



Office Market Report Columbus - OH

PREPARED BY


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Investment Sales and Leasing

 **CoStar™**

OFFICE MARKET REPORT

Market Key Statistics	1
Leasing	2
Rent	7
Construction	10
Under Construction Properties	12
Sales	14
Sales Past 12 Months	16
Economy	18
Market Submarkets	23
Supply & Demand Trends	27
Rent & Vacancy	29
Sale Trends	31

12 Mo Deliveries in SF

1.2M

12 Mo Net Absorption in SF

(1.1M)

Vacancy Rate

10.7%

12 Mo Rent Growth

2.6%

Demand for office space is weakening once again in Columbus, and net absorption is back in negative territory in 2023. Around 1 million SF of space has returned to the market over the past year and vacancy in turn is moving higher, now sitting at 10.7% .

This is despite a solid pace of leasing activity, which improved consistently in 2022 and remains healthy year to date. Several factors help to explain this dichotomy, including renewals, which represent three of the top leases signed over this time period.

Downsizing is a pivotal factor as well, with Discover Financial providing a good example. Heading into the pandemic, Discover occupied the 333,200-SF property at 6500 New Albany Road. In 22Q4, Discover signed a sublease for the former Alliance Data property at 4590 E. Broad St. in Whitehall, which is just a third of the firm's prior footprint.

Many tenants are moving up the quality spectrum as they downsize, which is benefiting new deliveries. Of note, 330 Rush Alley has attracted several key tenants

from older properties in the market, including Deloitte and Burgess & Nipple.

A large number of office-using firms are attempting to shed space ahead of lease expirations, driving available sublease space to a historic high of 2.2 million SF. Multiple properties and submarkets are behind the recent surge, but one property stands out, the 240,000-square-foot former Alliance Data headquarters at 3075 Loyalty Circle. Upstart, an artificial intelligence lending platform, subleased the space in October 2021 but never took occupancy, and the property is once again available for sublease.

In line with expectations and reflecting the sharp rise in interest rates, transaction activity is moderating. About \$90 million in assets traded in 23Q1, 30% below the quarterly average in 2022. And pricing is down notably, due in large part to the sale of the Discover Financial property. The asset sold for just \$9.65 million, or \$28.96 per square foot. The property was acquired by a local investor, LHR Industries.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	39,753,784	16.7%	\$24.56	19.4%	(311,575)	0	574,084
3 Star	48,554,707	8.5%	\$21.59	9.6%	74,448	30,000	500,531
1 & 2 Star	29,477,192	6.2%	\$17.84	8.0%	(105,577)	0	0
Market	117,785,683	10.7%	\$21.66	12.5%	(342,704)	30,000	1,074,615
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.8%	8.9%	12.4%	11.5%	2006 Q4	6.0%	2018 Q1
Net Absorption SF	(1.1M)	823,496	(365,114)	2,730,556	2007 Q4	(1,111,763)	2021 Q3
Deliveries SF	1.2M	1,203,795	416,610	3,002,272	2002 Q2	265,936	2011 Q4
Rent Growth	2.6%	0.7%	-1.0%	6.8%	2016 Q3	-5.0%	2002 Q4
Sales Volume	\$473M	\$323.6M	N/A	\$576.4M	2022 Q1	\$115.6M	2009 Q4

Leasing is solid in Columbus, in line with pre-pandemic levels at 3.5 million SF in 2022 and almost 1 million SF already year to date. Still, net absorption remains weak, and is negative on a 12-month basis. Several factors are at play, including renewals, which represent three of the top leases signed since the beginning of 2022. In November, Lane Bryant completed a sale leaseback of its headquarters campus at 8323 Walton Parkway in New Albany. The retailer signed two leases, totaling 233,000 SF, for 20-year terms. And engineering firm ABB extended its term on a 66,000-SF space in Westerville. The local firm has occupied the space at 579 Executive Campus Drive since 2004.

Downsizing is a factor as well, driven largely by the expanded adoption of hybrid workplace protocols. Many of the area's top employers continue to support hybrid schedules, including the State of Ohio. The governor has left it up to each individual state agency to determine how often employees are in the office. For many, it remains infrequent, at least for now. According to market participants, around 50% of state government employees are back in the office, and of these, a large number are only there a few days each week.

Discover Financial provides another good example. Heading into the pandemic, Discover occupied the 333,200-SF property at 6500 New Albany Road. With a large number of employees transitioning to remote work, the firm announced its intention to sell the property in early 2021. In 22Q4, Discover signed a sublease for the former Alliance Data property at 4590 E. Broad St. in Whitehall. The new space, at 103,000 SF, is just a third of the firm's prior footprint. Discover plans to invest \$16 million to renovate the space, remaining in the New Albany location until the project is complete.

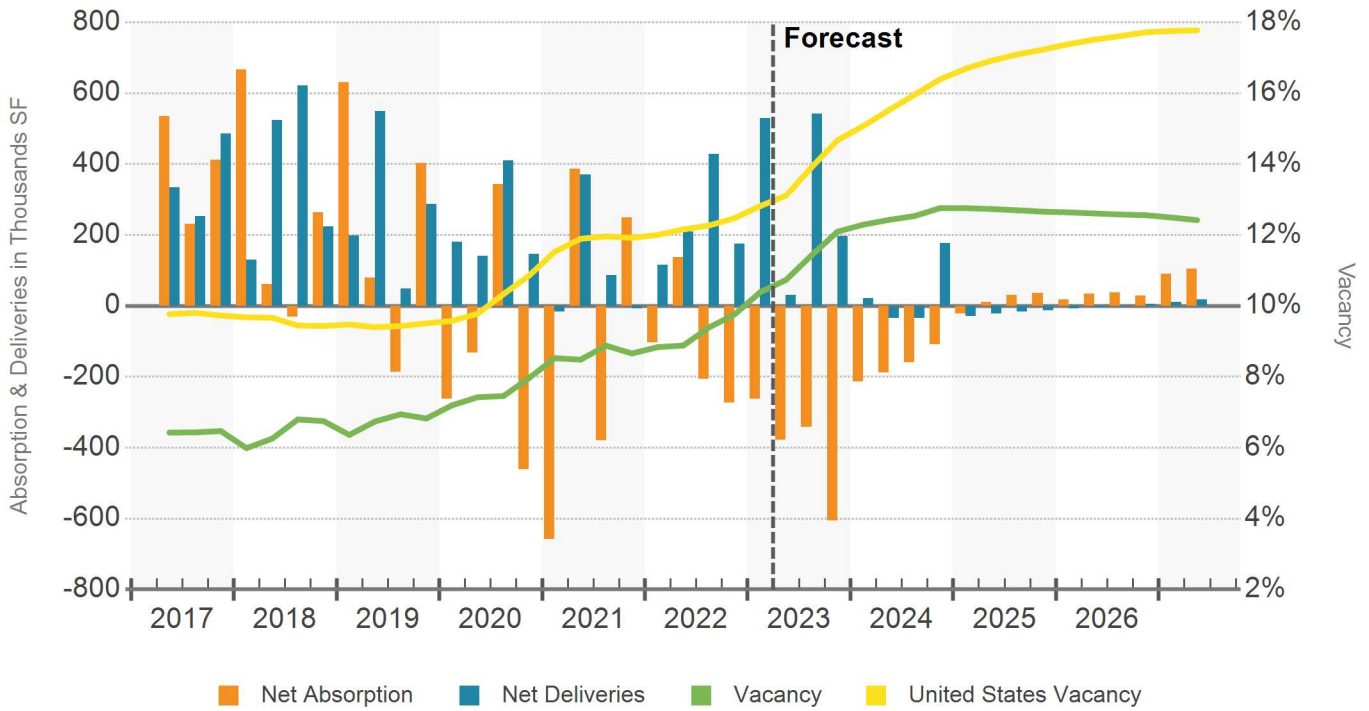
Many tenants are moving up the quality spectrum as they downsize, which is benefiting new deliveries. 330 Rush Alley provides a good example, attracting several key tenants from older properties in the market. Deloitte vacated a 35,000-SF space at 180 E Broad St., leasing 15,900 SF at 330 Rush, and Burgess & Niple moved from a 65,000-SF, 1970-vintage building in the Bethel Rd. Submarket to a 45,000-SF space at 330 Rush.

Despite several notable subleases, the pool of available sublease space in Columbus has continued to expand. Around 2.2 million SF of sublease space is now available, representing 1.9% of inventory and the highest point on record.

