



Office Submarket Report

Denver Tech Center Office

Denver Market

PREPARED BY



Alec Forbis



OFFICE SUBMARKET REPORT

Submarket Key Statistics	2
Leasing	3
Rent	8
Construction	10
Sales	13
Sales Past 12 Months	14
Supply & Demand Trends	16
Rent & Vacancy	18
Sale Trends	20

12 Mo Deliveries in SF

182 K

12 Mo Net Absorption in SF

596 K

Vacancy Rate

15.7%

12 Mo Rent Growth

2.6%

The 300,000 SF Granite Place, the submarket's first large speculative delivery of this cycle, delivered in March 2017. One month later in April, the 318,000 SF One Belleview Station delivered. At the start of 2017, Granite Place had yet to secure any leases, and One Belleview had only secured a 30,000 SF lease from accounting firm Eide Bailly. Since then, both projects have attracted major tenants: Charter Communications signed on for almost 260,000 SF at Granite Place, while CGS Systems took the remaining 42,000 SF. Western Union finalized a deal to lease 267,000 SF at One Belleview Station to house its new headquarters (previously spread between two buildings in the Meridian Submarket).

Two other large speculative developments are underway that contain roughly 260,000 SF combined. But the prospect of two 300,000 SF buildings delivering almost entirely available in the DTC is now gone thanks to the major deals mentioned above.

Following the metrowide trend, rent growth has moderated in the DTC following a multi-year streak of booming gains that lasted until 2015. The vacancy rate, which was over 20% at the 2017 midpoint, has started to come down as move-ins occurred at the submarket's two major 2017 deliveries. But with more speculative space coming online (both in the DTC and nearby southeast corridor submarkets), there will likely remain some headwinds towards rent growth in the near term.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Gross Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	8,614,652	17.0%	\$27.72	19.7%	(42,603)	0	257,000
3 Star	2,441,624	13.7%	\$23.04	22.7%	17,516	0	0
1 & 2 Star	510,161	4.8%	\$18.20	4.9%	(18,361)	0	0
Submarket	11,566,437	15.7%	\$26.34	19.7%	(43,448)	0	257,000

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-3.9%	16.2%	13.8%	23.4%	2002 Q4	10.1%	2015 Q2
Net Absorption SF	596 K	49,586	251,532	689,664	2018 Q1	(893,753)	2002 Q1
Deliveries SF	182 K	101,999	190,389	640,573	2001 Q1	0	2016 Q4
Rent Growth	2.6%	1.0%	0.8%	15.9%	2007 Q1	-15.9%	2002 Q3
Sales Volume	\$535 M	\$145.7 M	N/A	\$637.0 M	2007 Q3	\$967.5 K	2002 Q3

The 300,000 SF Granite Place and the 318,000 SF One Belleview Station delivered in March and April of 2017, respectively, adding new speculative space to the DTC for the first time this cycle. At the start of 2017, the buildings had a combined availability rate of over 90%, and an influx of vacant available space looked imminent. Since then, both projects have attracted major tenants: Charter Communications signed on for almost 260,000 SF at Granite Place as part of a pure expansion, while CGS Systems took the remaining 42,000 SF—that building is now fully leased, and both tenants commenced their leases in 17Q3.

In 17Q3, Western Union finalized a deal to lease 250,000 SF at One Belleview Station (virtually all of the remaining space). The company will be relocating its headquarters from two buildings in the Meridian submarket where it currently occupies almost 400,000 SF.

In December 2017, Stonebridge Companies signed on for 24,000 at another upcoming speculative development, the 72,000 SF One DTC West which is set for an 18Q2 delivery. Stonebridge will be moving from a smaller space at 9100 Panorama Circle in the nearby Panorama/Highland Park submarket. With this lease, just under 10,000 SF remained available at One DTC West.

Outside of new construction, recent signs have been mixed. On the positive side, AAA Colorado signed on for 90,000 SF, or roughly two-thirds of the space at Atrium I, which was entirely vacated by Comcast in 16Q3. Accounting firm EKS&H signed a lease and a sublease for a combined 150,000 SF at 8181 E Tufts Avenue, although this opened up 125,000 SF two buildings down

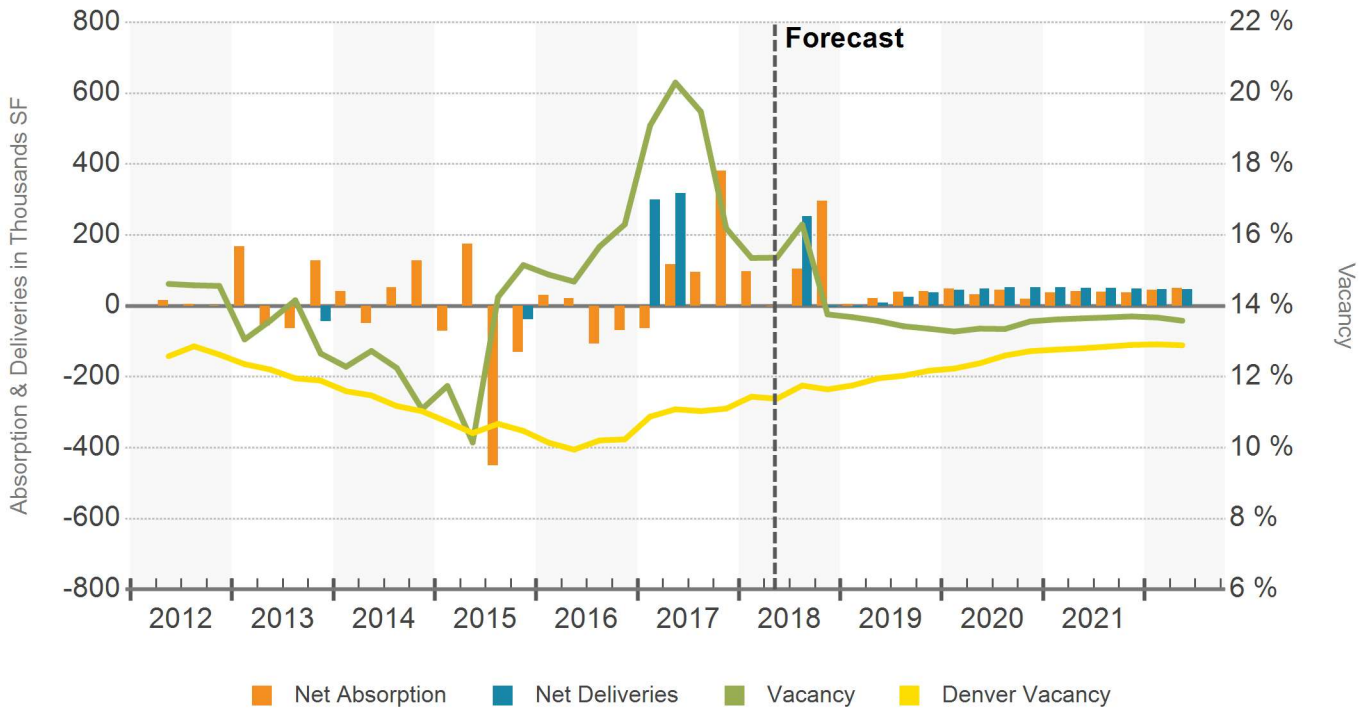
at 7979 Tufts Avenue where the firm's current offices are located. In November 2017, Western Union signed on for 85,000 SF at 7979 Tufts, taking much of the space vacated by EKS&H.

On the negative side, as of March 2018, 120,000 SF remained available at 4340 S Monaco Street (the entire building), which was largely vacated by SquareTwo Financial in the fourth quarter of 2016. SquareTwo signed on for a slightly smaller space at 6300 S Syracuse Way in the neighboring Greenwood Village submarket.

