$93,854,489	\$31,014,713	77,537
Other motor vehicle dealers (NAICS 4412)	\$71,776,555	\$180,185,133	(\$108,408,578)	(271,021)
Recreational vehicle dealers (NAICS 44121)	\$25,555,744	\$74,986,941	(\$49,431,197)	(123,578)
Motorcycle, boat, and other motor vehicle dealers (NAICS 44122)	\$46,220,811	\$105,198,192	(\$58,977,381)	(147,443)
Boat dealers (NAICS 441222)	\$15,254,456	\$8,908,875	\$6,345,581	15,864
Motorcycle, ATV, and all other motor vehicle dealers (NAICS 441228)	\$30,966,356	\$96,289,317	(\$65,322,961)	(163,307)
Automotive parts, accessories, and tire stores (NAICS 4413)	\$117,770,693	\$170,244,631	(\$52,473,938)	(131,185)
Automotive parts and accessories stores (NAICS 44131)	\$74,389,003	\$114,295,326	(\$39,906,323)	(99,766)
Tire dealers (NAICS 44132)	\$43,381,690	\$55,949,305	(\$12,567,615)	(31,419)
Furniture and Home Furnishings Stores				
Furniture and home furnishings stores (NAICS 442)	\$111,157,173	\$74,990,039	\$36,167,134	90,418
Furniture stores (NAICS 4421)	\$62,074,311	\$42,472,715	\$19,601,596	49,004
Home furnishings stores (NAICS 4422)	\$49,082,863	\$32,517,324	\$16,565,539	41,414
Floor covering stores (NAICS 44221)	\$19,069,100	\$23,247,420	(\$4,178,320)	(10,446)
Other home furnishings stores (NAICS 44229)	\$30,013,763	\$9,269,904	\$20,743,859	51,860
Window treatment stores (NAICS 442291)	\$1,358,252	\$891,870	\$466,382	1,166
All other home furnishings stores (NAICS 442299)	\$28,655,511	\$8,378,034	\$20,277,477	50,694
Electronics and Appliance Stores				
Electronics and appliance stores (NAICS 443)	\$73,454,002	\$98,313,880	(\$24,859,878)	(62,150)
Household appliance stores (NAICS 443141)	\$18,256,085	\$17,065,975	\$1,190,110	2,975
Electronics stores (NAICS 443142)	\$55,197,917	\$81,247,905	(\$26,049,988)	(65,125)
Building Material and Garden Equipment and Supplies Dealers				
Building material and garden equipment and supplies dealers (NAICS 444)	\$401,596,043	\$302,658,809	\$98,937,234	247,343
Building material and supplies dealers (NAICS 4441)	\$350,906,515	\$274,699,275	\$76,207,240	190,518
Home centers (NAICS 44411)	\$188,396,762	\$182,525,761	\$5,871,001	14,678
Paint and wallpaper stores (NAICS 44412)	\$15,509,807	\$3,509,643	\$12,000,164	30,000
Hardware stores (NAICS 44413)	\$34,915,060	\$22,606,433	\$12,308,627	30,772
Other building material dealers (NAICS 44419)	\$112,084,885	\$66,057,438	\$46,027,447	115,069
Lawn and garden equipment and supplies stores (NAICS 4442)	\$50,689,528	\$27,959,534	\$22,729,994	56,825
Outdoor power equipment stores (NAICS 44421)	\$10,634,539	\$4,167,714	\$6,466,825	16,167
Nursery, garden center, and farm supply stores (NAICS 44422)	\$40,054,989	\$23,791,820	\$16,263,169	40,658
Food and Beverage Stores				
Food and beverage stores (NAICS 445)	\$782,459,171	\$938,483,652	(\$156,024,481)	(390,061)
Grocery stores (NAICS 4451)	\$704,155,218	\$887,605,786	(\$183,450,568)	(458,626)
Supermarkets and other grocery (except convenience) stores (NAICS 44511)	\$671,103,720	\$843,913,266	(\$172,809,546)	(432,024)
Convenience stores (NAICS 44512)	\$33,051,499	\$43,692,521	(\$10,641,022)	(26,603)
Specialty food stores (NAICS 4452)	\$22,007,253	\$15,796,563	\$6,210,690	15,527
Meat markets (NAICS 44521)	\$6,661,840	\$3,734,127	\$2,927,713	7,319
Fish and seafood markets (NAICS 44522)	\$2,618,296	\$4,471,517	(\$1,853,221)	(4,633)
Fruit and vegetable markets (NAICS 44523)	\$4,562,864	\$4,757,370	(\$194,506)	(486)
Other specialty food stores (NAICS 44529)	\$8,164,253	\$2,833,549	\$5,330,704	13,327
All other specialty food stores (NAICS 445299)	\$3,839,400	\$1,318,858	\$2,520,542	6,301
Beer, wine, and liquor stores (NAICS 4453)	\$56,296,699	\$35,081,303	\$21,215,396	53,038