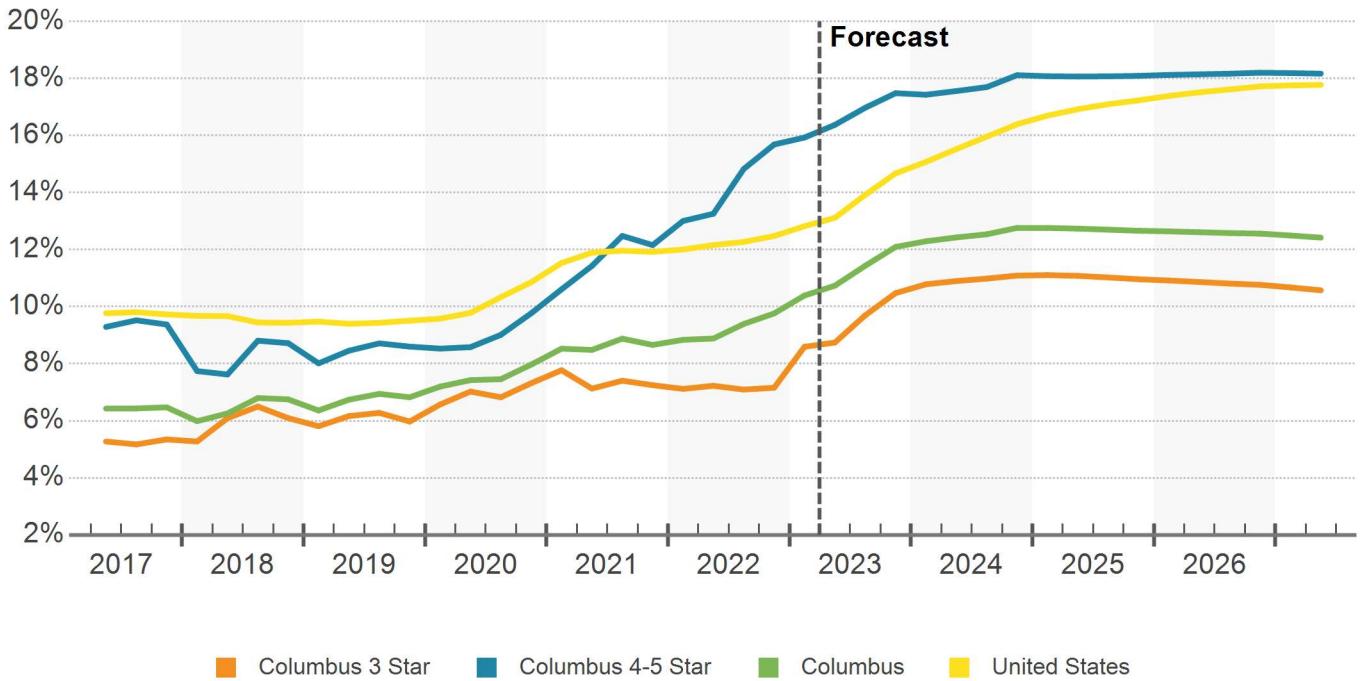
Multiple properties and submarkets are behind the recent surge, but one property stands out, the 240,000-square-foot former Alliance Data headquarters. After transitioning most of its employees to remote work amid the pandemic, Alliance vacated the property and marketed the space for sublease. Upstart, an artificial intelligence lending platform, subleased the space in October 2021 and spent months renovating the property. Upstart never took occupancy, citing layoffs and continued work from home. In a November filing with the SEC, the firm stated that 140 employees, or 7% of its workforce, were laid off due to a decline in loan volume. Upstart occupies a 15,000-SF space at 705 N High St., and 3075 Loyalty Circle is once again available for sublease.

While uncertainty remains high, demand is expected to improve in coming quarters, although vacancy continues to trend higher as new space comes on line. In CoStar's Base Case forecast, the pipeline empties out by early 2024, allowing vacancy to stabilize modestly above current levels.

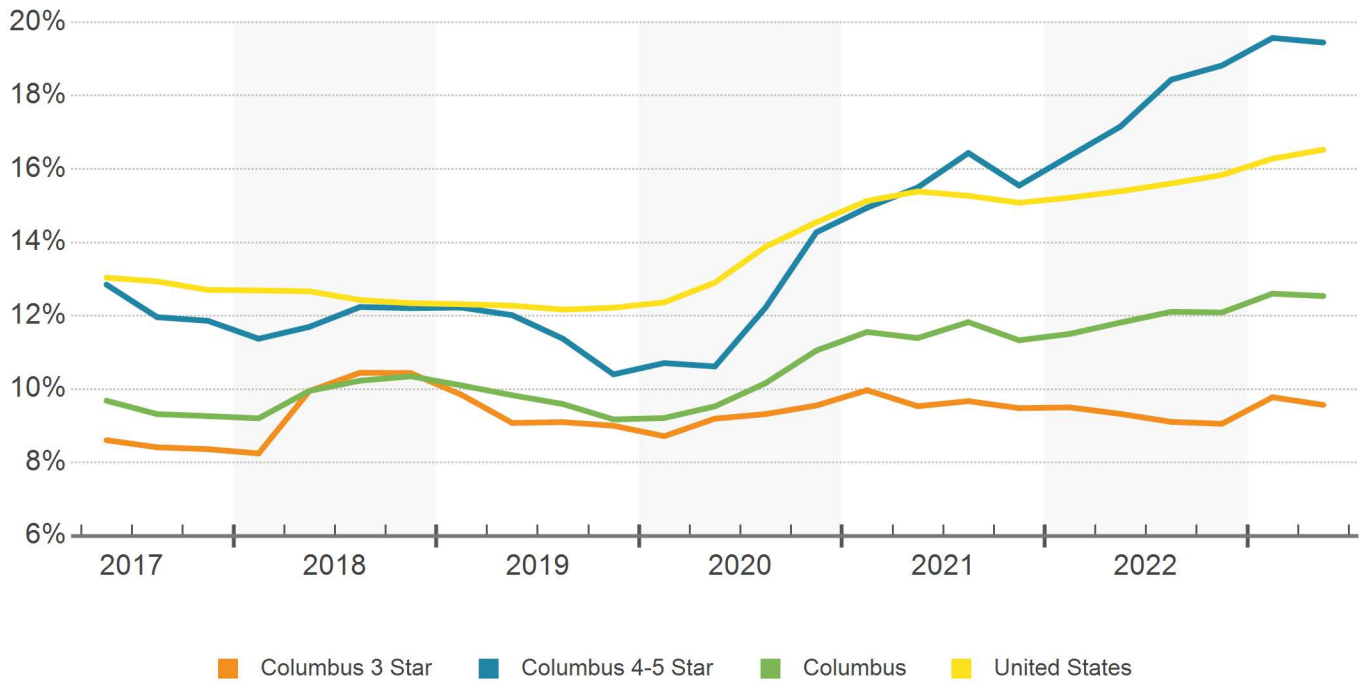
NET ABSORPTION, NET DELIVERIES & VACANCY



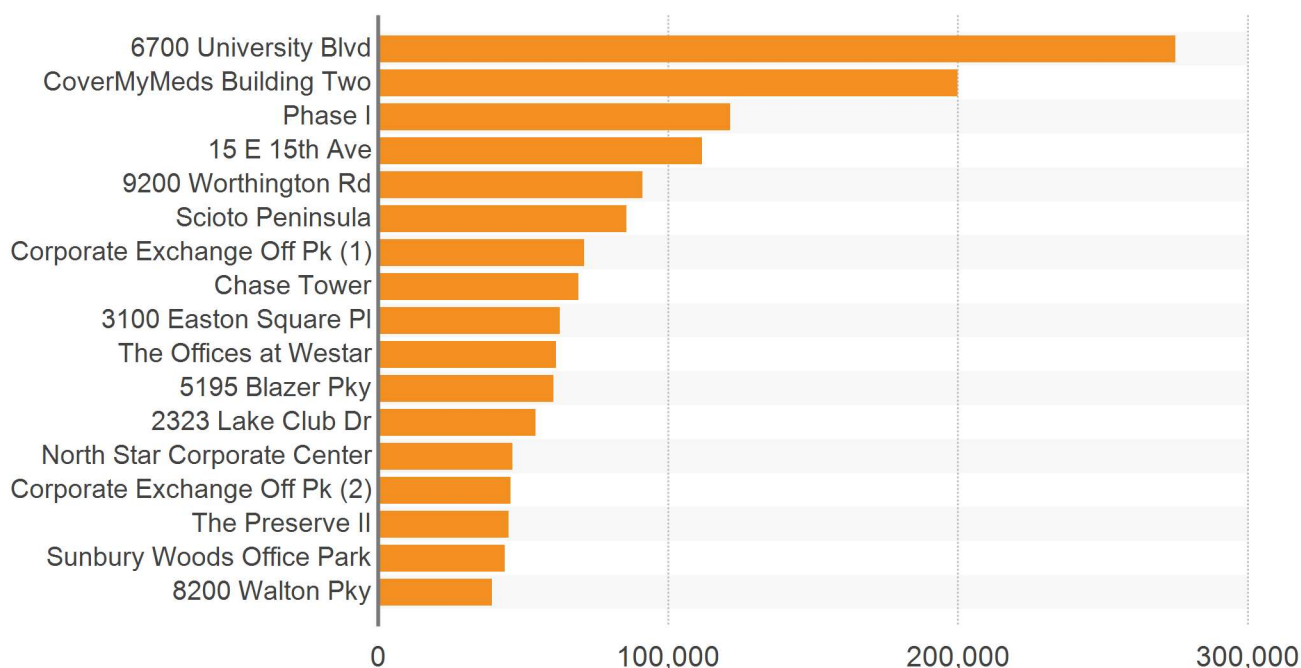
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
6700 University Blvd	Dublin	275,000	0	0	0	0	0	275,000
CoverMyMeds Building Two	West	200,000	0	200,000	0	0	0	200,000
Phase I	Grandview/Upper Arl...	121,515	0	0	0	0	0	121,515
15 E 15th Ave	North Central	111,830	0	111,830	0	0	0	111,830
9200 Worthington Rd	Polaris	136,318	19,217	12,756	0	0	0	91,228
Scioto Peninsula	West	230,000	114,680	28,863	5,300	0	0	85,592
Corporate Exchange Off Pk (1)	Westerville	91,074	17,206	0	0	0	0	71,000
Chase Tower	Downtown	308,337	42,708	79,705	0	0	0	69,200
3100 Easton Square Pl	North Central	199,112	0	0	88,236	0	0	62,687
The Offices at Westar	Polaris	140,000	7,375	30,068	15,539	0	0	61,377
5195 Blazer Pky	Dublin	60,528	0	0	0	0	0	60,528
2323 Lake Club Dr	East	56,185	0	52,334	2,000	0	0	54,334
North Star Corporate Center	Polaris	46,313	0	46,313	0	0	0	46,313
Corporate Exchange Off Pk (2)	Westerville	89,510	7,208	30,318	0	0	0	45,723
The Preserve II	Dublin	62,383	0	44,330	0	0	0	45,105
Sunbury Woods Office Park	Westerville	43,593	0	0	0	0	0	43,593
8200 Walton Pky	Westerville	39,329	0	0	0	0	0	39,329
Subtotal Primary Competitors		2,211,027	208,394	636,517	111,075	0	0	1,484,354
Remaining Columbus Market		115,574,656	12,399,262	(899,687)	(453,779)	0	0	(2,535,619)
Total Columbus Market		117,785,683	12,607,656	(263,170)	(342,704)	0	0	(1,051,265)

TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
Building A *	Westerville	167,714	Q4 22	Lane Bryant	-	-
6000 Perimeter Dr	Dublin	148,906	Q3 22	-	-	CBRE
4590 E Broad St	East	103,161	Q4 22	Discover Financial	CBRE	JLL
The Offices at Astor Park	Downtown	100,000	Q4 22	-	-	CBRE
Altair *	Polaris	66,191	Q3 22	ABB Inc.	JLL	NAI Ohio Equities LLC
Building B *	Westerville	65,075	Q4 22	Lane Bryant	-	-
4900 E Dublin Granville Rd	Westerville	59,390	Q2 23	Washington Prime	JLL	Newmark
3435 Stelzer Rd	North Central	53,407	Q3 22	-	CBRE	CBRE
North Star Corporate Center	Polaris	46,313	Q3 22	United Midwest Savings B...	The Robert Weiler C...	Newmark
2231 Schrock Rd	Westerville	41,782	Q3 22	Education Solutions	Victory Commercial...	Cushman & Wakefield
13430 Yarmouth Dr NW	Fairfield County	40,500	Q4 22	-	-	CBRE
200 Civic Center Dr	Downtown	36,000	Q1 23	Secretary of State of Ohio	-	Newmark
Center at Northwoods	Worthington	31,908	Q1 23	Hargrove Engineering	-	Allegro Realty Advisors...
Northeast Business Campus	Westerville	31,293	Q4 22	-	-	CBRE
Arena District	Downtown	30,926	Q3 22	General Services Adminis...	-	Newmark
Ohio Department of Natural Resource	North Central	30,858	Q3 22	Ohio Department of Natur...	-	-
333 W Nationwide Blvd	Downtown	30,770	Q4 22	Foxen	-	Colliers
Corporate Exchange Off Pk	Westerville	30,360	Q3 22	Ohio Housing Finance Aut...	-	Colliers
The Offices at Westar	Polaris	30,068	Q4 22	-	-	Colliers
Easton Phase III	North Central	29,616	Q2 23	Rockbridge Capital	-	The Georgetown Comp...
One Marconi Place	Downtown	29,208	Q3 22	WillowTree, Inc	-	Newmark
Scioto Peninsula	West	28,863	Q4 22	Telhio Credit Union	-	The Daimler Group Inc.
Crosswoods Center	Worthington	28,825	Q3 22	-	-	Colliers
6954-6958 Americana Pky	I-70 East Corridor	28,745	Q2 22	-	-	NAI Ohio Equities LLC
Columbus Warehouse District	Downtown	28,000	Q1 23	WOW! Business	-	JLL
4960 E Dublin Granville Rd	Westerville	26,838	Q3 22	CF Bank	-	The Daimler Group Inc.
Grandview Business Center	Grandview	25,554	Q4 22	-	-	Colliers
Blazer I	Dublin	24,710	Q3 22	-	-	Colliers
5515 Parkcenter Cir	Dublin	22,987	Q1 23	-	-	Colliers
Tuttle Crossing	Dublin	22,808	Q1 23	-	-	Colliers
6620 Mooney Street	Bethel Rd	22,500	Q3 22	-	-	Crawford Hoying Real...
6620 Mooney Street	Bethel Rd	22,500	Q3 22	-	-	Crawford Hoying Real...
59 Grant St	Licking County	22,000	Q4 22	NYAP	-	Shai - Hess Commerci...
Miranova	Downtown	21,303	Q3 22	AndHealth	NAI Ohio Equities LLC	Colliers
5515 Parkcenter Cir	Dublin	21,045	Q3 22	-	-	Colliers
Brewers Yard	Downtown	19,901	Q1 23	Matic Insurance	Colliers	NAI Ohio Equities LLC
McFerson Commons *	Downtown	19,285	Q4 22	Lifestyle Property Manage...	Newmark	Newmark
3 Easton Oval	North Central	19,086	Q1 23	Northwest Bank	-	Alterra Real Estate Adv...
Easton Way Three	North Central	19,081	Q1 23	Quanta	JLL	The Georgetown Comp...
The Continental Plaza	Downtown	18,036	Q1 23	-	-	-

Renewal

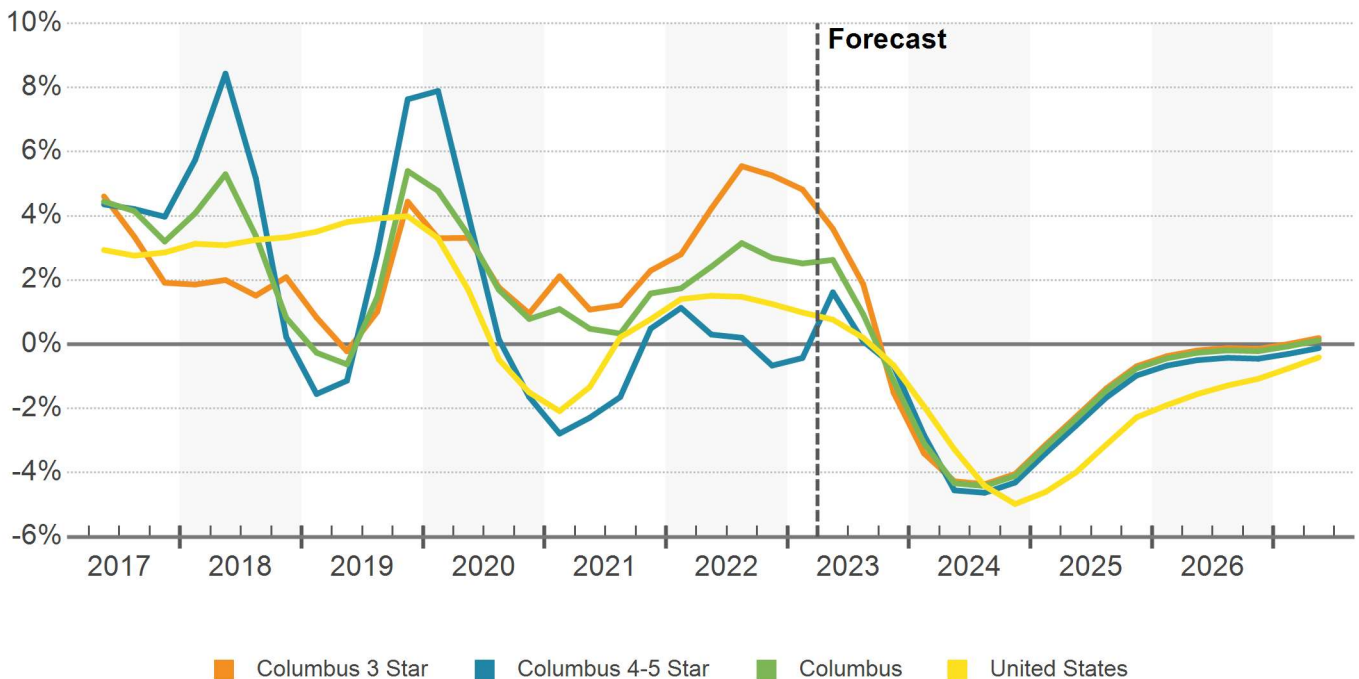
While remaining affordable relative to most of the nation's top office markets, Columbus is Ohio's priciest office market, with rents averaging around \$22.00/SF. Higher-rated space averages \$25.00/SF, 20% above the market overall. Asking rent growth remains modest, currently 2.7%, compared to the national average of 0.8%.