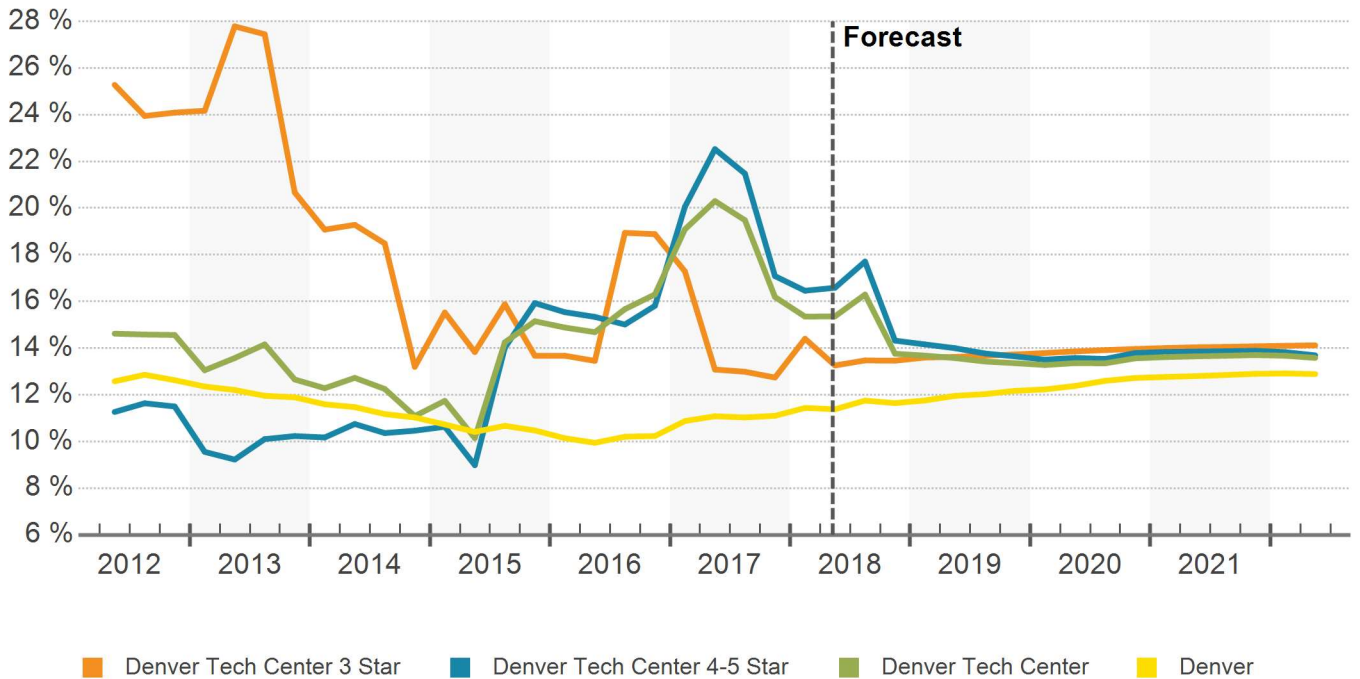
In February 2018, Jackson National Life insurance announced it would be closing its Denver offices at 7601 Technology Way, and has placed roughly 120,000 SF up for sublease. Curian Capital, a subsidiary of Jackson National Life had previously closed its operations at the same building in late 2015, putting about 60,000 SF on the market. In 17Q3, San Jose, CA-based Zoom signed on for 30,500 SF previously occupied by Curian, greatly expanding its Denver presence (the company moved from 9,000 SF at 8055 E Tufts Way that it had occupied since the beginning of 2016).

In 17Q3, all 131,000 SF became available at Atrium II for an early- to mid-2018 move-in (and remained available as of March 2018). The building was occupied by The Travelers Companies, which signed on for 141,000 SF at INOVA Dry Creek 2 in July 2017. INOVA is a new 222,000 SF fully speculative building that delivered at the beginning of 2018.

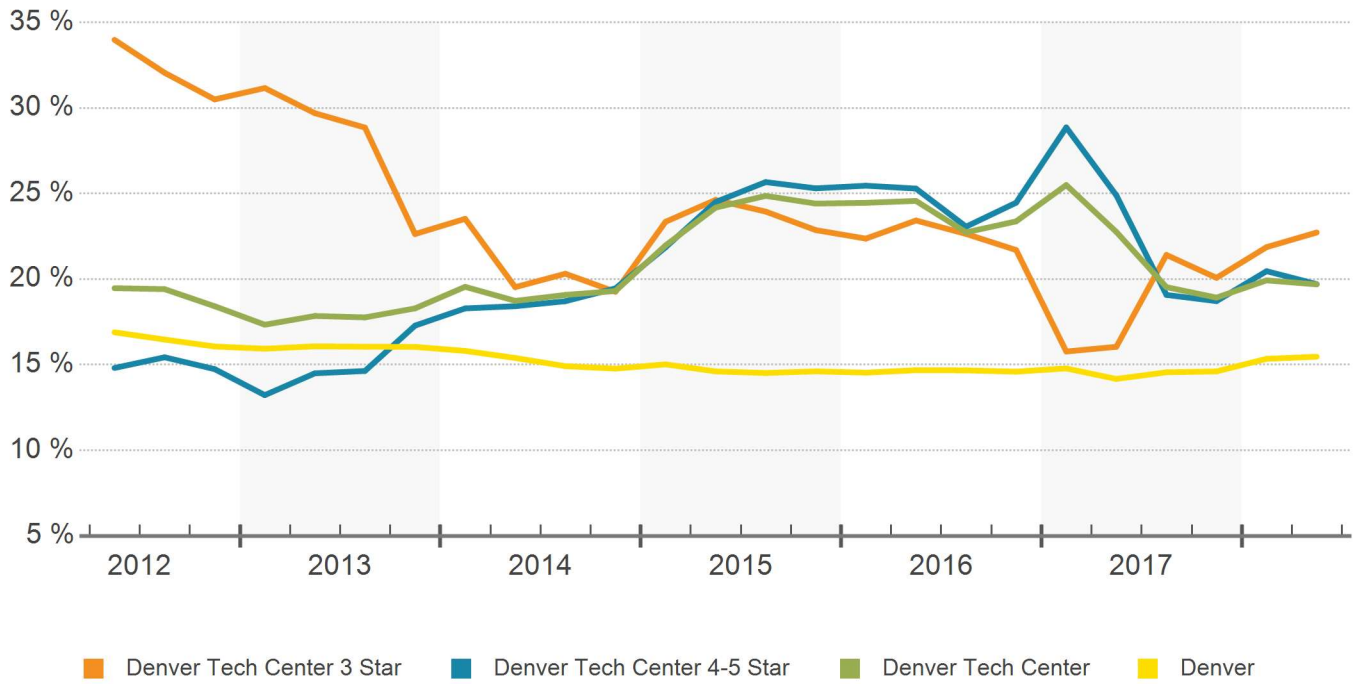
NET ABSORPTION, NET DELIVERIES & VACANCY



VACANCY RATE



AVAILABILITY RATE



4 & 5 STAR MOST ACTIVE BUILDINGS IN SUBMARKET - PAST 12 MONTHS

Property Name/Address	Rating	RBA	Deals	SF	Vacancy (QTD)	Net Absorption SF (QTD)
Park Place 5690 DTC Blvd	★★★★★	169,963	9	46,821	8.7%	21,691
Metropoint I 4600 S Ulster St	★★★★★	280,417	5	46,355	8.2%	19,815
Orchard Pointe 8480 E Orchard Rd	★★★★★	120,876	7	21,243	0%	3,743
The Office @ DTC 4700 S Syracuse St	★★★★★	193,718	5	31,721	19.0%	2,444
Crescent VII 8390 E Crescent Pky	★★★★★	135,332	2	3,772	1.1%	0
Crescent VI 8400 E Crescent Pky	★★★★★	134,113	5	30,032	26.5%	0
Denver Corporate Center III 7900 E Union Ave	★★★★★	187,685	5	39,942	7.9%	0
Terrace Tower 5619 DTC Pky	★★★★★	254,283	6	50,902	6.8%	0
Stanford Place III 4582 S Ulster St	★★★★★	363,417	6	41,775	16.8%	0
5613 DTC Pky	★★★★★	224,015	2	5,386	12.9%	0
7979 E Tufts Ave	★★★★★	366,184	8	141,492	51.2%	(270)
The Edward Bldg 8400 E Prentice Ave	★★★★★	183,195	9	21,645	19.6%	(1,550)
The Quadrant 5445 DTC Pky	★★★★★	334,109	7	50,632	12.0%	(1,652)
Prentice Plaza 8101 E Prentice Ave	★★★★★	161,313	2	13,054	26.3%	(3,551)
Regency Plaza 4643 S Ulster St	★★★★★	319,967	2	13,627	5.4%	(5,169)
Denver Corporate Center II 7800 E Union Ave	★★★★★	192,838	16	62,695	44.6%	(7,350)
Stanford Place I 8055 E Tufts Ave	★★★★★	273,963	6	32,370	14.2%	(8,483)
One DTC 5251 DTC Pky	★★★★★	240,852	6	42,970	12.1%	(12,580)
4601 DTC Blvd 4601 DTC Blvd	★★★★★	247,741	2	26,989	12.0%	(13,272)
Prentice Point 5299 DTC Blvd	★★★★★	206,937	6	27,268	28.7%	(16,069)