Table 8.7

Retail Stores Opportunity Gap Analysis

Demand v. Supply by Store Type - Lakeland Electric Service Area

	2025 \$ Demand	2025 \$ Supply	Opportunity Gap/Surplus	Sq. Ft. Demand @ \$400/PSF
Health and Personal Care Stores				
Health and personal care stores (NAICS 446)	\$347,038,564	\$343,644,770	\$3,393,794	8,484
Pharmacies and drug stores (NAICS 44611)	\$292,287,945	\$258,863,579	\$33,424,366	83,561
Cosmetics, beauty supplies, and perfume stores (NAICS 44612)	\$24,439,547	\$26,331,003	(\$1,891,456)	(4,729)
Optical goods stores (NAICS 44613)	\$11,031,128	\$30,060,017	(\$19,028,889)	(47,572)
Other health and personal care stores (NAICS 44619)	\$19,279,944	\$28,390,171	(\$9,110,227)	(22,776)
Food (health) supplement stores (NAICS 446191)	\$6,807,367	\$10,208,156	(\$3,400,789)	(8,502)
All other health and personal care stores (NAICS 446199)	\$12,472,577	\$18,182,015	(\$5,709,438)	(14,274)
Gasoline Stations				
Gasoline stations (NAICS 447)	\$571,236,114	\$438,915,413	\$132,320,701	330,802
Clothing and Clothing Accessories Stores				
Clothing and clothing accessories stores (NAICS 448)	\$259,403,653	\$277,406,413	(\$18,002,760)	(45,007)
Clothing stores (NAICS 4481)	\$187,155,548	\$228,738,138	(\$41,582,590)	(103,956)
Men's clothing stores (NAICS 44811)	\$6,890,945	\$4,799,884	\$2,091,061	5,228
Women's clothing stores (NAICS 44812)	\$32,119,712	\$13,211,794	\$18,907,918	47,270
Children's and infants' clothing stores (NAICS 44813)	\$7,009,961	\$3,905,131	\$3,104,830	7,762
Family clothing stores (NAICS 44814)	\$113,255,739	\$187,237,436	(\$73,981,697)	(184,954)
Clothing accessories stores (NAICS 44815)	\$10,788,036	\$3,251,960	\$7,536,076	18,840
Other clothing stores (NAICS 44819)	\$17,091,154	\$16,331,933	\$759,221	1,898
Shoe stores (NAICS 4482)	\$27,995,520	\$28,946,057	(\$950,537)	(2,376)
Jewelry, luggage, and leather goods stores (NAICS 4483)	\$44,252,585	\$19,722,219	\$24,530,366	61,326
Jewelry stores (NAICS 44831)	\$25,260,191	\$19,722,219	\$5,537,972	13,845
Luggage and leather goods stores (NAICS 44832)	\$18,992,394	\$0	\$18,992,394	47,481
Sporting Goods, Hobby, Musical Instrument, and Book Stores				
Sporting goods, hobby, musical instrument, and book stores (NAICS 451)	\$76,957,185	\$67,536,205	\$9,420,980	23,552
Sporting goods, hobby, and musical instrument stores (NAICS 4511)	\$67,091,970	\$59,747,322	\$7,344,648	18,362
Sporting goods stores (NAICS 45111)	\$45,586,871	\$26,778,668	\$18,808,203	47,021
Hobby, toy, and game stores (NAICS 45112)	\$16,231,754	\$25,946,546	(\$9,714,792)	(24,287)
Sewing, needlework, and piece goods stores (NAICS 45113)	\$2,171,751	\$2,930,096	(\$758,345)	(1,896)
Musical instrument and supplies stores (NAICS 45114)	\$3,101,593	\$4,092,013	(\$990,420)	(2,476)
Book stores and news dealers (NAICS 4512)	\$9,865,215	\$7,788,882	\$2,076,333	5,191
Book stores (NAICS 451211)	\$9,375,437	\$7,555,638	\$1,819,799	4,549
News dealers and newsstands (NAICS 451212)	\$489,778	\$233,245	\$256,533	641
General Merchandise Stores				
General merchandise stores (NAICS 452)	\$735,223,122	\$1,930,880,312	(\$1,195,657,190)	(2,989,143)
Department stores (NAICS 4522)	\$46,468,953	\$46,469,121	(\$168)	(0)
Other general merchandise stores (NAICS 4523)	\$688,754,168	\$1,884,411,191	(\$1,195,657,023)	(2,989,143)
Warehouse clubs and supercenters (NAICS 452311)	\$631,785,510	\$1,856,438,442	(\$1,224,652,932)	(3,061,632)
All other general merchandise stores (NAICS 452319)	\$56,968,658	\$27,972,750	\$28,995,908	72,490
Miscellaneous Store Retailers				
Miscellaneous store retailers (NAICS 453)	\$138,149,754	\$88,990,729	\$49,159,025	122,898
Florists (NAICS 4531)	\$6,946,535	\$5,405,805	\$1,540,730	3,852
Office supplies, stationery, and gift stores (NAICS 4532)	\$21,269,315	\$13,538,953	\$7,730,362	19,326
Office supplies and stationery stores (NAICS 45321)	\$5,899,921	\$3,667,427	\$2,232,494	5,581
Gift, novelty, and souvenir stores (NAICS 45322)	\$15,369,394	\$9,871,527	\$5,497,867	13,745
Used merchandise stores (NAICS 4533)	\$21,288,244	\$10,121,775	\$11,166,469	27,916
Other miscellaneous store retailers (NAICS 4539)	\$88,645,660	\$59,924,196	\$28,721,464	71,804
Pet and pet supplies stores (NAICS 45391)	\$24,672,774	\$21,073,505	\$3,599,269	8,998
Art dealers (NAICS 45392)	\$13,965,356	\$1,209,073	\$12,756,283	31,891
Manufactured (mobile) home dealers (NAICS 45393)	\$7,316,097	\$6,926,790	\$389,307	973
All other miscellaneous store retailers (NAICS 45399)	\$42,691,434	\$30,714,828	\$11,976,606	29,942
Tobacco stores (NAICS 453991)	\$14,740,713	\$6,943,220	\$7,797,493	19,494
All other miscellaneous store retailers (except tobacco stores) (NAICS 453998)	\$27,950,720	\$23,771,608	\$4,179,112	10,448