Polaris is the highest-priced submarket, with asking rents averaging approaching \$24/SF, followed by North Central and Downtown, at \$23.26/SF and \$22.33/SF, respectively. In most cases, the high rents reflect outsized shares of recent development activity and sizable inventories of 4 & 5 Star space. Worthington is

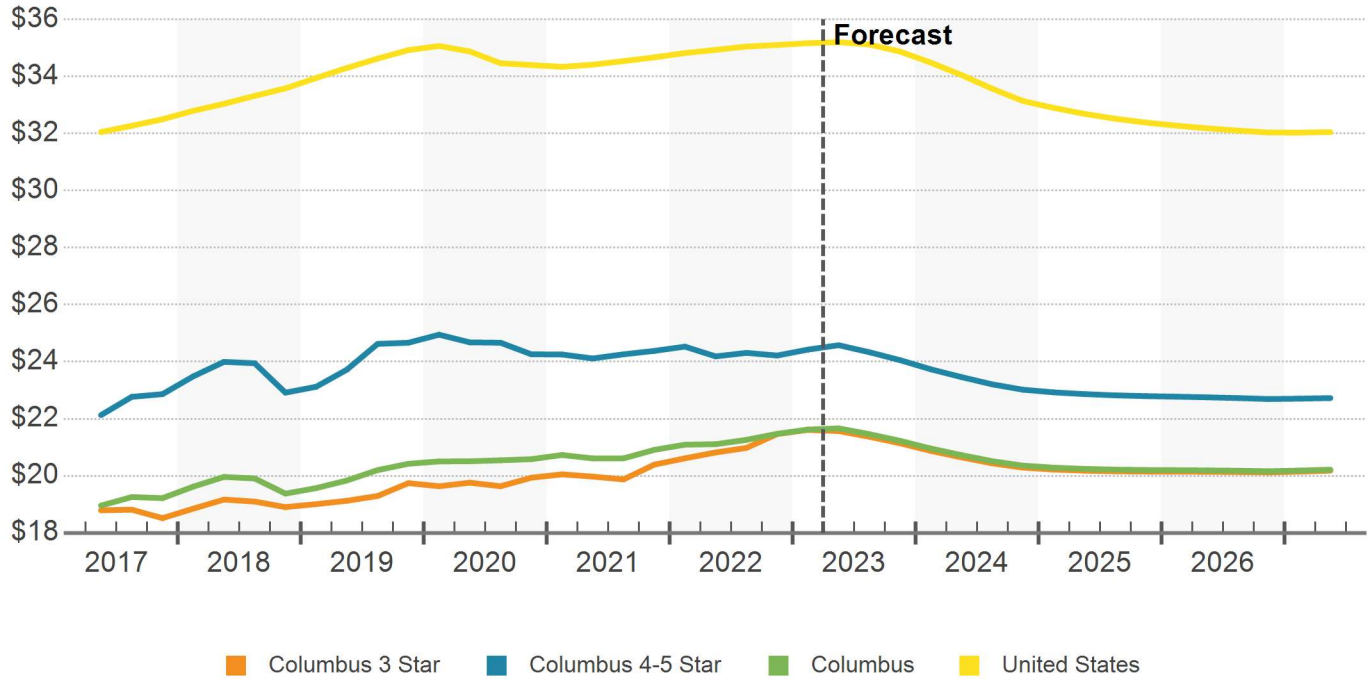
the most affordable of the metro's major submarkets, with average rents of \$18.81/SF, largely reflecting the lower-quality nature of submarket stock.

With generous concessions packages often required to secure and retain tenants, effective rents can be far lower and growth for most assets at this point is negative. Market participants report exorbitant tenant improvement packages, which reflect the sharp increase in construction costs, as well as tenant demands for upgraded and amenitized spaces. Free rent further reduces effective rents, with around 6 months offered on a 10-year lease.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Columbus	\$0.98	\$2.09	\$0.26	\$3.53	\$5.65	\$12.51
Columbus Central	\$1.17	\$0.82	\$0.20	\$3.01	\$5.37	\$10.57
Columbus East	\$0.86	\$2.28	\$0.26	\$3.88	\$6.30	\$13.58
Columbus North	\$0.99	\$2.57	\$0.27	\$3.85	\$4.93	\$12.61
Columbus South	\$0.97	\$2.26	\$0.29	\$3.22	\$6.59	\$13.33
Columbus West	\$0.93	\$2.32	\$0.29	\$3.62	\$6.11	\$13.27
Delaware County	\$0.82	\$2.18	\$0.26	\$3.35	\$6.34	\$12.95
Fairfield County	\$0.91	\$2.44	\$0.29	\$1.72	\$7.13	\$12.49
Licking County	\$0.91	\$2.44	\$0.29	\$1.27	\$6.75	\$11.66
Union County	\$0.91	\$2.44	\$0.29	\$3.44	\$7.13	\$14.21

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Columbus	\$0.83	\$1.59	\$0.24	\$3.48	\$3.07	\$9.21
Columbus Central	\$0.57	\$0.79	\$0.19	\$2.41	\$3.40	\$7.36
Columbus East	\$0.89	\$1.75	\$0.25	\$3.74	\$1.81	\$8.44
Columbus North	\$0.88	\$1.73	\$0.25	\$4.03	\$3.56	\$10.45
Columbus South	\$0.90	\$1.77	\$0.26	\$3.44	\$1.57	\$7.94
Columbus West	\$0.81	\$1.64	\$0.23	\$3.96	\$3.30	\$9.94
Delaware County	\$0.87	\$1.74	\$0.28	\$4.07	\$3.64	\$10.60
Fairfield County	\$0.83	\$1.63	\$0.27	\$2.65	\$3.21	\$8.59
Licking County	\$0.85	\$1.66	\$0.27	\$2.03	\$3.33	\$8.14
Madison County	\$0.79	\$1.55	\$0.25	\$1.04	\$3.22	\$6.85
Morrow County	\$0.87	\$1.71	\$0.27	\$0.73	\$3.57	\$7.15
Pickaway County	\$0.84	\$1.65	\$0.27	\$1.91	\$3.43	\$8.10
Union County	\$0.95	\$1.87	\$0.30	\$2.08	\$3.99	\$9.19

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Columbus	\$0.76	\$1.22	\$0.23	\$3.30	\$1.85	\$7.36
Columbus Central	\$0.50	\$0.62	\$0.17	\$3.01	\$2.13	\$6.43
Columbus East	\$0.83	\$1.31	\$0.24	\$3.73	\$0.30	\$6.41
Columbus North	\$0.80	\$1.38	\$0.23	\$4.03	\$2.09	\$8.53
Columbus South	\$0.78	\$1.20	\$0.22	\$3.28	\$1.09	\$6.57
Columbus West	\$0.78	\$1.23	\$0.23	\$3.42	\$1.75	\$7.41
Delaware County	\$0.79	\$1.35	\$0.25	\$3.54	\$3.16	\$9.09
Fairfield County	\$0.78	\$1.33	\$0.24	\$1.86	\$2.76	\$6.97
Licking County	\$0.77	\$1.30	\$0.24	\$1.96	\$3.61	\$7.88
Madison County	\$0.72	\$1.24	\$0.23	\$1.13	\$2.89	\$6.21
Morrow County	\$0.82	\$1.39	\$0.26	\$1.02	\$3.26	\$6.75
Pickaway County	\$0.80	\$1.36	\$0.25	\$1.22	\$3.10	\$6.73
Union County	\$0.77	\$1.32	\$0.24	\$1.69	\$3.05	\$7.07

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

Development activity has been fairly modest in recent years, with around 2.1 million SF of space entering the market since the beginning of 2021, and 1.1 million SF of space under construction as of 23Q2. Build-to-suit projects are a key driver, representing three of the largest properties to enter the market over the past two years and more than 60% of space underway.