3 STAR MOST ACTIVE BUILDINGS IN SUBMARKET - PAST 12 MONTHS

Property Name/Address	Rating	RBA	Deals	SF	Vacancy (QTD)	Net Absorption SF (QTD)
Financial Plaza - Bldg B 7720 E Belleview Ave	★ ★ ★ ★ ★	41,025	1	1,979	0%	13,945
Monaco Plaza 4725 S Monaco St	★ ★ ★ ★ ★	57,914	2	3,015	25.0%	10,196
Terrace at Orchard Station 5575 DTC Pky	★ ★ ★ ★ ★	115,050	7	52,767	19.0%	2,132
Westgold Center 4380 S Syracuse St	★ ★ ★ ★ ★	93,899	3	3,230	32.5%	2,045
DTC Promenade West Bldg 7935 E Prentice Ave	★ ★ ★ ★ ★	81,101	12	34,081	21.5%	1,623
DTC Promenade East Bldg 7995 E Prentice Ave	★ ★ ★ ★ ★	47,282	5	12,968	34.9%	0
5950 S Willow Dr	★ ★ ★ ★ ★	47,443	5	8,856	15.5%	0
DTC 5 5555 Dtc Pky	★ ★ ★ ★ ★	47,873	3	2,575	28.5%	0
5300 DTC Parkway 5300 DTC Pky	★ ★ ★ ★ ★	63,519	2	1,664	13.7%	0
Yosemite Office Center 5655 S Yosemite St	★ ★ ★ ★ ★	72,285	2	6,218	15.2%	0
Financial Plaza - Bldg A 7730 E Belleview Ave	★ ★ ★ ★ ★	96,760	1	1,129	40.6%	0
Orchard One 6143 S Willow Dr	★ ★ ★ ★ ★	46,854	2	4,387	11.7%	0
Crescent IV 8490 E Crescent Pky	★ ★ ★ ★ ★	39,477	2	5,172	27.5%	0
5775 DTC 5775 DTC Blvd	★ ★ ★ ★ ★	122,390	1	21,470	4.6%	0
The Signature Building 5690 DTC Blvd	★ ★ ★ ★ ★	10,755	1	10,110	94.0%	0
Firstbank Bldg 5105 DTC Pky	★ ★ ★ ★ ★	45,253	1	1,146	3.2%	(834)
5200 DTC 5200 DTC Pky	★ ★ ★ ★ ★	46,402	1	2,234	8.7%	(1,141)
6455 S Yosemite St	★ ★ ★ ★ ★	198,043	2	31,825	13.9%	(10,450)

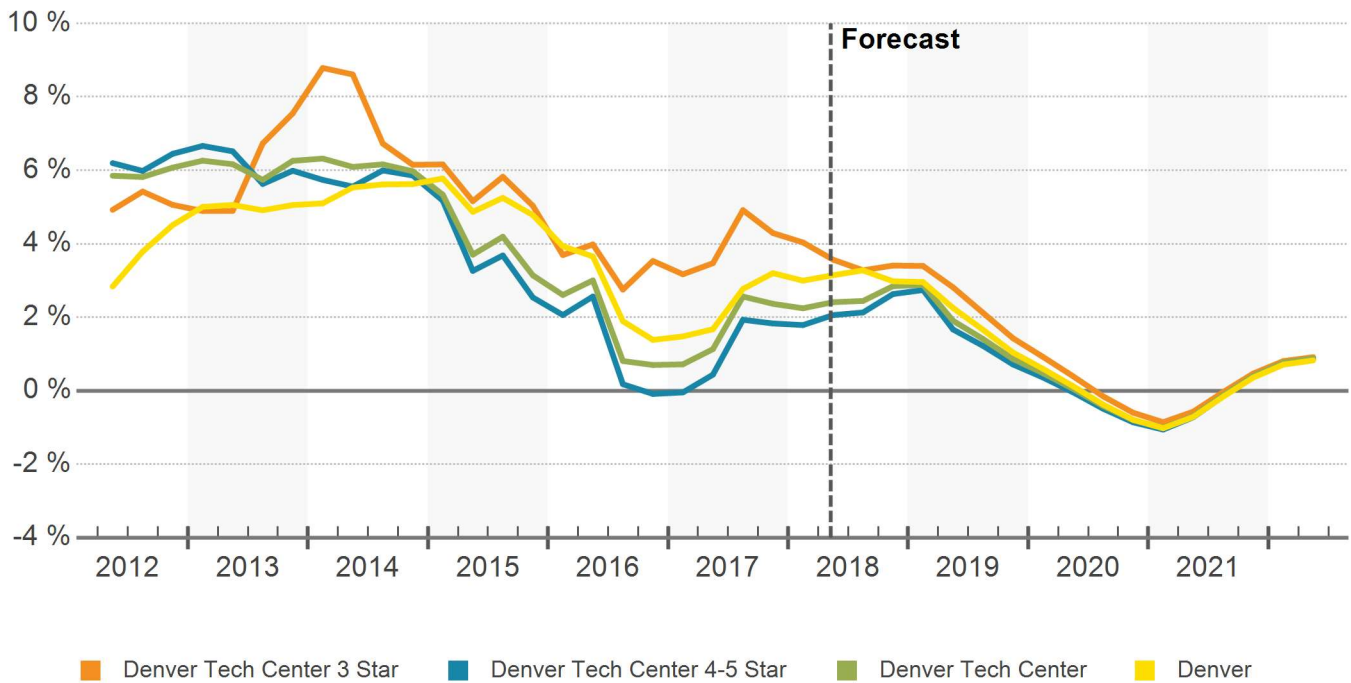
After a four year stretch of phenomenal rent gains from 2011-2014 (6% per-year on average), rent growth began to moderate in 2015 as a number of large speculative projects broke ground, and rents were essentially flat year-over-year in 2016 (the metro only managed a 1% increase). Rents were back in the black on an annual basis in 2017, but at a far less robust pace than the peak years of this cycle.

This follows the metrowide slowdown, which began to manifest in 2016, and has been most pronounced at high-end office space. In a development that will perhaps ease concerns of a broader slowdown in the

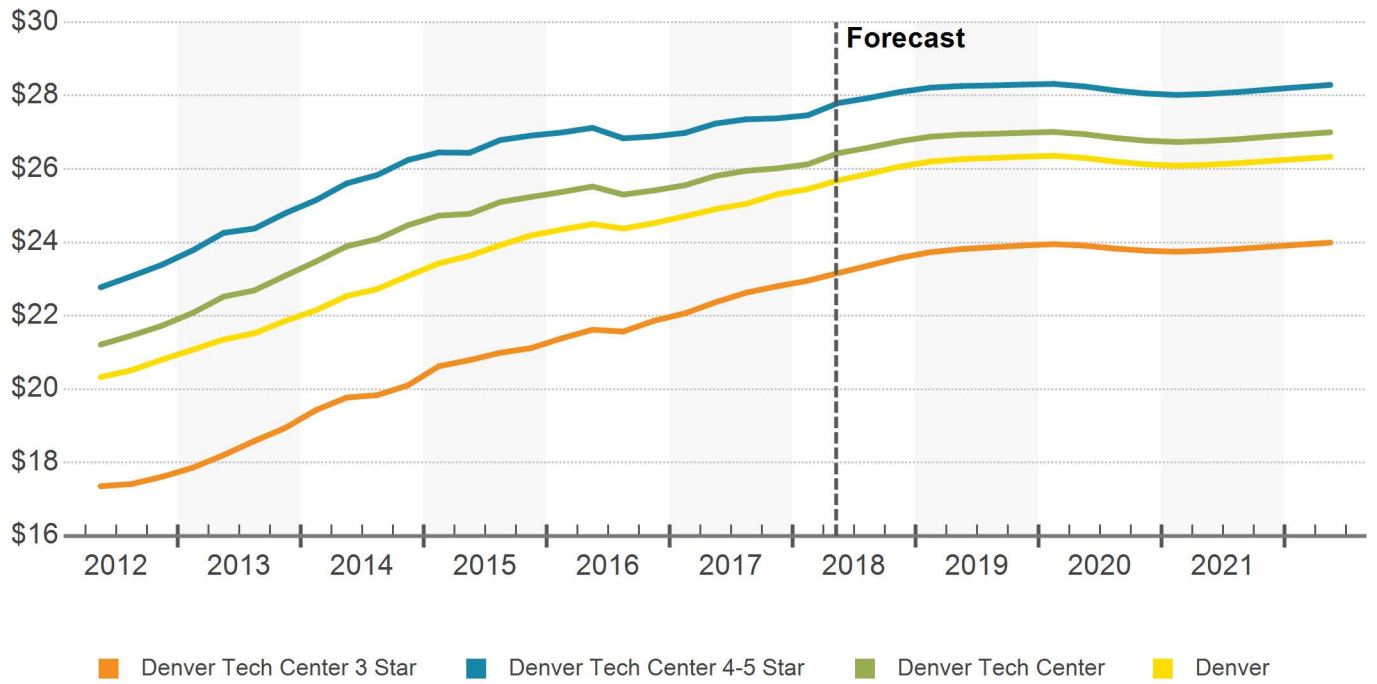
DTC itself, both of the 300,000 SF speculative projects that delivered during the first half of 2017 are now almost fully leased, and a smaller 72,000 SF project set to deliver in 18Q2 now has less than 9,000 SF remaining.