Table 8.7

Retail Stores Opportunity Gap Analysis

Demand v. Supply by Store Type - Lakeland Electric Service Area

	2025 \$ Demand	2025 \$ Supply	Opportunity Gap/Surplus	Sq. Ft. Demand @ \$400/PSF
Non-store Retailers				
Non-store retailers (NAICS 454)	\$1,191,783,759	\$460,513,439	\$731,270,320	1,828,176
Electronic shopping and mail-order houses (NAICS 4541)	\$1,140,341,777	\$442,319,926	\$698,021,851	1,745,055
Vending machine operators (NAICS 4542)	\$7,112,000	\$2,565,502	\$4,546,498	11,366
Direct selling establishments (NAICS 4543)	\$44,329,983	\$15,628,011	\$28,701,972	71,755
Fuel dealers (NAICS 45431)	\$22,582,357	\$3,962,763	\$18,619,594	46,549
Other direct selling establishments (NAICS 45439)	\$21,747,626	\$11,665,247	\$10,082,379	25,206
Food Services and Drinking Places				
Food services and drinking places (NAICS 722)	\$929,730,488	\$853,250,128	\$76,480,360	191,201
Special food services (NAICS 7223)	\$62,553,725	\$38,504,501	\$24,049,224	60,123
Food service contractors (NAICS 72231)	\$49,287,725	\$36,547,030	\$12,740,695	31,852
Caterers (NAICS 72232)	\$11,974,504	\$288,018	\$11,686,486	29,216
Mobile food services (NAICS 72233)	\$1,291,496	\$1,669,453	(\$377,957)	(945)
Drinking places (alcoholic beverages) (NAICS 7224)	\$31,019,554	\$10,618,414	\$20,401,140	51,003
Restaurants and other eating places (NAICS 7225)	\$836,157,210	\$804,127,212	\$32,029,998	80,075
Full-service restaurants (NAICS 722511)	\$419,187,241	\$331,105,140	\$88,082,101	220,205
Limited-service restaurants (NAICS 722513)	\$353,781,221	\$417,217,377	(\$63,436,156)	(158,590)
Cafeterias, grill buffets, and buffets (NAICS 722514)	\$9,017,699	\$31,352,700	(\$22,335,001)	(55,838)
Snack and non-alcoholic beverage bars (NAICS 722515)	\$54,171,049	\$24,451,995	\$29,719,054	74,298

8.7 Commercial/Retail Gap Analysis – Lakeland CRA Local Area

Table 7.3 presents the results of a 2025 commercial/retail “gap analysis” for the Lakeland CRA Local Area, by store type. In effect, this is a demand and supply analysis of retail and restaurant uses for the trade area. Total consumer demand (represented in terms of local purchasing power from resident and attendant visitors) within the trade area is compared by actual sales volume from establishments within the trade area. If the amount of consumer purchasing power is greater than the volume of establishment sales, that means there is a “gap” of unmet demand for that store/business type within the trade area. If the overall sales volume of store sales exceeds purchasing power, this is suggestive of a market that has greater supply of a specific retail/restaurant category than consumers actually demand. Gaps in spending are divided by an average volume of \$400 per square foot of establishment activity, to arrive an estimate of square footage needs for the trade area.

The area gap analysis indicates that the Lakeland CRA Local Area is a very competitive market with regards to retail and restaurant uses, and overall the area is in a current state of oversupply. Retail/restaurant categories which reveal both (1) shortages of space and (2) a category suitable for development within an urban mixed-use project include:

- Drinking Places (5,830 square feet)
- Building Material & Garden Equipment Supplies (10,207 square feet)
- Beer Wine & Liquor Stores (16,057 square feet)
- Women’s Clothing Stores (5,756 square feet)
- Clothing Accessories Stores (4,968 square feet)
- Specialty Food Stores (2,480 square feet)
- Luggage & Leather Goods Stores (12,885 square feet)
- Sporting Goods Stores (3,197 square feet)
- Household Appliance Stores (10,752 square feet)
- Snack and Non-alcoholic Beverage Bars (5,830 square feet)

The reader should recognize that the aforementioned gap analysis is not concluding that store types and categories other than the four mentioned will be unsuccessful on the subject property. It simply means that these four categories are those that actually display shortages and unmet needs within this trade area. This will be discussed further in Section 8.8 of the report.

Table 8.8
Retail Stores Opportunity Gap Analysis
Demand Versus Supply by Store Type - Lakeland CRA Area