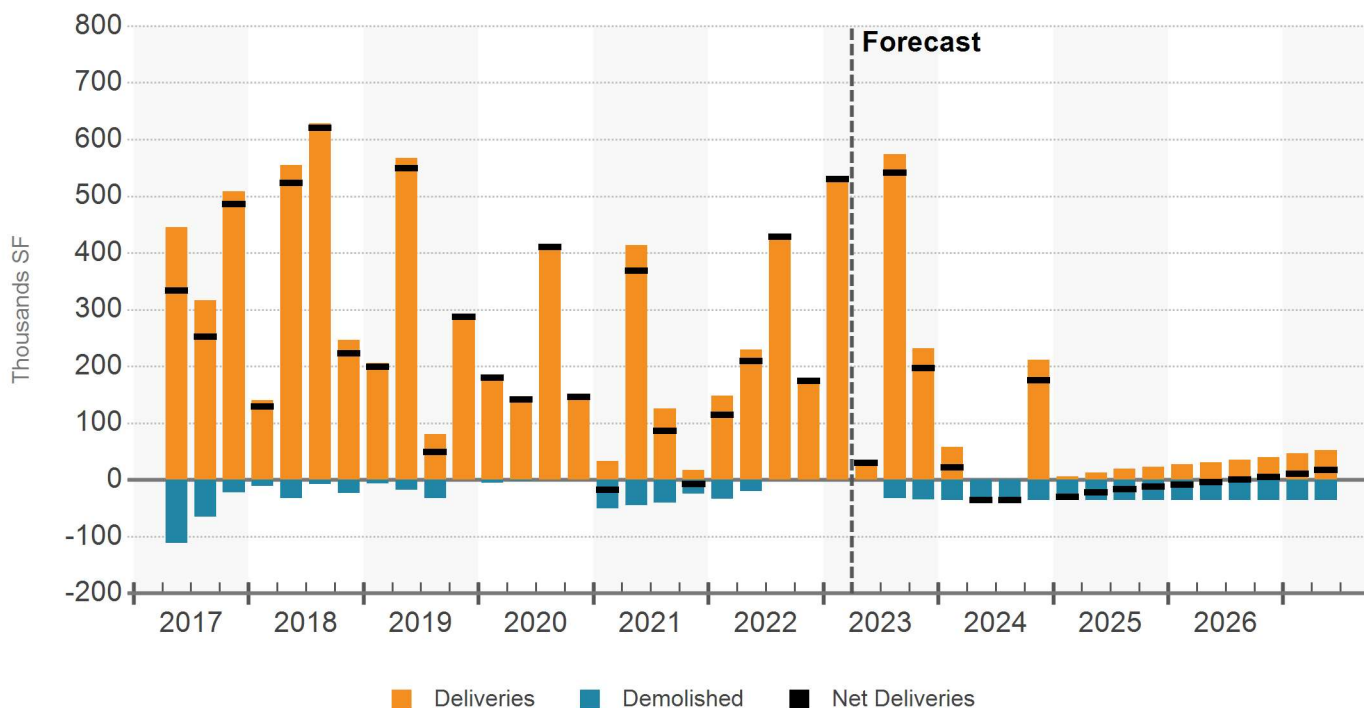
The 275,000-SF Ohio State University Wexner Medical Center Outpatient Care in Dublin tops the list of recent deliveries. The \$161 million medical office property delivered in July 2022 and offers ambulatory surgery, endoscopy, primary care, and surgical clinics.

And in the West Submarket, two new headquarters properties for CoverMyMeds came on line. Developed by Dallas-based Cambridge Holdings, the 218,000-SF Building One delivered in 2021, followed by the 200,000-SF Building Two in 23Q1. The \$240 million campus development was supported by city and state tax incentives, with CoverMyMeds pledging 1,000 new jobs in coming years. In recent months, however, the company announced layoffs, about 800 nationwide, and plans to market some of its new space for sublease.

Multiple properties have been developed on a spec basis as well. The most recent was the 196,000-SF office building in Gravity II, which came on line in 23Q1. Developed by Kaufman, the property is 17% leased, with remaining space available at an asking rent of \$22/SF NNN. Gravity II is located across Broad Street from Gravity I, a mixed-use complex anchored by 234 apartment units that delivered in 2019. Gravity II will ultimately feature 840,000 SF of office, retail, and residential space.

In June, the 230,000-SF Peninsula Office, at 330 Rush Alley in the West Submarket, came on line. Developed by the Daimler Group, the property is about 50% leased, with remaining space available at an asking rent of \$21.95/SF modified gross. 330 Rush Alley is part of the \$250 million first phase of the Scioto Peninsula development, with the Columbus Downtown Development Corporation (CDDC) acting as the master developer. Additional components of the first phase include a 197-room hotel, developed by Rockbridge, and two mixed-use buildings with a combined 330 residential units and retail space, developed by Flaherty & Collins.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Downtown	2	299	160	53.4%	8	56,205	149,469	1
2	Grandview/Upper Arlington	2	174	103	59.1%	6	20,362	86,998	5
3	Bethel Rd	1	122	64	52.4%	9	17,199	121,721	2
4	Hilliard	1	110	110	100%	1	15,439	110,000	3
5	Westerville	2	105	102	97.5%	4	22,493	52,500	6
6	North Central	1	101	0	0%	10	29,084	101,067	4
7	Worthington	3	76	44	57.4%	7	24,700	25,378	8
8	East	1	48	46	95.0%	5	12,929	48,000	7
9	Outlying Delaware County	2	23	23	100%	1	9,099	11,730	9
10	Union County	2	11	11	100%	1	13,823	5,250	10
	All Other	1	6	3	43.1%		17,856	5,800	
Totals		18	1,075	664	61.8%		22,247	59,701	

Under Construction Properties

Columbus Office

Properties

Square Feet

Percent of Inventory

Released

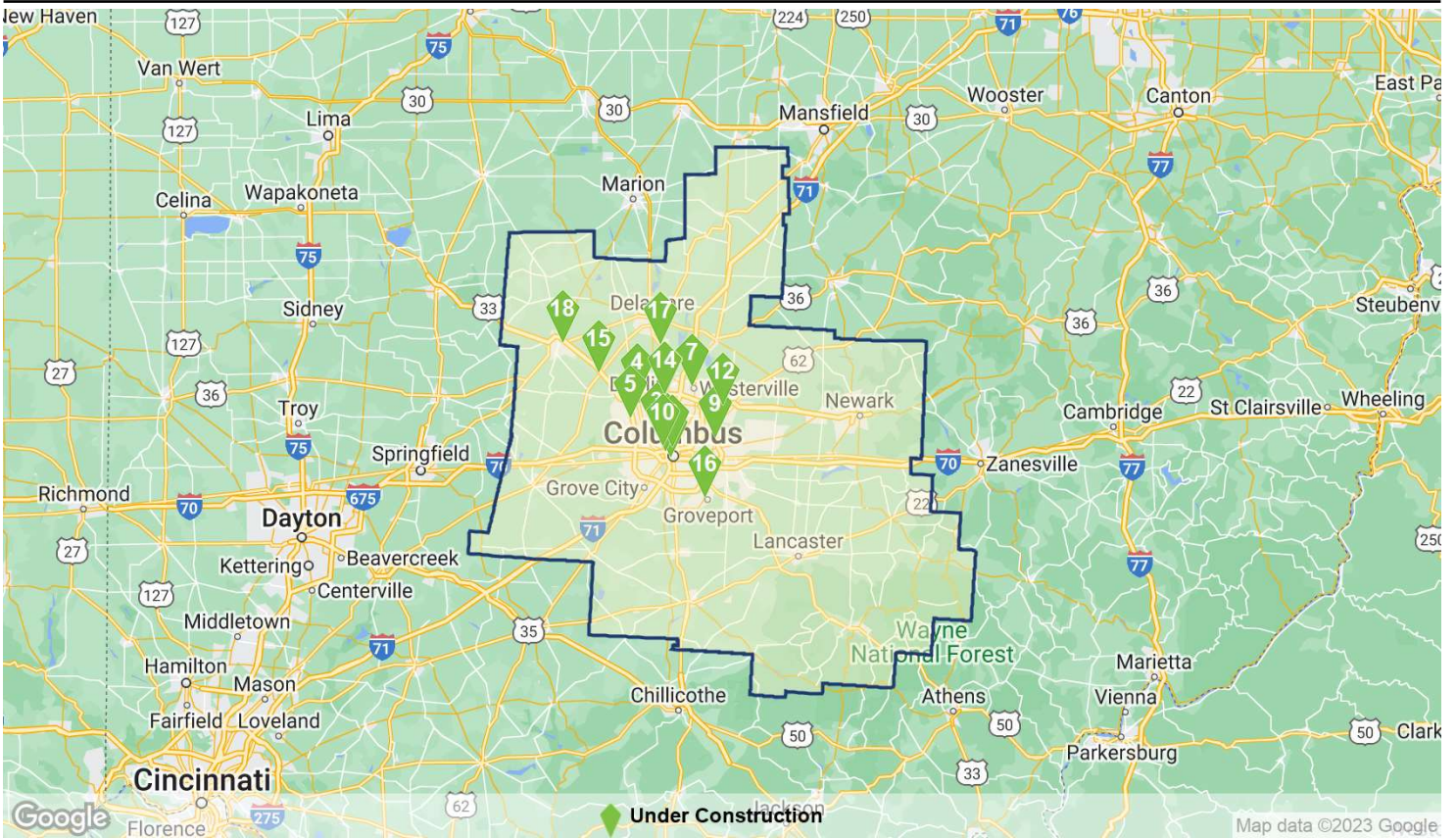
18

1,074,615

0.9%

61.8%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 477 S Front St	★★★★☆	154,937	7	Aug 2021	Aug 2023	-
2 The Offices at Astor Park 600 Nationwide	★★★★☆	144,000	5	Jun 2022	Jul 2023	-
3 Arlington Gateway 1325-1397 W Lane Ave	★★★★☆	134,396	12	Aug 2021	Sep 2023	Continental Real Estate Companies Continental Real Estate Companies
4 6620 Mooney Street	★★★★☆	121,721	5	Aug 2021	Jul 2023	-
5 Lyman Drive and Davids...	★★★★☆	110,000	1	Oct 2022	Oct 2024	Geis Development Advanced Drainage Systems, Inc.
6 The Offices at Jeffrey Park 0 Jeffrey Park	★★★★☆	101,067	6	Aug 2022	Oct 2024	-
7 32 W College Ave	★★★★☆	90,000	3	Feb 2023	Oct 2023	-