After three straight years in which the DTC's availability rate was 25% or higher, the availability rate edged under 20% during the second half of 2017. Still, tenants looking for space here have no shortage of options.. That and ongoing speculative development in the DTC and other southeast corridor submarkets may continue to create headwinds towards the outsized rent gains enjoyed earlier in this cycle.

ASKING RENT GROWTH (YOY)



GROSS ASKING RENT PER SQUARE FOOT

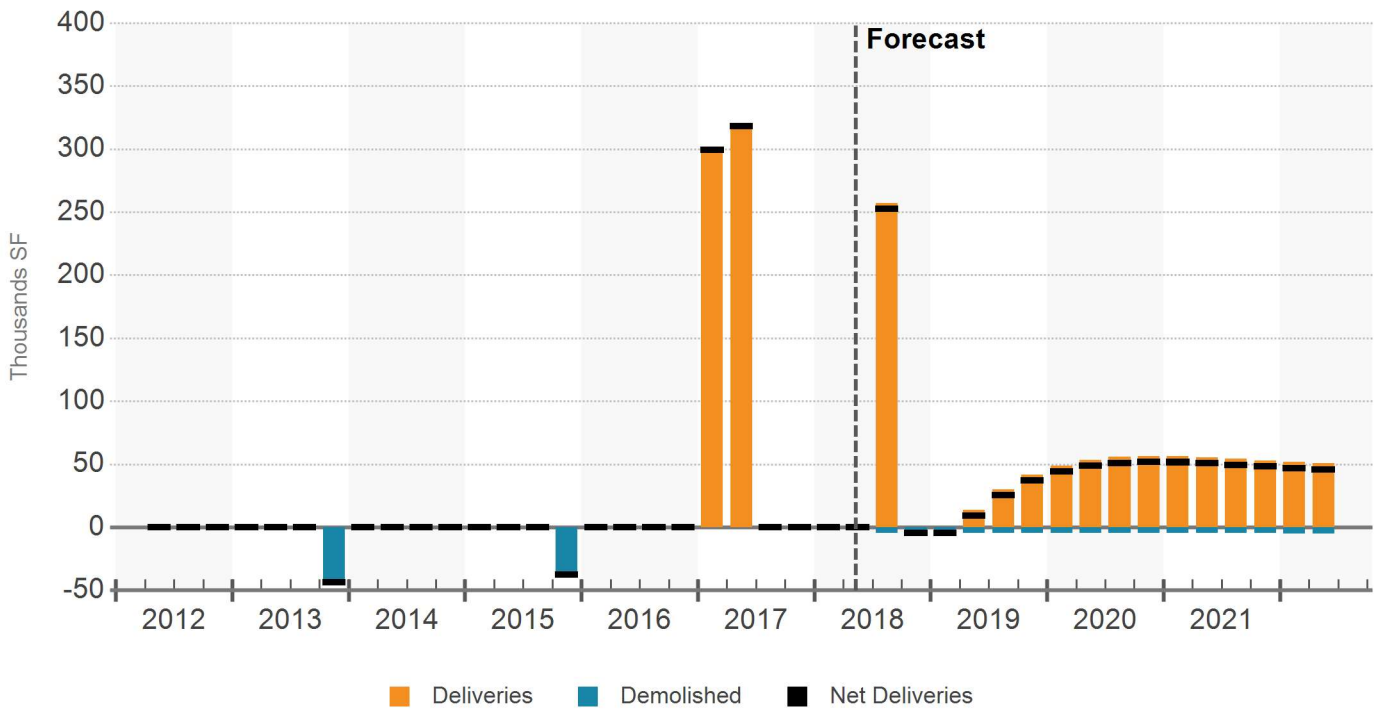


Fundamentals in the DTC took a fairly hard hit during the recession, and the submarket was not the first Denver submarket to be heavily targeted by developers this cycle (who were instead focused on submarkets in the greater downtown area like LoDo, Cherry Creek, and Platte River). With fundamentals much improved by 2015 (both in the DTC, and the southeast corridor as a whole), The 318,000 SF One Bellevue Station development broke ground in the second quarter of that year and delivered in 17Q2, and several large projects have followed suit: The 300,000 SF Granite Place at Village Center, which delivered in March 2017, the 185,000 SF 50 Fifty DTC, which broke ground in 16Q4, and the 72,000 SF One DTC West, which broke ground in the first quarter of 2017.

The two 300,000 SF projects that delivered in the first half of 2017 have since leased virtually all of their space. The success of these developments (both of which broke ground without any leasing commitments) may encourage other developers who now have this cycle's first gauge of the demand potential for new speculative development in the DTC.

One Bellevue Station, 50 Fifty DTC, and One DTC West are all located within a quarter mile of the Bellevue light rail station. There are still a number of open lots near the station, and this is certainly a likely destination for future office/mixed-use development.