	2025 \$ Demand	2025 \$ Supply	Opportunity Gap/Surplus	Sq. Ft. Demand @ \$400/PSF
Totals				
Total retail trade including food and drink (NAICS 44, 45 and 722)	\$1,883,354,476	\$4,231,260,641	(\$2,347,906,165)	(5,869,765)
Total retail trade (NAICS 44 and 45)	\$1,635,084,396	\$3,846,603,324	(\$2,211,518,928)	(5,528,797)
Motor Vehicle and Parts Dealers				
Motor vehicle and parts dealers (NAICS 441)	\$373,622,774	\$1,610,264,212	(\$1,236,641,438)	(3,091,604)
Automobile dealers (NAICS 4411)	\$323,215,545	\$1,454,350,480	(\$1,131,134,935)	(2,827,837)
New car dealers (NAICS 44111)	\$290,010,934	\$1,404,946,640	(\$1,114,935,706)	(2,787,339)
Used car dealers (NAICS 44112)	\$33,204,610	\$49,403,840	(\$16,199,230)	(40,498)
Other motor vehicle dealers (NAICS 4412)	\$19,022,387	\$68,169,798	(\$49,147,411)	(122,869)
Recreational vehicle dealers (NAICS 44121)	\$6,759,495	\$12,182,972	(\$5,423,477)	(13,559)
Motorcycle, boat, and other motor vehicle dealers (NAICS 44122)	\$12,262,892	\$55,986,826	(\$43,723,934)	(109,310)
Boat dealers (NAICS 441222)	\$4,034,919	\$4,537,627	(\$502,708)	(1,257)
Motorcycle, ATV, and all other motor vehicle dealers (NAICS 441228)	\$8,227,973	\$51,449,198	(\$43,221,225)	(108,053)
Automotive parts, accessories, and tire stores (NAICS 4413)	\$31,384,842	\$87,743,934	(\$56,359,092)	(140,898)
Automotive parts and accessories stores (NAICS 44131)	\$19,824,923	\$56,756,746	(\$36,931,823)	(92,330)
Tire dealers (NAICS 44132)	\$11,559,920	\$30,987,188	(\$19,427,268)	(48,568)
Furniture and Home Furnishings Stores				
Furniture and home furnishings stores (NAICS 442)	\$30,125,053	\$31,411,365	(\$1,286,312)	(3,216)
Furniture stores (NAICS 4421)	\$16,915,973	\$21,577,131	(\$4,661,158)	(11,653)
Home furnishings stores (NAICS 4422)	\$13,209,080	\$9,834,234	\$3,374,846	8,437
Floor covering stores (NAICS 44221)	\$5,070,106	\$9,195,364	(\$4,125,258)	(10,313)
Other home furnishings stores (NAICS 44229)	\$8,138,974	\$638,869	\$7,500,105	18,750
Window treatment stores (NAICS 442291)	\$362,323	\$18,291	\$344,032	860
All other home furnishings stores (NAICS 442299)	\$7,776,651	\$620,579	\$7,156,072	17,890
Electronics and Appliance Stores				
Electronics and appliance stores (NAICS 443)	\$19,845,794	\$47,248,181	(\$27,402,387)	(68,506)
Household appliance stores (NAICS 443141)	\$4,939,626	\$638,731	\$4,300,895	10,752
Electronics stores (NAICS 443142)	\$14,906,168	\$46,609,450	(\$31,703,282)	(79,258)
Building Material and Garden Equipment and Supplies Dealers				
Building material and garden equipment and supplies dealers (NAICS 444)	\$107,332,362	\$103,249,663	\$4,082,699	10,207
Building material and supplies dealers (NAICS 4441)	\$93,691,332	\$97,766,519	(\$4,075,187)	(10,188)
Home centers (NAICS 44411)	\$50,347,006	\$73,459,219	(\$23,112,213)	(57,781)
Paint and wallpaper stores (NAICS 44412)	\$4,088,004	\$1,303,304	\$2,784,700	6,962
Hardware stores (NAICS 44413)	\$9,331,658	\$10,648,806	(\$1,317,148)	(3,293)
Other building material dealers (NAICS 44419)	\$29,924,664	\$12,355,190	\$17,569,474	43,924
Lawn and garden equipment and supplies stores (NAICS 4442)	\$13,641,030	\$5,483,145	\$8,157,885	20,395
Outdoor power equipment stores (NAICS 44421)	\$2,855,416	\$0	\$2,855,416	7,139
Nursery, garden center, and farm supply stores (NAICS 44422)	\$10,785,614	\$5,483,145	\$5,302,469	13,256
Food and Beverage Stores				
Food and beverage stores (NAICS 445)	\$211,335,989	\$320,864,591	(\$109,528,602)	(273,822)
Grocery stores (NAICS 4451)	\$190,132,746	\$304,192,389	(\$114,059,643)	(285,149)
Supermarkets and other grocery (except convenience) stores (NAICS 44511)	\$181,180,593	\$291,471,206	(\$110,290,613)	(275,727)
Convenience stores (NAICS 44512)	\$8,952,152	\$12,721,183	(\$3,769,031)	(9,423)
Specialty food stores (NAICS 4452)	\$5,932,853	\$7,824,565	(\$1,891,712)	(4,729)
Meat markets (NAICS 44521)	\$1,793,712	\$848,550	\$945,162	2,363
Fish and seafood markets (NAICS 44522)	\$705,088	\$4,471,517	(\$3,766,429)	(9,416)
Fruit and vegetable markets (NAICS 44523)	\$1,232,184	\$1,294,521	(\$62,337)	(156)
Other specialty food stores (NAICS 44529)	\$2,201,869	\$1,209,978	\$991,891	2,480
All other specialty food stores (NAICS 445299)	\$1,033,939	\$715,601	\$318,338	796
Beer, wine, and liquor stores (NAICS 4453)	\$15,270,390	\$8,847,637	\$6,422,753	16,057

Table 8.8**Retail Stores Opportunity Gap Analysis****Demand Versus Supply by Store Type - Lakeland CRA Area**