Under Construction Properties

Columbus Office

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 Worthington Gateway -... 121 Wilson Bridge	★ ★ ★ ★ ★	51,654	4	Sep 2022	Jan 2024	-
9 The Crescent at Central P	★ ★ ★ ★ ★	48,000	2	Sep 2022	Jul 2023	-
10 Morrison 900 Yard	★ ★ ★ ★ ★	39,600	5	Apr 2021	Jul 2023	-
11 529 Preakness Way	★ ★ ★ ★ ★	19,146	1	Nov 2022	Jul 2023	-
12 E Dublin Granville Rd	★ ★ ★ ★ ★	15,000	1	Jul 2022	Jul 2023	-
13 Worthington Gateway -... 89 W Wilson Bridge Rd	★ ★ ★ ★ ★	13,680	2	Oct 2021	Jul 2023	-
14 Worthington Gateway -... 105 W Wilson Bridge Rd	★ ★ ★ ★ ★	10,800	2	Oct 2021	Jul 2023	-
15 10242 U.S. 42	★ ★ ★ ★ ★	8,000	1	Nov 2022	Sep 2023	-
16 Building 1 337 Main St	★ ★ ★ ★ ★	5,800	1	Dec 2022	Dec 2023	-
17 541 Preakness Way	★ ★ ★ ★ ★	4,314	1	Nov 2022	Jul 2023	-
18 450 Colemans Crossing...	★ ★ ★ ★ ★	2,500	1	Aug 2022	Jul 2023	-

Investors remained active in 2022, driving sales of \$535 million, roughly in line with prior-year levels and more than 25% above the market's five-year annual average. Value-add transactions continued to weigh on pricing, but strong demand for fully leased/credit tenant assets helped to offset, with the average price/SF for closed transactions up modestly year over year. In line with expectations, and reflecting both higher interest rates and limited debt available for office transactions, activity has slowed year to date, totaling around \$90 million in 23Q1.

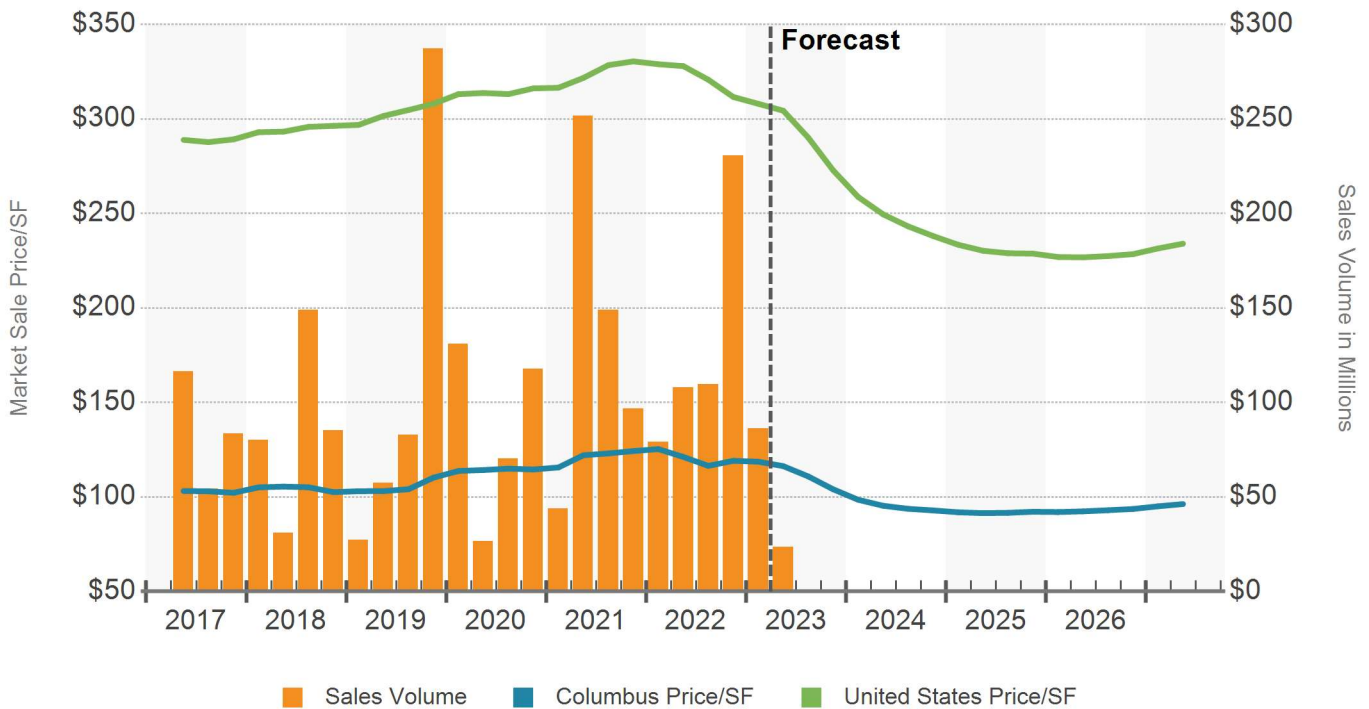
Pricing has taken a hit year to date, as well, due largely to the sale of one high-vacancy asset in New Albany. In March, Discover Financial Services sold the 333,200-SF property at 6500 New Albany Road for \$9.65 million, or \$28.96/SF. The property was acquired by a local investor, LHR Industries. Discover first announced its intention to sell the property in early 2021, amid a large-scale shift to remote work.

Medical office continues to attract investment and command above-market pricing. At the end of 23Q1, Trivium Development sold the 40,260-SF property at 5775 N Meadows Dr. in Grove City to Anchor Health Properties and Chestnut Funds. The 2019 delivery, which was fully leased to multiple tenants at the time of sale, traded for \$10.2 million (\$253.37/SF).

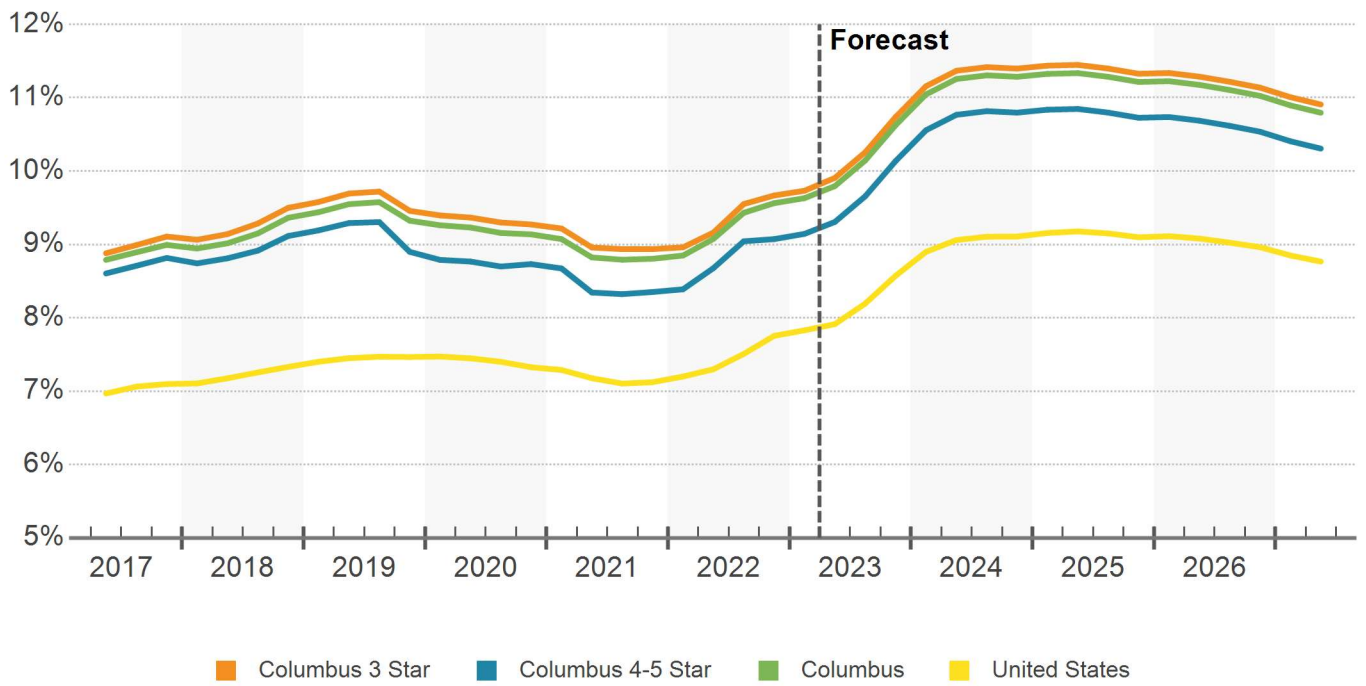
In contrast to national trends, 22Q4 was the year's most active in Columbus, due to several large transactions. Topping the list was the sale of CoverMyMeds Building Two. Cambridge Holdings sold the 200,000-SF property to Qatar First Bank and Golden Eagle Group for \$118 million (\$590/SF). The buyers acquired Building One for \$120 million in May 2021.