DELIVERIES & DEMOLITIONS



All-Time Annual Avg. SF

32,936

Delivered SF Past 4 Qtrs

0

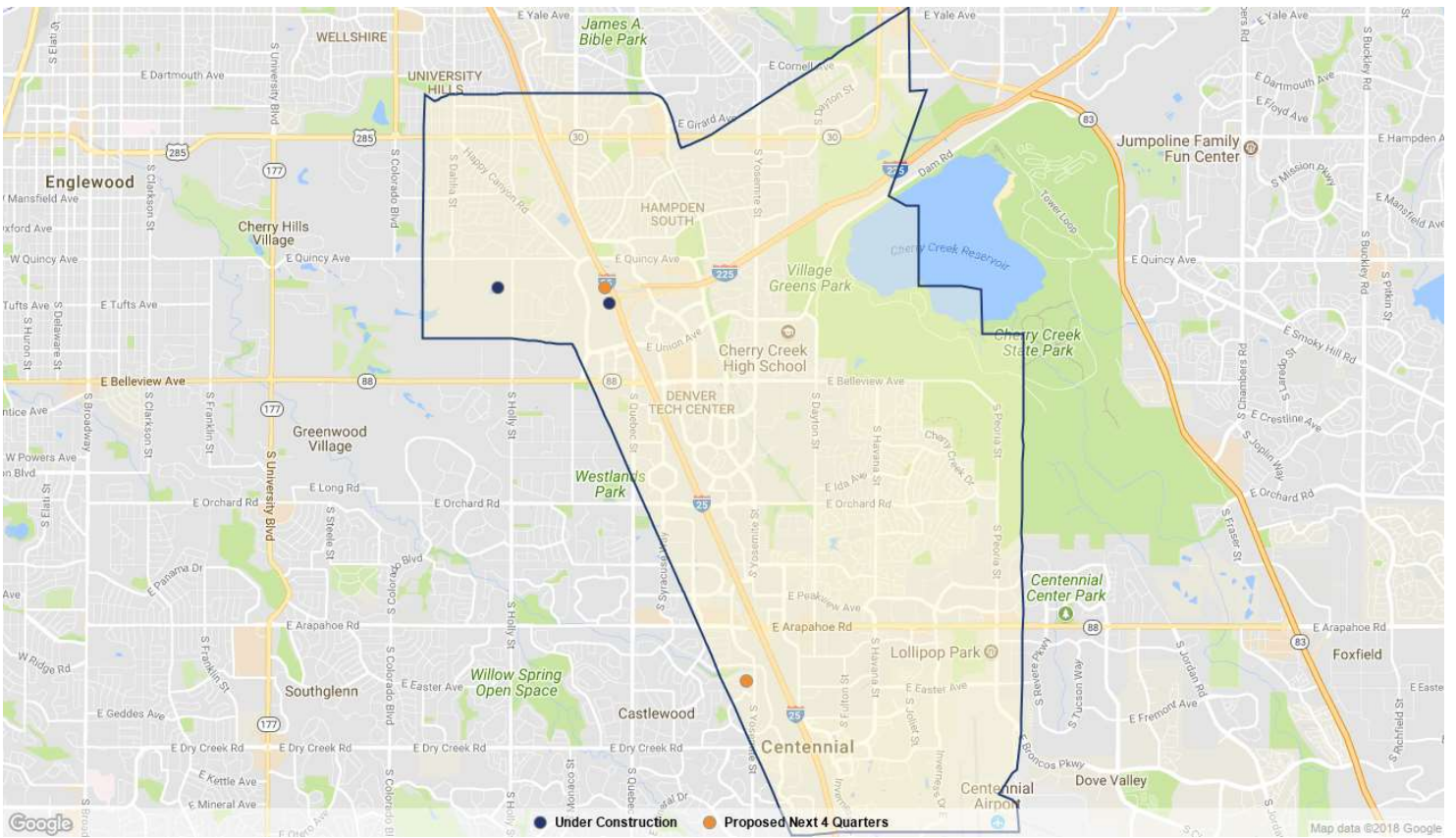
Delivered SF Next 4 Qtrs

257,000

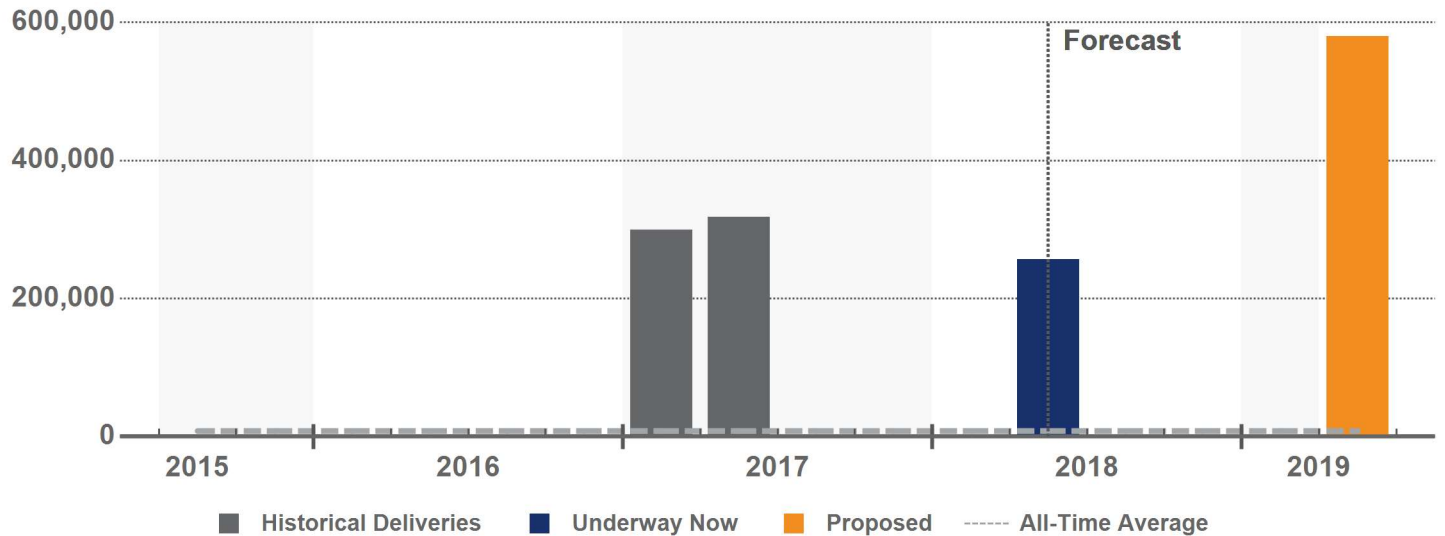
Proposed SF Next 4 Qtrs

579,679

PAST 4 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



PAST & FUTURE DELIVERIES IN SQUARE FEET



RECENT DELIVERIES

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 One Belleview Station 7001 E Belleview Ave	★★★★★	318,000	15	Dec-2015	Apr-2017	Prime West Companies Lincoln Property Company

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 50 FIFTY DTC 5050 S Syracuse St	★★★★★	185,000	12	Dec-2016	Jun-2018	Corum Real Estate Group Inc. Corum Real Estate Group Inc.
2 One DTC West 4949 Niagara St	★★★★☆	72,000	4	Mar-2017	Jun-2018	Confluent Development Frank Hutto

PROPOSED

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Granite Place II at Village... 6165 S Willow Dr	★★★★★	300,000	10	Oct-2018	May-2019	Granite Properties, Inc. Granite Properties, Inc.
2 Summit Place at DTC SEC E Union Ave & S Syr...	★★★★☆	279,679	10	May-2018	May-2019	Hamilton Titan Partners Hamilton Titan Partners

Investment activity was almost nonexistent during the first half of 2017, but jumped in the third quarter, as major deals closed in both July and August 2017. In July 2017, Chicago-based Boyd Warrerson Asset Management acquired the 157,000 SF Atrium III building for \$27.3 million (\$174/SF) at a 7.2% cap rate. The building was 100% occupied at the time of the sale. In August, Mountain View, CA-based Rees Properties acquired the 185,000 SF 8181 Tufts Avenue for \$40 million (\$216/SF). That building was similarly well-positioned at the time of the sale, with an occupancy rate of 91%.

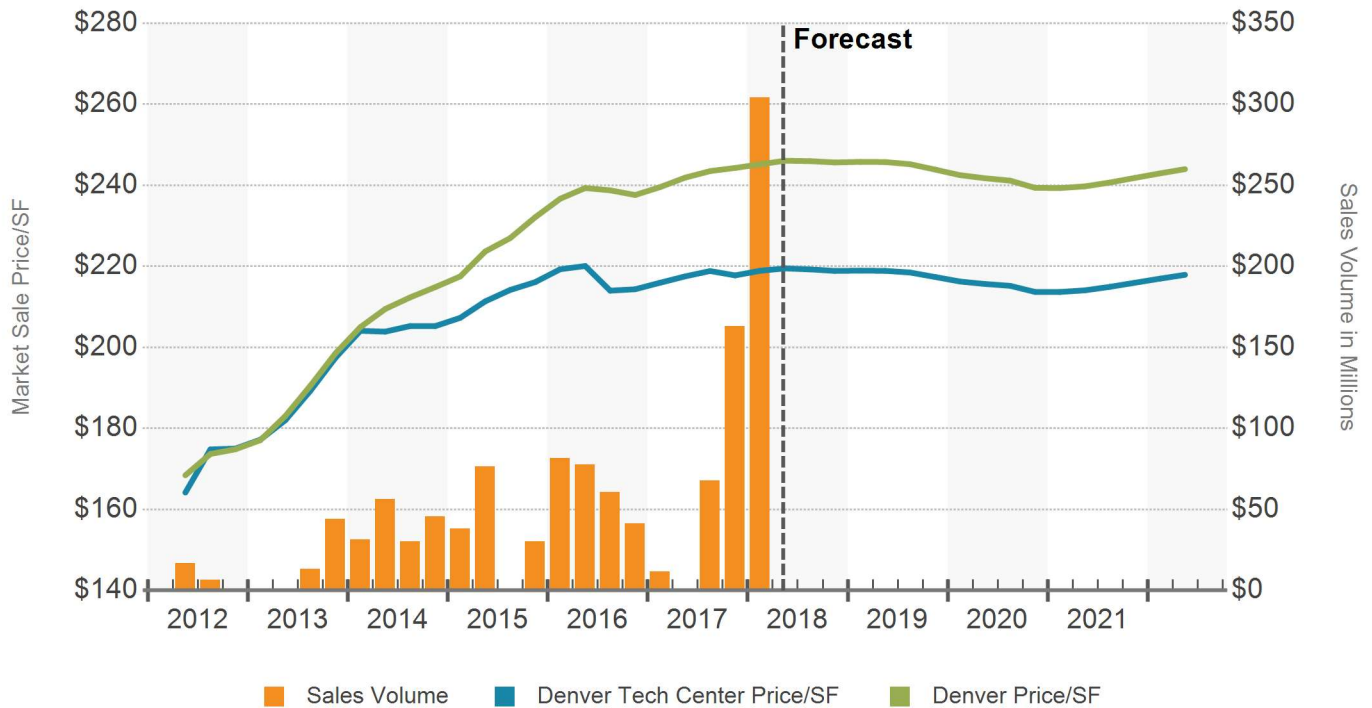
In October 2017, Miami, FL-based Rialto Capital Management acquired Prentice Point, a 207,000 SF office tower built in 1985, for \$35 million, (\$169/SF) at a 5.6% cap rate. The seller, New York-based Alliance Bernstein, had acquired the property for \$30 million as

part of a five property deal in 16Q2.

The year ended with a blockbuster trade: In December, Denver-based Crestone Partners acquired the recently delivered 300,000 SF Granite Place tower for \$127 million, at a submarket record-breaking \$424/SF. The building was fully leased by Charter Communications and CSG Systems (on 10 and 12 year leases, respectively) at the time of the sale.