	2025 \$ Demand	2025 \$ Supply	Opportunity Gap/Surplus	Sq. Ft. Demand @ \$400/PSF
Health and Personal Care Stores				
Health and personal care stores (NAICS 446)	\$93,960,523	\$115,751,523	(\$21,791,000)	(54,478)
Pharmacies and drug stores (NAICS 44611)	\$79,088,268	\$82,694,556	(\$3,606,288)	(9,016)
Cosmetics, beauty supplies, and perfume stores (NAICS 44612)	\$6,610,805	\$12,678,273	(\$6,067,468)	(15,169)
Optical goods stores (NAICS 44613)	\$3,045,587	\$10,717,292	(\$7,671,705)	(19,179)
Other health and personal care stores (NAICS 44619)	\$5,215,863	\$9,661,402	(\$4,445,539)	(11,114)
Food (health) supplement stores (NAICS 446191)	\$1,841,529	\$4,207,929	(\$2,366,400)	(5,916)
All other health and personal care stores (NAICS 446199)	\$3,374,334	\$5,453,472	(\$2,079,138)	(5,198)
Gasoline Stations				
Gasoline stations (NAICS 447)	\$152,236,741	\$231,825,344	(\$79,588,603)	(198,972)
Clothing and Clothing Accessories Stores				
Clothing and clothing accessories stores (NAICS 448)	\$69,640,642	\$196,844,460	(\$127,203,818)	(318,010)
Clothing stores (NAICS 4481)	\$50,107,308	\$167,752,471	(\$117,645,163)	(294,113)
Men's clothing stores (NAICS 44811)	\$1,886,992	\$2,440,597	(\$553,605)	(1,384)
Women's clothing stores (NAICS 44812)	\$8,679,166	\$6,376,913	\$2,302,253	5,756
Children's and infants' clothing stores (NAICS 44813)	\$1,646,729	\$2,663,124	(\$1,016,395)	(2,541)
Family clothing stores (NAICS 44814)	\$30,340,154	\$148,375,801	(\$118,035,647)	(295,089)
Clothing accessories stores (NAICS 44815)	\$2,933,484	\$946,467	\$1,987,017	4,968
Other clothing stores (NAICS 44819)	\$4,620,783	\$6,949,569	(\$2,328,786)	(5,822)
Shoe stores (NAICS 4482)	\$7,499,944	\$19,806,859	(\$12,306,915)	(30,767)
Jewelry, luggage, and leather goods stores (NAICS 4483)	\$12,033,390	\$9,285,130	\$2,748,260	6,871
Jewelry stores (NAICS 44831)	\$6,879,348	\$9,285,130	(\$2,405,782)	(6,014)
Luggage and leather goods stores (NAICS 44832)	\$5,154,042	\$0	\$5,154,042	12,885
Sporting Goods, Hobby, Musical Instrument, and Book Stores				
Sporting goods, hobby, musical instrument, and book stores (NAICS 451)	\$20,464,296	\$34,944,982	(\$14,480,686)	(36,202)
Sporting goods, hobby, and musical instrument stores (NAICS 4511)	\$17,818,982	\$32,836,143	(\$15,017,161)	(37,543)
Sporting goods stores (NAICS 45111)	\$12,047,855	\$10,769,222	\$1,278,633	3,197
Hobby, toy, and game stores (NAICS 45112)	\$4,343,371	\$16,071,510	(\$11,728,139)	(29,320)
Sewing, needlework, and piece goods stores (NAICS 45113)	\$585,190	\$2,816,713	(\$2,231,523)	(5,579)
Musical instrument and supplies stores (NAICS 45114)	\$842,566	\$3,178,699	(\$2,336,133)	(5,840)
Book stores and news dealers (NAICS 4512)	\$2,645,314	\$2,108,839	\$536,475	1,341
Book stores (NAICS 451211)	\$2,513,752	\$2,015,678	\$498,074	1,245
News dealers and newsstands (NAICS 451212)	\$131,562	\$93,160	\$38,402	96
General Merchandise Stores				
General merchandise stores (NAICS 452)	\$197,948,762	\$898,155,930	(\$700,207,168)	(1,750,518)
Department stores (NAICS 4522)	\$12,470,084	\$17,096,863	(\$4,626,779)	(11,567)
Other general merchandise stores (NAICS 4523)	\$185,478,677	\$881,059,068	(\$695,580,391)	(1,738,951)
Warehouse clubs and supercenters (NAICS 452311)	\$170,124,958	\$869,571,537	(\$699,446,579)	(1,748,616)
All other general merchandise stores (NAICS 452319)	\$15,353,720	\$11,487,531	\$3,866,189	9,665
Miscellaneous Store Retailers				
Miscellaneous store retailers (NAICS 453)	\$37,492,078	\$42,737,234	(\$5,245,156)	(13,113)
Florists (NAICS 4531)	\$1,865,997	\$1,652,610	\$213,387	533
Office supplies, stationery, and gift stores (NAICS 4532)	\$5,735,695	\$6,180,252	(\$444,557)	(1,111)
Office supplies and stationery stores (NAICS 45321)	\$1,594,644	\$1,028,526	\$566,118	1,415
Gift, novelty, and souvenir stores (NAICS 45322)	\$4,141,052	\$5,151,726	(\$1,010,674)	(2,527)
Used merchandise stores (NAICS 4533)	\$5,808,027	\$1,852,519	\$3,955,508	9,889
Other miscellaneous store retailers (NAICS 4539)	\$24,082,359	\$33,051,853	(\$8,969,494)	(22,424)
Pet and pet supplies stores (NAICS 45391)	\$6,743,949	\$12,183,832	(\$5,439,883)	(13,600)
Art dealers (NAICS 45392)	\$3,811,789	\$468,011	\$3,343,778	8,359
Manufactured (mobile) home dealers (NAICS 45393)	\$1,934,971	\$6,206,123	(\$4,271,152)	(10,678)
All other miscellaneous store retailers (NAICS 45399)	\$11,591,650	\$14,193,887	(\$2,602,237)	(6,506)
Tobacco stores (NAICS 453991)	\$4,046,336	\$3,776,131	\$270,205	676
All other miscellaneous store retailers (except tobacco stores) (NAICS 453998)	\$7,545,314	\$10,417,756	(\$2,872,442)	(7,181)

Table 8.8
Retail Stores Opportunity Gap Analysis
Demand Versus Supply by Store Type - Lakeland CRA Area

	2025 \$ Demand	2025 \$ Supply	Opportunity Gap/Surplus	Sq. Ft. Demand @ \$400/PSF
Non-store Retailers				
Non-store retailers (NAICS 454)	\$321,079,385	\$213,305,839	\$107,773,546	269,434
Electronic shopping and mail-order houses (NAICS 4541)	\$307,277,936	\$212,069,995	\$95,207,941	238,020
Vending machine operators (NAICS 4542)	\$1,918,587	\$0	\$1,918,587	4,796
Direct selling establishments (NAICS 4543)	\$11,882,862	\$1,235,844	\$10,647,018	26,618
Fuel dealers (NAICS 45431)	\$6,029,035	\$1,235,844	\$4,793,191	11,983
Other direct selling establishments (NAICS 45439)	\$5,853,826	\$0	\$5,853,826	14,635
Food Services and Drinking Places				
Food services and drinking places (NAICS 722)	\$248,270,080	\$384,657,317	(\$136,387,237)	(340,968)
Special food services (NAICS 7223)	\$16,728,868	\$26,450,795	(\$9,721,927)	(24,305)
Food service contractors (NAICS 72231)	\$13,185,269	\$25,734,380	(\$12,549,111)	(31,373)
Caterers (NAICS 72232)	\$3,198,569	\$207,728	\$2,990,841	7,477
Mobile food services (NAICS 72233)	\$345,029	\$508,687	(\$163,658)	(409)
Drinking places (alcoholic beverages) (NAICS 7224)	\$8,255,047	\$6,812,068	\$1,442,979	3,607
Restaurants and other eating places (NAICS 7225)	\$223,286,165	\$351,394,455	(\$128,108,290)	(320,271)
Full-service restaurants (NAICS 722511)	\$111,893,174	\$146,462,858	(\$34,569,684)	(86,424)
Limited-service restaurants (NAICS 722513)	\$94,507,266	\$178,833,962	(\$84,326,696)	(210,817)
Cafeterias, grill buffets, and buffets (NAICS 722514)	\$2,408,864	\$13,952,583	(\$11,543,719)	(28,859)
Snack and non-alcoholic beverage bars (NAICS 722515)	\$14,476,862	\$12,145,052	\$2,331,810	5,830