And Tempus Real Estate Investments acquired the 233,000-SF Lane Bryant headquarters campus in a sale-leaseback for \$42 million (\$178/SF). Lane Bryant signed a 20-year lease for the New Albany campus.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Columbus Office

Sale Comparables

275

Avg. Cap Rate

8.3%

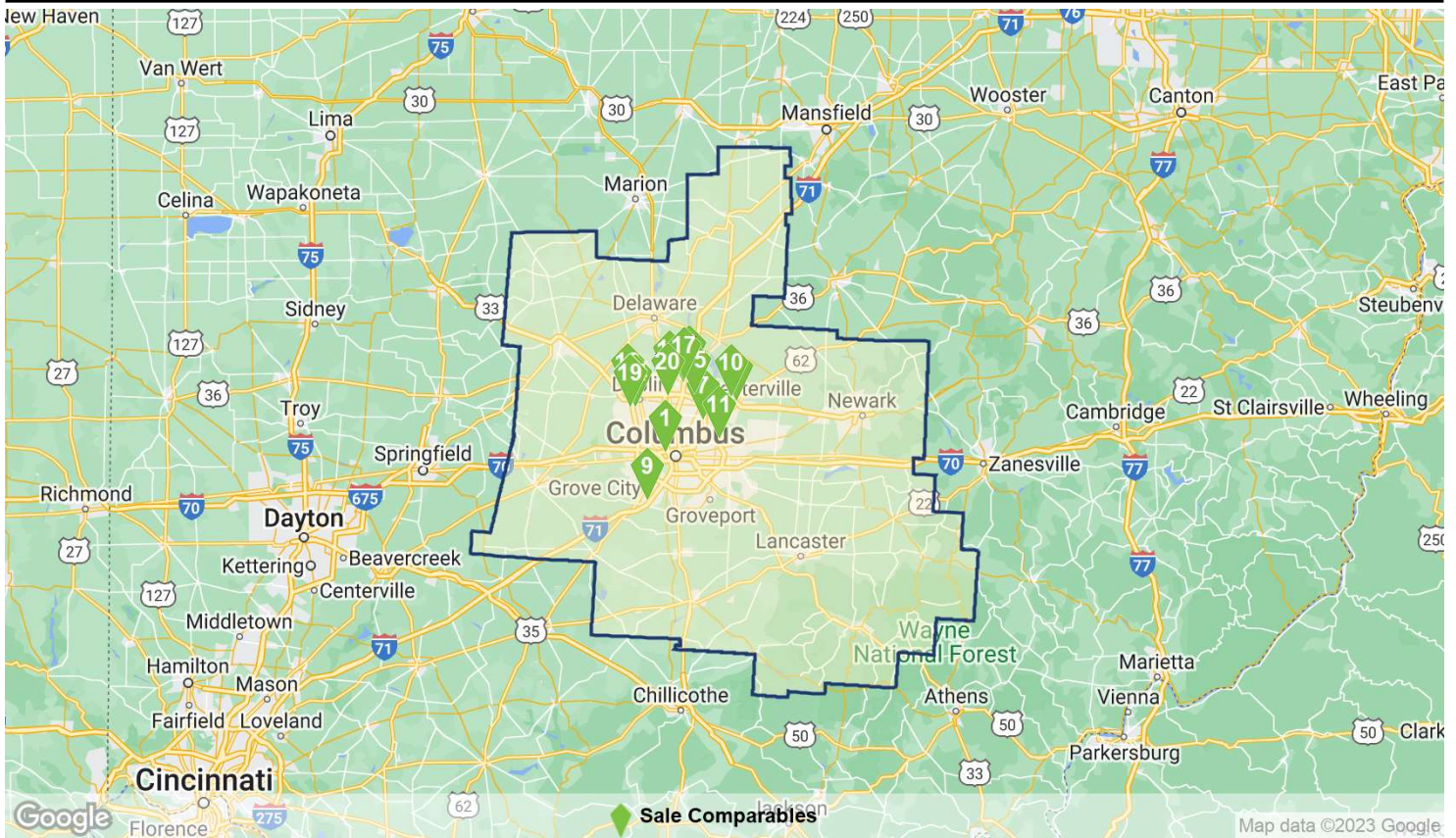
Avg. Price/SF

\$106

Avg. Vacancy At Sale

13.3%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$112,500	\$2,571,199	\$800,000	\$118,000,000
Price/SF	\$4.75	\$106	\$115	\$1,263
Cap Rate	6.0%	8.3%	8.1%	14.3%
Time Since Sale in Months	0.2	6.6	6.7	12.0
Property Attributes	Low	Average	Median	High
Building SF	879	24,073	6,696	390,000
Stories	1	2	2	8
Typical Floor SF	501	10,774	5,184	166,584
Vacancy Rate At Sale	0%	13.3%	0%	100%
Year Built	1849	1969	1981	2023
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.4	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

Columbus Office

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 CoverMyMeds Building... 911 John St	★★★★★	2023	200,000	0%	10/27/2022	\$118,000,000	\$590	-
2 Building A 8323 Walton Pky	★★★★★	2002	167,714	0%	11/9/2022	\$29,138,595	\$174	-
3 Chase Center 800 Brooksedge Blvd	★★★★★	1974	390,000	0%	8/26/2022	\$16,960,000	\$43	-
4 Westar II 550 Polaris Pky	★★★★★	2004	139,933	13.7%	1/20/2023	\$16,120,000	\$115	-
5 Westar I 570 Polaris Pky	★★★★★	2002	140,000	16.4%	1/20/2023	\$14,880,000	\$106	-
6 9200 Worthington Rd	★★★★★	1999	136,318	100%	9/30/2022	\$14,750,000	\$108	-
7 4 Easton Oval	★★★★★	2007	176,500	0%	6/15/2022	\$13,350,000	\$76	-
8 Building B 8323 Walton Pky	★★★★★	2001	68,356	0%	11/9/2022	\$12,861,405	\$188	-
9 5775 N Meadows Dr	★★★★★	2019	40,257	0%	3/23/2023	\$10,200,000	\$253	6.0%
10 Discover Financial Servi... 6500 New Albany Rd	★★★★★	1998	333,168	0%	3/8/2023	\$9,650,000	\$29	-
11 825 Tech Center Drive 825 Tech Center Dr	★★★★★	1998	96,960	0%	11/17/2022	\$8,750,000	\$90	-
12 6000 Perimeter Dr	★★★★★	1988	148,906	0%	8/4/2022	\$7,250,000	\$49	-
13 4650 Lakehurst Ct	★★★★★	1990	156,875	87.2%	8/26/2022	\$7,040,000	\$45	-
14 The Preserve II 5400 Frantz Rd	★★★★★	2002	62,383	71.1%	12/21/2022	\$6,968,500	\$112	-
15 675 Brooksedge Blvd	★★★★★	1983	24,000	0%	9/8/2022	\$6,500,000	\$271	-
16 125 Dillmont Dr	★★★★★	1987	14,210	0%	3/7/2023	\$5,349,851	\$376	6.7%
17 Beacon Building 2000 Polaris Pky	★★★★★	1993	66,000	0%	12/21/2022	\$5,075,000	\$77	-
18 The Innovation Campus... 4600 Lakehurst Ct	★★★★★	1993	110,516	0%	8/26/2022	\$4,827,345	\$44	-
19 The Innovation Campus... 4725 Lakehurst Ct	★★★★★	1998	100,463	0%	8/26/2022	\$4,388,224	\$44	-
20 The Executive House 6797 N High St	★★★★★	1973	88,288	26.1%	11/9/2022	\$3,635,395	\$41	-

Columbus has regained all of the jobs lost in the initial months of the pandemic, with total employment now sitting 1.5% above February 2020 levels. This compares favorably to the U.S. overall, where employment is just a hair above pre-crisis levels.

While no sector was immune, the impacts of the pandemic and subsequent economic dislocation vary by industry. Columbus has below-average exposure to leisure and hospitality, the sector most impacted initially and now struggling with crippling labor shortages. Employment in manufacturing also sits below the national average, which helps to limit cyclical volatility. Columbus has several above-average exposures that have supported its relatively swift recovery, including financial activities, professional and business services, and trade, transportation and utilities.

JPMorgan Chase is one of the area's top employers, expanding its local presence after the acquisition of Columbus-based Bank One in 2004. About half of the company's 19,000 local employees work in the 2 million-SF McCoy Center office building in Polaris. According to the CEO, Jamie Dimon, the company's presence in central Ohio is likely to expand further in coming years, perhaps even surpassing New York City headquarters employment of 25,000. A big driver is the new virtual banking service, with most of the bankers working out of the Polaris offices.

The presence of the Nationwide Mutual Insurance Company headquarters is another factor driving outsized exposure to financial activities, with around 11,000 local employees. The company has been active on the development scene, led by the build-out of the new corporate campus at Grandview Yard. The \$1 billion mixed-use development now includes multiple office properties, rental and for-sale housing, retail and restaurants, and hotels.

Retail trade has experienced both winners and losers amid the pandemic, and Columbus has a fair share of each. Essentials-oriented retailers have fared quite well, with limited distress among discounters, grocery stores and drug stores. But retailers that rely on discretionary spending, such as apparel retailers, have struggled. This was good news for some of the chains based in Columbus, like Big Lots, but bad news for others, such as L Brands, Lane Bryant, and Justice.