Just one \$10 million-plus trade closed during the first half of 2017: In February, AAA Colorado acquired the 137,000 SF Atrium I building for \$11.8 million, or \$86/SF. AAA Colorado will occupy approximately 90,000 SF of the building, and plans to take occupancy in 17Q3. Atrium I was fully vacated by Comcast in 16Q3, and remained fully vacant leading up to the sale, which played into the atypically low pricing.

SALES VOLUME & MARKET SALE PRICE PER SF



Sale Comparables

14

Avg. Cap Rate

6.4%

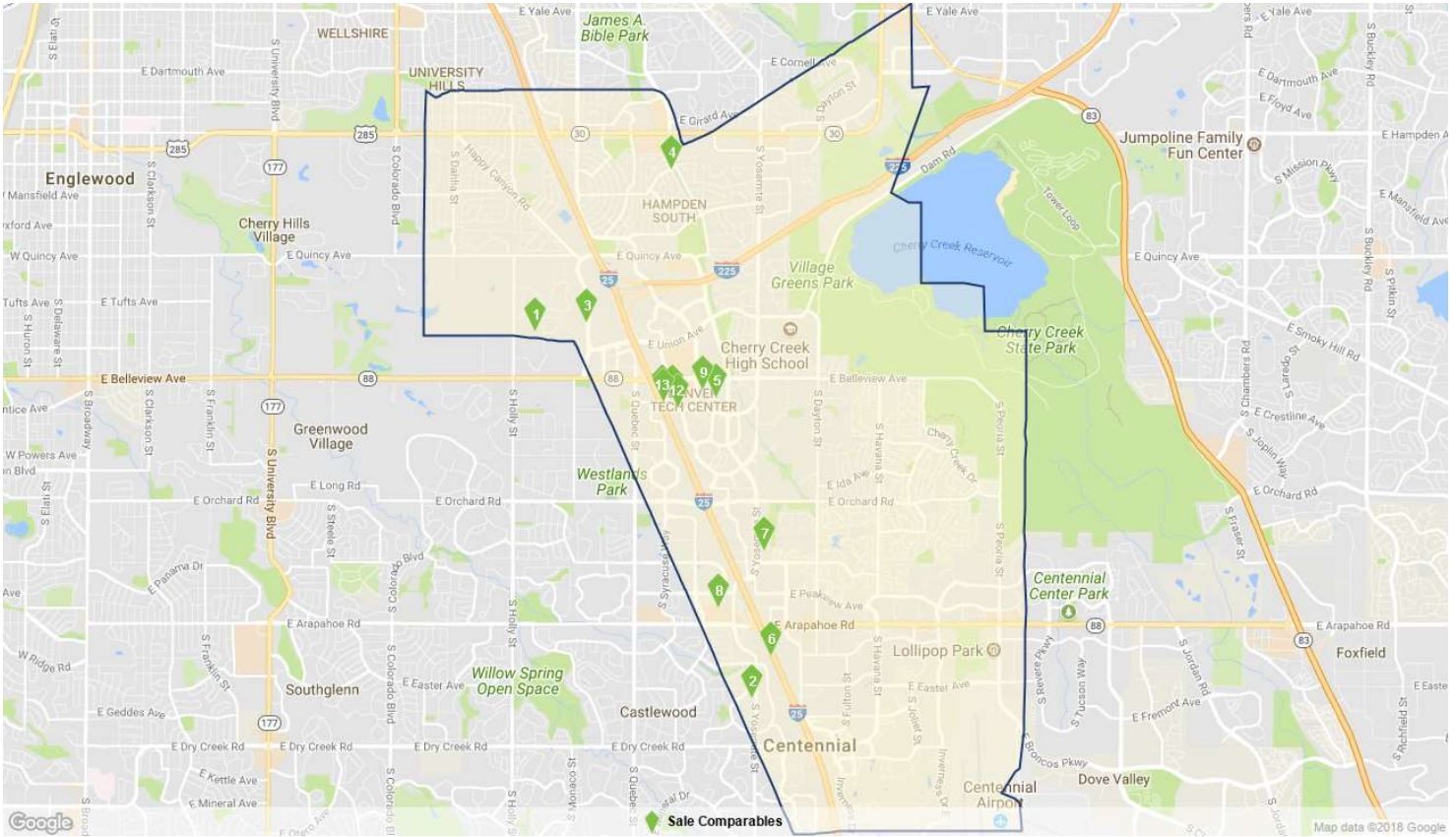
Avg. Price/SF

\$324

Avg. Vacancy At Sale

19.8%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$16,550,000	\$66,531,250	\$37,500,000	\$152,000,000
Price Per SF	\$137	\$324	\$204	\$504
Cap Rate	6.0%	6.4%	6.3%	7.2%
Time Since Sale in Months	0.4	5.4	5.1	10.1
Property Attributes	Low	Average	Median	High
Building SF	120,876	204,729	196,097	318,000
Stories	3	9	8	15
Typical Floor SF	15,225	29,588	30,263	48,680
Vacancy Rate At Sale	0%	19.8%	3.9%	83.9%
Year Built	1974	1996	1993	2017
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 4.1	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

Denver Tech Center Office

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 One Belleview Station 7001 E Belleview Ave	★★★★★	2017	318,000	83.9%	3/29/2018	\$152,000,000	\$478	-
2 Granite Place at Village... 6165 S Willow Dr	★★★★★	2017	299,568	0%	12/14/2017	\$126,950,000	\$424	6.2%
3 RE/MAX Plaza 5075 S Syracuse St	★★★★★	2007	227,997	0%	3/16/2018	\$115,000,000	\$504	6.3%
4 8181 E Tufts Ave	★★★★★	2001	185,256	11.0%	8/4/2017	\$40,000,000	\$216	-
5 Prentice Point 5299 DTC Blvd	★★★★★	1985	206,937	23.9%	10/25/2017	\$35,000,000	\$169	6.0%
6 Atrium III 6162 S Willow Dr	★★★★★	1983	156,807	0%	7/19/2017	\$27,250,000	\$174	7.2%
7 5775 DTC 5775 DTC Blvd	★★★★★	1974	122,390	4.6%	1/30/2018	\$19,500,000	\$159	-
8 Orchard Pointe 8480 E Orchard Rd	★★★★★	1984	120,876	3.1%	2/12/2018	\$16,550,000	\$137	-
9 Prentice Place 8301 E Prentice Ave	★★★★★	1974	4,563	0%	2/2/2018	\$875,000	\$192	-
9 Prentice Place 8301 E Prentice Ave	★★★★★	1974	2,701	7.7%	11/27/2017	\$605,000	\$224	-
10 Creekside @ DTC Buildi... 8000 E Prentice Ave	★★★★★	1983	1,900	21.9%	7/6/2017	\$350,000	\$184	-
11 Creekside @ DTC Buildi... 8000 E Prentice Ave	★★★★★	1979	993	0%	10/1/2017	\$253,000	\$255	-
12 Creekside @ DTC BLD D... 8000 E Prentice Ave	★★★★★	1983	883	0%	4/27/2018	\$200,000	\$227	-
13 Creekside @ DTC Buildi... 8000 E Prentice Ave	★★★★★	1983	1,061	9.9%	7/17/2017	\$199,900	\$188	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2022	12,457,807	181,051	1.5%	193,078	1.5%	0.9
2021	12,276,756	199,904	1.7%	155,615	1.3%	1.3
2020	12,076,852	195,582	1.6%	144,559	1.2%	1.4
2019	11,881,270	66,970	0.6%	105,669	0.9%	0.6
2018	11,814,300	247,863	2.1%	494,775	4.2%	0.5
YTD	11,566,437	0	0%	53,504	0.5%	0
2017	11,566,437	617,568	5.6%	529,711	4.6%	1.2
2016	10,948,869	0	0%	(125,734)	-1.1%	-
2015	10,948,869	(37,678)	-0.3%	(478,192)	-4.4%	-
2014	10,986,547	0	0%	172,131	1.6%	0
2013	10,986,547	(43,664)	-0.4%	172,201	1.6%	-
2012	11,030,211	0	0%	88,270	0.8%	0
2011	11,030,211	0	0%	32,564	0.3%	0
2010	11,030,211	0	0%	301,347	2.7%	0
2009	11,030,211	0	0%	(140,556)	-1.3%	-
2008	11,030,211	0	0%	(383,759)	-3.5%	-
2007	11,030,211	227,997	2.1%	293,646	2.7%	0.8
2006	10,802,214	(25,704)	-0.2%	232,141	2.1%	-