8.8 Implications of Commercial/Retail Market Conditions for the Subject Property

The demand analysis in Section 8.3 reveals that a typical household in Polk County demands 85.9 square feet of retail and restaurant space based on their incomes and spending habits. That estimate is also net of online retail spending. If 2,000 to 2,500 new homes were delivered within the CRA over the next decade, those households alone could generate 172,000 to 215,000 square feet for these uses. Add to that the numerous store types identified in Section 8.7 gap analysis that have current supply deficiencies within the CRA local area, and 10 year unmet demands for retail/restaurant uses within the CRA could easily reach 292,700 square feet. Obviously establishing the appropriate store and tenant mix is critical for success, and it is important to recognize those store categories that display considerable supply surpluses within the CRA local area, as new tenants in those categories could struggle in this area.

9.0: Lodging Analysis

9.1 Profile of the Polk County Visitor Market

During the 12-month period of April 2024-March 2025, 5.55 million visitors came to Polk County, a 5% increase from prior year activity. Winter Haven’s Legoland theme park is a key driver of this tourist activity, with over 1.5 million annual visitors. Other key attractions in the county include Bok Tower Gardens, Westgate River Ranch, Circle B, Safari Wilderness, and Bonnet Springs Park. Polk is also known for hosting many regional and national amateur sporting events. A total of 261 amateur sporting events are held annually in Polk County, generating nearly \$150 million in annual economic impact. In addition, Polk attracts many tourists seeking to visit theme parks and recreation destinations in the metro Orlando and Tampa markets, including Disney, Universal, Busch Gardens, and the Gulf beaches. The county’s central proximity to these destinations and affordable hotel/motel prices make Polk an attractive lodging alternative for leisure travelers.

Recent economic impact estimates indicate that tourism generates more than \$1.5 billion in annual economic impact to Polk County and supports 21,814 full-time equivalent jobs within the county.

Table 9.1: Polk County Lodging Market Trends									
Search Analytics									
INVENTORY ROOMS	UNDER CONSTRUCTION ROOMS	MARKET SALE PRICE/ROOM	MARKET CAP RATE	ANALYTIC ROOMS	12 MO OCC RATE	12 MO ADR	12 MO REV/AR		
9,070	111	\$135K	8.2%	9,523	65.7%	\$142	\$93		
Key Metrics									
Inventory					Sales Past Year				
Existing Properties	117 ↓				Sales Volume	\$12.1M ↑			
12 Mo Delivered Rooms	221 ↑				Properties Sold	13 ↑			
12 Mo Delivered Properties	2 ↑				Months to Sale	-			
12 Mo Recently Opened Rooms	453 ↑				Average Price Per Building	\$1.7M ↓			
12 Mo Recently Opened Properties	2 ↑				Market Price Per Room	\$135K ↑			
Under Construction Properties	1 ↓				Market Cap Rate	-			
Performance Trend									
Occupancy Rate	54.4% ↑				Average Daily Rate	\$108.21 ↓			
Revenue Per Available Room	\$58.87 ↓				YTD Occupancy Rate	64.8% ↑			
YTD Average Daily Rate	\$147.69 ↑				YTD RevPAR	\$95.68 ↑			
3 Mo Occupancy Rate	56.2% ↑				3 Mo Average Daily Rate	\$117.10 ↓			
3 Mo RevPAR	\$65.82 ↓				12 Mo Occupancy Rate	65.7% ↑			
12 Mo Average Daily Rate	\$141.64 ↑				12 Mo RevPAR	\$93.08 ↑			

Source: CoStar

Table 9.2
Polk County Florida
Lodging Development Trends

Lodging Space

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Ft. (\$2025)
Pre-1990	15	11.6%	241,041	5.3%	\$12,158,240	\$50.44
1990-99	34	26.4%	833,001	18.2%	\$67,636,437	\$81.20
2000-09	47	36.4%	1,381,850	30.1%	\$137,908,918	\$99.80
2010-19	26	20.2%	1,702,875	37.1%	\$250,184,882	\$146.92
2020-24	7	5.4%	429,294	9.4%	\$52,977,231	\$123.41
Total	129	100.0%	4,588,061	100.0%	\$520,865,708	\$113.53

(Includes State of Florida DOR codes 39)

Sources: FL Dept. of Revenue; Polk Co. Prop. Appraiser, Florida Economic Advisors, LLC

Polk County presently has an inventory of 9,070 rooms located within 4.59 million square feet of lodging space, for average space consumption of 506 square feet per room²¹. Room occupancy rates over the previous 12 months have averaged 65.7 percent, with an average daily rate of \$93 per room. The average establishment size is 78 rooms, although recent deliveries over the past year have averaged 110 rooms per destination. A total of 453 new rooms have been opened within the past 12 months in Polk.