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2022	9,591,320	200,470	2.1%	214,867	2.2%	0.9
2021	9,390,850	219,073	2.4%	179,829	1.9%	1.2
2020	9,171,777	214,498	2.4%	172,062	1.9%	1.2
2019	8,957,279	85,627	1.0%	133,880	1.5%	0.6
2018	8,871,652	257,000	3.0%	458,190	5.2%	0.6
YTD	8,614,652	0	0%	11,336	0.1%	0
2017	8,614,652	617,568	7.7%	410,278	4.8%	1.5
2016	7,997,084	0	0%	9,371	0.1%	0
2015	7,997,084	0	0%	(437,155)	-5.5%	-
2014	7,997,084	0	0%	(18,336)	-0.2%	-
2013	7,997,084	0	0%	101,229	1.3%	0
2012	7,997,084	0	0%	98,353	1.2%	0
2011	7,997,084	0	0%	77,889	1.0%	0
2010	7,997,084	0	0%	174,226	2.2%	0
2009	7,997,084	0	0%	(122,717)	-1.5%	-
2008	7,997,084	0	0%	(304,439)	-3.8%	-
2007	7,997,084	227,997	2.9%	346,094	4.3%	0.7
2006	7,769,087	0	0%	239,967	3.1%	0

Supply & Demand Trends

Denver Tech Center Office

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2022	2,441,624	0	0%	(581)	0%	-
2021	2,441,624	0	0%	(2,796)	-0.1%	-
2020	2,441,624	0	0%	(5,717)	-0.2%	-
2019	2,441,624	0	0%	(6,512)	-0.3%	-
2018	2,441,624	0	0%	(17,661)	-0.7%	-
YTD	2,441,624	0	0%	(23,105)	-0.9%	-
2017	2,441,624	0	0%	150,000	6.1%	0
2016	2,441,624	0	0%	(127,212)	-5.2%	-
2015	2,441,624	(37,678)	-1.5%	(44,253)	-1.8%	-
2014	2,479,302	0	0%	185,165	7.5%	0
2013	2,479,302	(43,664)	-1.7%	51,659	2.1%	-
2012	2,522,966	0	0%	18,587	0.7%	0
2011	2,522,966	0	0%	(49,416)	-2.0%	-
2010	2,522,966	0	0%	132,804	5.3%	0
2009	2,522,966	0	0%	(14,006)	-0.6%	-
2008	2,522,966	0	0%	(92,946)	-3.7%	-
2007	2,522,966	0	0%	(36,971)	-1.5%	-
2006	2,522,966	0	0%	16,725	0.7%	0

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2022	424,863	(19,419)	-4.4%	(21,208)	-5.0%	-
2021	444,282	(19,169)	-4.1%	(21,418)	-4.8%	-
2020	463,451	(18,916)	-3.9%	(21,786)	-4.7%	-
2019	482,367	(18,657)	-3.7%	(21,699)	-4.5%	-
2018	501,024	(9,137)	-1.8%	54,246	10.8%	-
YTD	510,161	0	0%	65,273	12.8%	0
2017	510,161	0	0%	(30,567)	-6.0%	-
2016	510,161	0	0%	(7,893)	-1.5%	-
2015	510,161	0	0%	3,216	0.6%	0
2014	510,161	0	0%	5,302	1.0%	0
2013	510,161	0	0%	19,313	3.8%	0
2012	510,161	0	0%	(28,670)	-5.6%	-
2011	510,161	0	0%	4,091	0.8%	0
2010	510,161	0	0%	(5,683)	-1.1%	-
2009	510,161	0	0%	(3,833)	-0.8%	-
2008	510,161	0	0%	13,626	2.7%	0
2007	510,161	0	0%	(15,477)	-3.0%	-
2006	510,161	(25,704)	-4.8%	(24,551)	-4.8%	-

OVERALL RENT & VACANCY

Year	Gross Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2022	\$27.10	122	0.8%	4.0%	1,670,221	13.4%	-0.3%
2021	\$26.88	121	0.4%	3.2%	1,682,248	13.7%	0.1%
2020	\$26.77	120	-0.8%	2.8%	1,637,959	13.6%	0.2%
2019	\$26.99	121	0.9%	3.6%	1,586,936	13.4%	-0.4%
2018	\$26.76	120	2.8%	2.8%	1,625,635	13.8%	-2.4%
YTD	\$26.34	118	1.2%	1.2%	1,819,045	15.7%	-0.5%
2017	\$26.02	117	2.4%	0%	1,872,549	16.2%	-0.1%
2016	\$25.42	114	0.7%	-2.4%	1,784,692	16.3%	1.1%
2015	\$25.24	113	3.1%	-3.1%	1,658,958	15.2%	4.1%
2014	\$24.47	110	6.0%	-6.3%	1,218,444	11.1%	-1.6%
2013	\$23.09	104	6.3%	-12.7%	1,390,575	12.7%	-1.9%
2012	\$21.73	97	6.1%	-19.7%	1,606,440	14.6%	-0.8%
2011	\$20.49	92	4.9%	-27.0%	1,694,710	15.4%	-0.3%
2010	\$19.54	88	-0.6%	-33.2%	1,727,274	15.7%	-2.7%
2009	\$19.66	88	-11.8%	-32.3%	2,028,621	18.4%	1.3%
2008	\$22.29	100	-2.4%	-16.7%	1,888,065	17.1%	3.5%
2007	\$22.83	102	10.5%	-13.9%	1,504,306	13.6%	-0.9%
2006	\$20.67	93	13.6%	-25.9%	1,569,955	14.5%	-2.3%

4 & 5 STAR RENT & VACANCY

Year	Gross Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2022	\$28.39	120	0.8%	3.6%	1,289,676	13.4%	-0.4%
2021	\$28.17	119	0.4%	2.8%	1,304,073	13.9%	0.1%
2020	\$28.06	118	-0.9%	2.4%	1,264,829	13.8%	0.1%
2019	\$28.30	119	0.7%	3.3%	1,222,393	13.6%	-0.7%
2018	\$28.10	118	2.6%	2.6%	1,270,646	14.3%	-2.8%
YTD	\$27.72	117	1.2%	1.2%	1,460,501	17.0%	-0.1%
2017	\$27.38	115	1.8%	0%	1,471,837	17.1%	1.3%
2016	\$26.89	113	-0.1%	-1.8%	1,264,547	15.8%	-0.1%
2015	\$26.91	113	2.5%	-1.7%	1,273,918	15.9%	5.5%
2014	\$26.25	111	5.9%	-4.3%	836,763	10.5%	0.2%
2013	\$24.79	104	6.0%	-10.4%	818,427	10.2%	-1.3%
2012	\$23.39	99	6.4%	-17.0%	919,656	11.5%	-1.2%
2011	\$21.98	93	5.7%	-24.6%	1,018,009	12.7%	-1.0%
2010	\$20.79	88	-0.2%	-31.7%	1,095,898	13.7%	-2.2%
2009	\$20.82	88	-12.2%	-31.5%	1,270,124	15.9%	1.5%
2008	\$23.73	100	-2.8%	-15.4%	1,147,407	14.3%	3.8%
2007	\$24.42	103	10.9%	-12.1%	842,968	10.5%	-1.8%
2006	\$22.01	93	14.2%	-24.4%	961,065	12.4%	-3.1%

3 STAR RENT & VACANCY

Year	Gross Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2022	\$24.08	130	0.8%	5.3%	344,313	14.1%	0%
2021	\$23.88	129	0.5%	4.5%	343,732	14.1%	0.1%
2020	\$23.77	129	-0.6%	4.1%	340,936	14.0%	0.2%
2019	\$23.92	129	1.4%	4.7%	335,219	13.7%	0.3%
2018	\$23.58	128	3.4%	3.3%	328,707	13.5%	0.7%
YTD	\$23.04	125	1.0%	1.0%	334,152	13.7%	0.9%
2017	\$22.80	123	4.3%	0%	311,047	12.7%	-6.1%
2016	\$21.86	118	3.5%	-4.3%	461,047	18.9%	5.2%
2015	\$21.12	114	5.0%	-8.0%	333,835	13.7%	0.5%
2014	\$20.11	109	6.1%	-13.4%	327,260	13.2%	-7.5%
2013	\$18.94	102	7.5%	-20.4%	512,425	20.7%	-3.4%
2012	\$17.61	95	5.1%	-29.5%	607,748	24.1%	-0.7%
2011	\$16.76	91	1.9%	-36.0%	626,335	24.8%	2.0%
2010	\$16.46	89	-1.5%	-38.6%	576,919	22.9%	-5.3%
2009	\$16.71	90	-9.6%	-36.5%	709,723	28.1%	0.6%
2008	\$18.49	100	-0.9%	-23.3%	695,717	27.6%	3.7%
2007	\$18.65	101	9.2%	-22.2%	602,771	23.9%	1.5%
2006	\$17.09	92	11.4%	-33.4%	565,800	22.4%	-0.7%

1 & 2 STAR RENT & VACANCY

Year	Gross Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2022	\$19.04	123	0.9%	7.1%	36,232	8.5%	0.8%
2021	\$18.86	122	0.6%	6.3%	34,443	7.8%	0.8%
2020	\$18.75	121	-0.5%	5.7%	32,194	6.9%	0.9%
2019	\$18.86	122	1.4%	6.2%	29,324	6.1%	0.8%
2018	\$18.60	120	5.2%	4.9%	26,282	5.2%	-12.3%
YTD	\$18.20	118	2.9%	2.8%	24,392	4.8%	-12.8%
2017	\$17.68	114	5.2%	0%	89,665	17.6%	6.0%
2016	\$16.80	109	5.9%	-5.2%	59,098	11.6%	1.5%
2015	\$15.86	103	9.6%	-11.5%	51,205	10.0%	-0.6%
2014	\$14.48	94	8.6%	-22.1%	54,421	10.7%	-1.0%
2013	\$13.33	86	6.3%	-32.6%	59,723	11.7%	-3.8%
2012	\$12.54	81	1.1%	-41.0%	79,036	15.5%	5.6%
2011	\$12.41	80	-0.8%	-42.5%	50,366	9.9%	-0.8%
2010	\$12.51	81	-7.5%	-41.4%	54,457	10.7%	1.1%
2009	\$13.53	87	-12.5%	-30.7%	48,774	9.6%	0.8%
2008	\$15.46	100	0.9%	-14.4%	44,941	8.8%	-2.7%
2007	\$15.32	99	5.5%	-15.5%	58,567	11.5%	3.0%
2006	\$14.52	94	10.8%	-21.8%	43,090	8.4%	0.2%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$218.24	144	7.3%
2021	-	-	-	-	-	-	\$214.68	142	7.3%
2020	-	-	-	-	-	-	\$215.21	142	7.2%
2019	-	-	-	-	-	-	\$218.43	144	7.0%
2018	-	-	-	-	-	-	\$219.14	145	6.8%
YTD	6	\$304.1 M	6.9%	\$75,762,500	\$382.69	6.3%	\$218.92	145	6.8%
2017	9	\$242.4 M	8.6%	\$48,200,000	\$244.41	6.5%	\$217.54	144	6.8%
2016	17	\$261.2 M	18.0%	\$21,716,667	\$132.94	7.4%	\$216.94	143	6.8%
2015	10	\$144.8 M	8.4%	\$24,117,167	\$173.72	8.7%	\$212.25	140	6.8%
2014	13	\$163.6 M	9.9%	\$12,580,769	\$149.71	7.9%	\$204.64	135	6.8%
2013	16	\$58.6 M	7.3%	\$11,434,764	\$111.46	6.8%	\$186.49	123	7.1%
2012	18	\$62.7 M	6.7%	\$12,187,860	\$112.27	7.4%	\$168.42	111	7.5%
2011	14	\$73.5 M	5.1%	\$10,408,857	\$132.77	8.0%	\$146.12	97	8.0%
2010	11	\$84.9 M	4.1%	\$14,047,573	\$190.57	8.9%	\$126.46	84	8.9%
2009	4	\$25.2 M	3.0%	\$8,356,667	\$75.78	8.0%	\$118.44	78	9.6%
2008	9	\$64.5 M	3.6%	\$21,133,333	\$164.11	-	\$151.32	100	8.4%
2007	23	\$411.9 M	21.1%	\$27,282,933	\$177.06	4.5%	\$168.71	111	7.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$225.55	141	7.1%
2021	-	-	-	-	-	-	\$221.85	138	7.2%
2020	-	-	-	-	-	-	\$222.45	139	7.1%
2019	-	-	-	-	-	-	\$225.99	141	6.9%
2018	-	-	-	-	-	-	\$227.13	142	6.7%
YTD	3	\$283.6 M	7.7%	\$94,516,667	\$425.19	6.3%	\$227.14	142	6.7%
2017	3	\$202.0 M	8.0%	\$67,316,667	\$291.94	6.1%	\$226.19	141	6.7%
2016	8	\$231.0 M	21.7%	\$28,875,000	\$133.34	7.7%	\$227.22	142	6.6%
2015	5	\$138.3 M	9.8%	\$27,650,600	\$175.79	9.3%	\$224.48	140	6.6%
2014	4	\$111.6 M	8.6%	\$27,901,743	\$162.90	-	\$217.81	136	6.6%
2013	3	\$26.6 M	5.3%	\$26,600,000	\$164.90	6.8%	\$199.95	125	6.9%
2012	3	\$37.8 M	5.3%	\$37,833,000	\$148.78	-	\$180.22	112	7.3%
2011	2	\$55.1 M	3.9%	\$27,535,000	\$175.46	8.5%	\$155.32	97	7.8%
2010	2	\$78.5 M	3.9%	\$39,255,218	\$253.05	8.6%	\$134.39	84	8.6%
2009	1	\$18.4 M	3.2%	\$18,400,000	\$72.36	-	\$125.70	78	9.3%
2008	1	\$55.5 M	4.0%	\$55,500,000	\$173.46	-	\$160.20	100	8.3%
2007	9	\$371.0 M	25.1%	\$41,222,222	\$184.61	-	\$179.36	112	7.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$210.69	158	7.4%
2021	-	-	-	-	-	-	\$207.33	155	7.5%
2020	-	-	-	-	-	-	\$207.72	155	7.4%
2019	-	-	-	-	-	-	\$210.24	157	7.1%
2018	-	-	-	-	-	-	\$209.53	157	7.0%
YTD	2	\$20.4 M	5.2%	\$19,500,000	\$160.49	-	\$208.50	156	7.0%
2017	4	\$39.9 M	12.2%	\$19,525,000	\$134.12	7.2%	\$205.87	154	7.0%
2016	7	\$29.8 M	9.6%	\$7,400,000	\$129.58	7.1%	\$200.53	150	7.0%
2015	2	\$6.6 M	1.9%	\$6,450,000	\$139.34	6.8%	\$189.92	142	7.1%
2014	9	\$51.9 M	16.4%	\$5,771,447	\$127.53	7.9%	\$179.59	134	7.1%
2013	8	\$9.8 M	3.2%	\$8,650,000	\$143.48	-	\$159.16	119	7.6%
2012	13	\$23.5 M	11.6%	\$7,420,433	\$82.35	7.4%	\$144.69	108	8.0%
2011	7	\$17.8 M	9.5%	\$3,558,400	\$75.61	7.8%	\$128.55	96	8.5%
2010	5	\$2.1 M	2.1%	\$1,900,000	\$47.15	-	\$111.05	83	9.4%
2009	2	\$6.7 M	3.1%	\$3,335,000	\$86.50	8.0%	\$104.18	78	10.1%
2008	5	\$8.2 M	2.9%	\$3,950,000	\$121.40	-	\$133.70	100	8.8%
2007	6	\$38.2 M	12.1%	\$6,374,000	\$125.50	4.5%	\$146.95	110	8.1%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$127.29	157	8.3%
2021	-	-	-	-	-	-	\$125.01	155	8.3%
2020	-	-	-	-	-	-	\$124.92	154	8.2%
2019	-	-	-	-	-	-	\$126.10	156	8.0%
2018	-	-	-	-	-	-	\$126.03	156	7.8%
YTD	1	\$0.2 M	0.2%	-	\$226.50	-	\$125.81	156	7.8%
2017	2	\$0.6 M	0.6%	-	\$208.43	-	\$122.72	152	7.8%
2016	2	\$0.4 M	0.5%	-	\$168.05	-	\$116.51	144	7.9%
2015	3	\$0 M	17.3%	-	-	9.0%	\$106.12	131	8.1%
2014	-	-	-	-	-	-	\$95.10	118	8.4%
2013	5	\$22.2 M	58.1%	\$7,307,939	\$74.98	-	\$83.00	103	8.9%
2012	2	\$1.4 M	3.7%	\$845,000	\$72.94	-	\$76.66	95	9.3%
2011	5	\$0.7 M	0.9%	-	\$144.53	-	\$70.04	87	9.8%
2010	4	\$4.2 M	17.6%	\$1,291,667	\$47.02	9.1%	\$62.22	77	10.7%
2009	1	\$0.1 M	0.1%	-	\$142.18	-	\$60.40	75	11.3%
2008	3	\$0.8 M	1.0%	-	\$145.65	-	\$80.90	100	9.8%
2007	8	\$2.6 M	2.3%	-	\$222.59	-	\$87.35	108	8.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.