Approximately 13.2 million square feet of lodging space has been delivered in Polk County since 1990, with 62.6 percent of that development occurring in the 2000-2019 period. Average annual rates of lodging construction were 83,300 square feet in the 1990s, 138,185 square feet in the 2000's, 170,288 square feet in the 2010s, and 85,859 square feet in this decade.

9.2 Forecasted Lodging Demand for Polk County

From 2023 to 2024, tourist visitation increased by 1.3 percent (5,149,641 to 5,261,100). From 2024 to 2025, visitation increased by 5.5 percent (5,261,100 to 5,552,500). The average of those annual growth rates is 3.4 percent. Assuming a 3.4 percent annual growth rate in visitation from 2025 to 2050, 2050 annual visitation to Polk would total 10,836,757 persons. Over this past year, 1 new room was delivered in Polk for every increase in visitation of 1,319 persons (221 new rooms : 291,400 visitor increase). Based on this ratio, the 5,284,257 projected increase in tourist visitation over the next 25 years would generate a demand for

²¹ Also includes restaurant, meeting, and common area space.

4,008 additional rooms within Polk, for an average annual growth rate of 160 new lodging rooms per year in the county.

9.3 Lodging Inventory and Performance Within the Lakeland Electric Service Area

The Lakeland Electric Service Area presently has an inventory of 3,781 rooms located within 2.09 million square feet of lodging space, for average space consumption of 551.7 square feet per room²². The LESA submarket represents 41.7 percent of Polk County’s lodging room inventory. Room occupancy rates over the previous 12 months have averaged 68.8 percent, with an average daily rate of \$122 per room. The average establishment size is 82 rooms, although recent deliveries over the past year have averaged 115 rooms per destination. A total of 115 new rooms have been opened within the past 12 months in this submarket.

Approximately 1.99 million square feet of lodging space has been delivered in the Lakeland Electric Service Area since 1990, with 77.3 percent of that development occurring in the 2000-2019 period. Average annual rates of lodging construction were 31,134 square feet in the 1990s, 89,440 square feet in the 2000’s, 64,450 square feet in the 2010s, and 27,931 square feet in this decade.

Inventory		Sales Past Year	
Existing Properties	46 ↑	Sales Volume	\$10.2M ↑
12 Mo Delivered Rooms	115 ↑	Properties Sold	1 ↓
12 Mo Delivered Properties	1 ↑	Months to Sale	-
12 Mo Recently Opened Rooms	115 ↑	Average Price Per Building	\$10.2M ↑
12 Mo Recently Opened Properties	1 ↑	Market Price Per Room	\$115K ↑
Under Construction Properties	0 ↓	Market Cap Rate	-

Performance Trend	
Occupancy Rate	59.1% ↑
Average Daily Rate	\$94.09 ↑
Revenue Per Available Room	\$55.57 ↑
YTD Occupancy Rate	66.4% ↑
YTD Average Daily Rate	\$125.04 ↑
YTD RevPAR	\$83.04 ↑
3 Mo Occupancy Rate	58.0% ↓
3 Mo Average Daily Rate	\$96.40 ↓
3 Mo RevPAR	\$55.96 ↓
12 Mo Occupancy Rate	68.8% ↑
12 Mo Average Daily Rate	\$121.53 ↑
12 Mo RevPAR	\$83.59 ↑

Source: CoStar

²² Also includes restaurant, meeting, and common area space.

Table 9.4
Lakeland Electric Service Area
Lodging Development Trends

Lodging Space

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Ft. (\$2025)
Pre-1990	4	8.0%	96,053	4.6%	\$7,979,524	\$83.07
1990-99	9	18.0%	311,336	14.9%	\$32,589,830	\$104.68
2000-09	23	46.0%	894,398	42.9%	\$95,189,115	\$106.43
2010-19	12	24.0%	644,497	30.9%	\$96,556,125	\$149.82
2020-24	2	4.0%	139,653	6.7%	\$18,028,834	\$129.10
Total	50	100.0%	2,085,937	100.0%	\$250,343,428	\$120.01

(Includes State of Florida DOR codes 39)
Sources: FL Dept. of Revenue; Polk Co. Prop. Appraiser, Florida Economic Advisors, LLC

Lodging development within the Lakeland Electric Service Area has accounted for 36.8 percent of county hotel/motel construction over the past 15 years.

9.4 Lodging Inventory and Performance Within the Lakeland CRA Local Area

The Lakeland CRA Local Area presently has an inventory of 3,781 rooms, representing 30.4 percent of Polk County’s lodging room inventory, and 72.9 percent of the LESA submarket inventory. Room occupancy rates over the previous 12 months have averaged 67.2 percent, with an average daily rate of \$114 per room. The average establishment size is 84 rooms, although recent deliveries over the past year have averaged 115 rooms per destination. A total of 115 new rooms have been opened within the past 12 months in this submarket.

Approximately 626,502 square feet of lodging space has been delivered within the boundaries of the Lakeland CRA since 1990, with 46.7 percent of that development occurring in the 2000-2019 period. Average annual rates of lodging construction were 23,811 square feet in the 1990s, 24,929 square feet in the 2000’s, 4,330 square feet in the 2010s, and 19,161 square feet in this decade.

Table 9.5: Lakeland CRA Local Area Lodging Market Trends

Search Analytics								
INVENTORY ROOMS 2,759 +4.3% <small>Prior Period 2,644</small>	UNDER CONSTRUCTION ROOMS 0 -100.0% <small>Prior Period 115</small>	MARKET SALE PRICE/ROOM \$86.4K +6.1% <small>Prior Period \$79.9K</small>	MARKET CAP RATE 8.0% +0.3% <small>Prior Period 7.8%</small>	ANALYTIC ROOMS 2,896 +4.3% <small>Prior Period 2,778</small>	12 MO OCC RATE 67.2% +0.4% <small>Prior Period 66.8%</small>	12 MO ADR \$114 +12.0% <small>Prior Period \$102</small>	12 MO REVPAR \$77 +14.6% <small>Prior Period \$67</small>	
Key Metrics								
Inventory				Sales Past Year				
Existing Properties	33	↑		Sales Volume	\$10.2M	↑		
12 Mo Delivered Rooms	115	↑		Properties Sold	1	↑		
12 Mo Delivered Properties	1	↑		Months to Sale	-			
12 Mo Recently Opened Rooms	115	↑		Average Price Per Building	\$10.2M			
12 Mo Recently Opened Properties	1	↑		Market Price Per Room	\$86.4K	↑		
Under Construction Properties	0	↓		Market Cap Rate	-			
Performance Trend								
Occupancy Rate							58.3%	↑
Average Daily Rate							\$86.97	↑
Revenue Per Available Room							\$50.68	↑
YTD Occupancy Rate							64.5%	↑
YTD Average Daily Rate							\$117.00	↑
YTD RevPAR							\$75.48	↑
3 Mo Occupancy Rate							56.4%	↑
3 Mo Average Daily Rate							\$88.97	↓
3 Mo RevPAR							\$50.16	↑
12 Mo Occupancy Rate							67.2%	↑
12 Mo Average Daily Rate							\$114.00	↑
12 Mo RevPAR							\$76.61	↑

Source: CoStar

**Table 9.6
Lakeland CRA
Lodging Development Trends**

Lodging Space

	Properties	% of Total	Square Footage	% of Total	Just Value (\$2025)	Just Value Per Sq. Ft. (\$2025)
Pre-1990	1	5.6%	64,305	9.3%	\$6,161,446	\$95.82
1990-99	7	38.9%	238,112	34.5%	\$25,144,015	\$105.60
2000-09	8	44.4%	249,286	36.1%	\$25,979,275	\$104.21
2010-19	1	5.6%	43,301	6.3%	\$11,137,120	\$257.20
2020-24	1	5.6%	95,803	13.9%	\$14,458,376	\$150.92
Total	18	100.0%	690,807	100.0%	\$82,880,232	\$119.98

(Includes State of Florida DOR codes 39)

Sources: FL Dept. of Revenue; Polk Co. Prop. Appraiser, Florida Economic Advisors, LLC

Lodging development within the Lakeland CRA has accounted for 6.5 percent of county hotel/motel construction over the past 15 years.

9.5 Lodging Location Considerations

Site location is a critical consideration for hotels and motels, as customer draw is heavily influenced by geography. A successful lodging establishment should be visible, accessible, convenient, and attractive to the target market. Surrounding land uses are important for all types of lodging operations. Areas with high traffic volumes are favorable. Area aesthetics, noise, safety, and other factors should be considered. Location preferences will depend on the type of facility being considered and the desired customer base.

Hotels and motels benefit from high visibility and proximity to generators of room night demand. Local colleges, hospitals, attractions, shopping districts and entertainment venues are examples of "room night" demand generators.

Hotels often generate significant shares of their business activity from leisure travelers who see the facility and surrounding area as their "destination." Access and visibility, while important, can sometimes be secondary to the quality of the establishment, services, amenities, and nearby attractions.

9.6 Market Opportunities for Lodging Within the CRA

The CRA local area is home to more than 30 percent of Polk County's lodging inventory, and slightly outperforms the county overall with respect to room occupancy. The CRA local area has been responsible for 100% of the room delivery within the LESA submarket over the past year. While new hotel/motel unit delivery has not been overly robust within the CRA over the past 15 years, the CRA overall enjoys many of the key features necessary for successful small to mid-size hotels project, including close proximity to significant economic generators and government facilities. In addition, the underlying market fundamentals of both the County as a whole and the submarkets are positive and displaying signs of growth. In planned mixed use destinations within the CRA could be expected to create destination-like characteristics that would make the property well-suited for lodging facilities.

It is important to note, however, that nearly no rooms within the submarket trade area are in the current market pipeline creating enhanced near term demand (24-36 months) for lodging units within the CRA.

Considering the aforementioned factors, FEA concludes that 10-year demands for CRA hotel development would be in the 350-450 unit range, with individual properties ranging from 80 to 120 units in size.

10.0: Study Conclusions

The following matrix summarizes the 10-year demand projections by land use for the Lakeland CRA economic and market analysis:

10-Year Demand Projections By Land Use Lakeland CRA		
Use	10-Year Demand	Comments
Residential	2,000 - 2,500 units	Mix of high density for-sale and rental product
Office	256,000 - 320,000 square feet	CRA well positioned to capture up to 20% of County Growth
Industrial	130,000 -160,000 square feet	Tech industrial would be a good fit for the CRA
Retail	170,000 - 295,000 square feet	Supported by CRA HH growth and underserved categories
Lodging	350 - 450 rooms	Small/midsize business class of 80-120 rooms/facility

APPENDICES:

APPENDIX A:

**POPULATION/HOUSEHOLD & EMPLOYMENT PROFILES/FORECASTS
POLK COUNTY, LAKELAND ELECTRIC SERVICE AREA, LAKELAND CRA LOCAL AREA
(SOURCES: WOODS & POOLE ECONOMICS, ENVIRONICS ANALYTICS/CLARITAS)**

APPENDIX B:

**RETAIL OPPORTUNITY GAP ANALYSIS BY STORE TYPE
LAKELAND ELECTRIC SERVICE AREA, LAKELAND CRA LOCAL AREA
(SOURCE: ENVIRONICS ANALYTICS/CLARITAS)**

APPENDIX C:

**COMMERCIAL REAL ESTATE PROFILES, INVENTORIES, & PERFORMANCE TRENDS
APARTMENT, RETAIL, OFFICE, INDUSTRIAL, & HOSPITALITY/LODGING
POLK COUNTY, LAKELAND ELECTRIC SERVICE AREA, LAKELAND CRA LOCAL AREA
(SOURCE: COSTAR)**