In August 2021, Columbus-based L Brands split into two companies, Victoria's Secret and Bath & Body Works. This followed a tumultuous 2020, with a steep drop in revenues leading to corporate layoffs and store closures. Headquarters for both companies will remain in Columbus. In the wake of a 20Q3 bankruptcy filing, Ascena Retail Group sold its two Columbus-based brands, Lane Bryant and Justice. The Lane Bryant headquarters in Easton closed in late 2020, along with about 150 stores. And while all Justice stores have closed, Bluestar Alliance re-launched the brand on line.

Now, inflation is a notable challenge for all retailers, even discount chain Big Lots. After strong pandemic-induced gains in 2020, sales started to moderate in 2021, and slowed further in 2022. Disappointing financial results have already impacted expansion plans, and could lead to store closures. Big Lots currently has around 1,400 stores across 47 states.

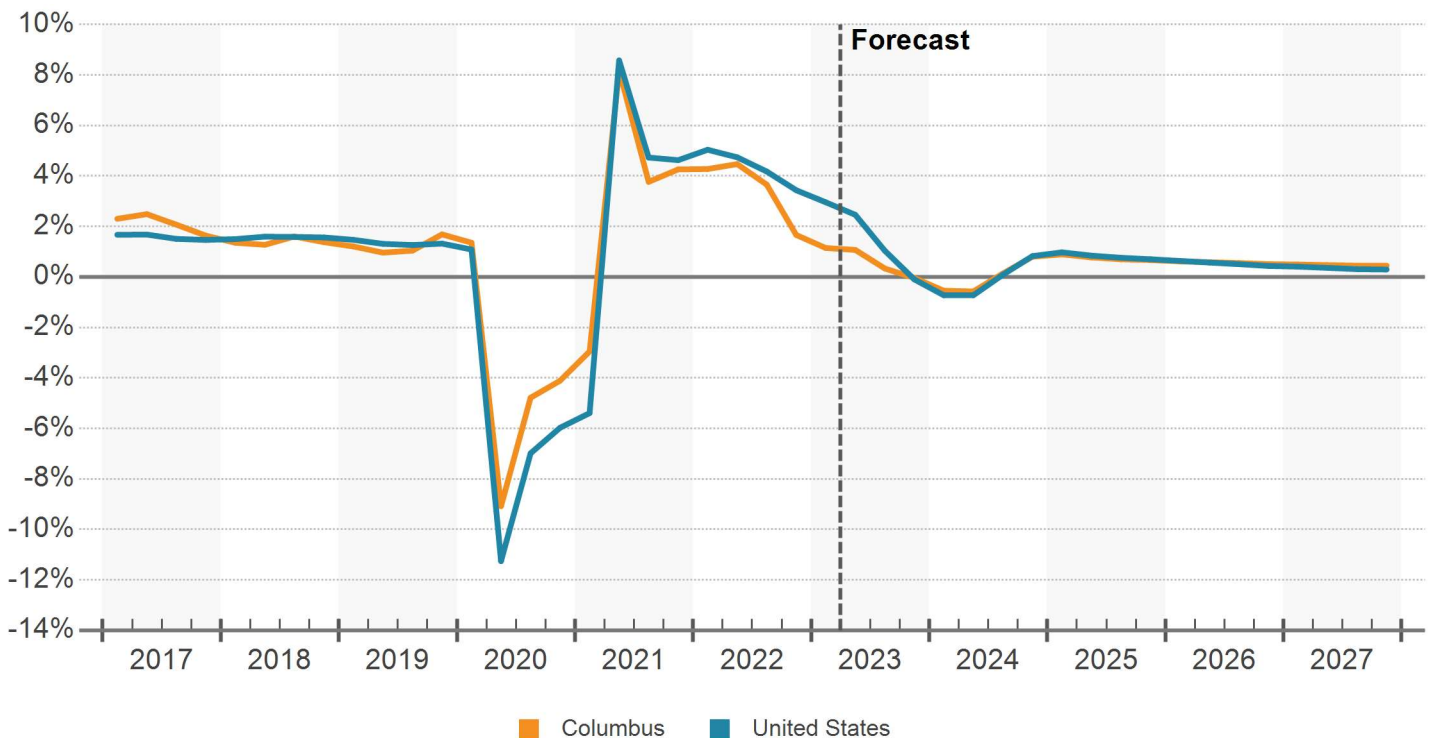
The metro's exposure to education and health services sits below the national average, although the area's top employer is the Ohio State University, with about 30,000 employees. The economic impact is far broader, with \$15.2 billion generated annually by the university, according to a recent analysis completed in partnership with consulting firm Tripp Umbach. While this number takes into account all six Ohio State campuses, medical complex, and athletics, the Columbus campus alone generates \$7 billion annually.

COLUMBUS EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	74	0.8	-0.83%	1.85%	0.64%	0.80%	0.01%	-0.10%
Trade, Transportation and Utilities	235	1.1	-1.65%	1.05%	2.31%	1.22%	-0.03%	-0.02%
Retail Trade	100	0.9	-2.14%	0.62%	-0.14%	0.41%	-0.40%	-0.01%
Financial Activities	86	1.3	-1.28%	1.18%	1.24%	1.49%	0.08%	-0.03%
Government	181	1.1	2.52%	1.82%	1.09%	0.29%	0.65%	0.44%
Natural Resources, Mining and Construction	50	0.8	4.97%	3.19%	4.43%	2.53%	0.28%	0.09%
Education and Health Services	164	0.9	3.41%	3.90%	1.81%	1.77%	0.68%	0.54%
Professional and Business Services	189	1.1	0.16%	2.34%	1.42%	2.17%	0.37%	0.22%
Information	18	0.8	-2.53%	-0.26%	-0.29%	1.19%	-0.55%	0.09%
Leisure and Hospitality	110	0.9	4.12%	6.16%	1.05%	1.60%	0.73%	0.87%
Other Services	43	1.0	3.84%	3.18%	1.11%	0.68%	0.30%	0.18%
Total Employment	1,151	1.0	1.09%	2.58%	1.56%	1.36%	0.35%	0.28%

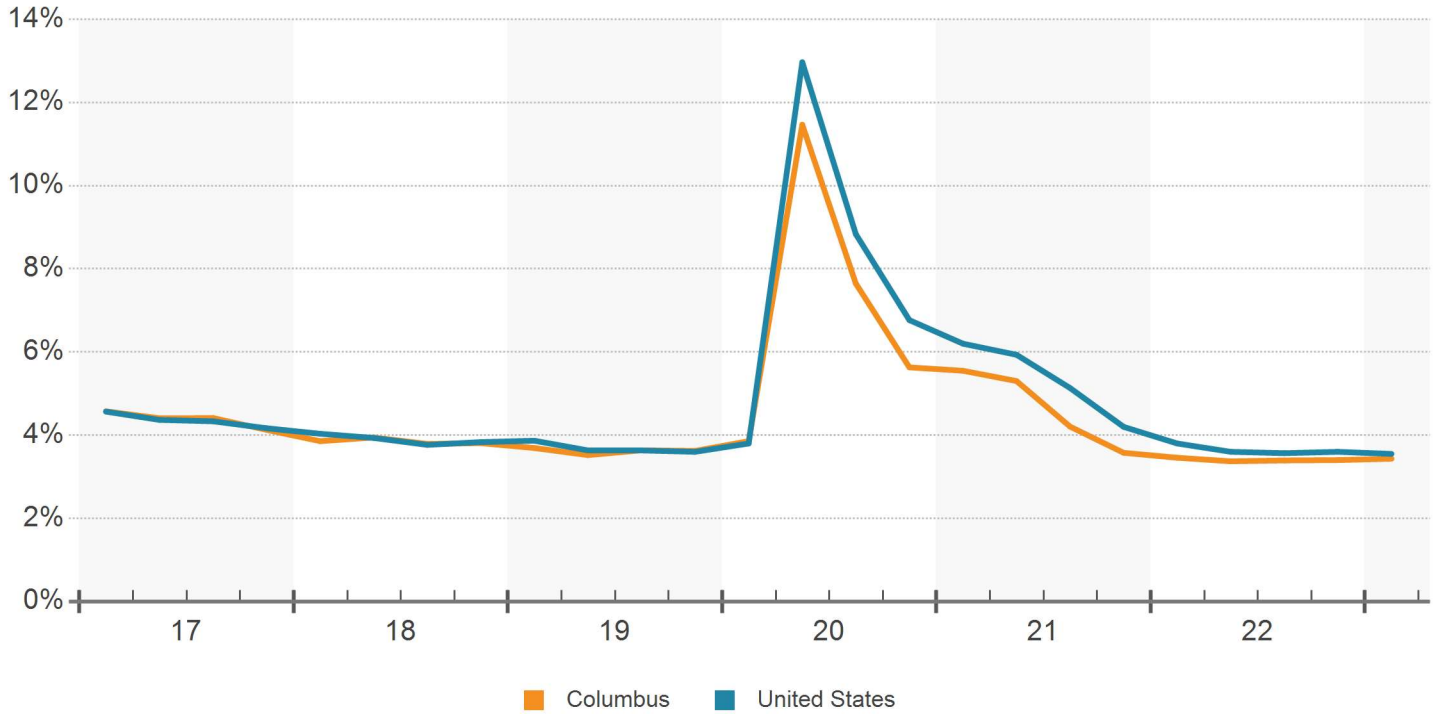
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

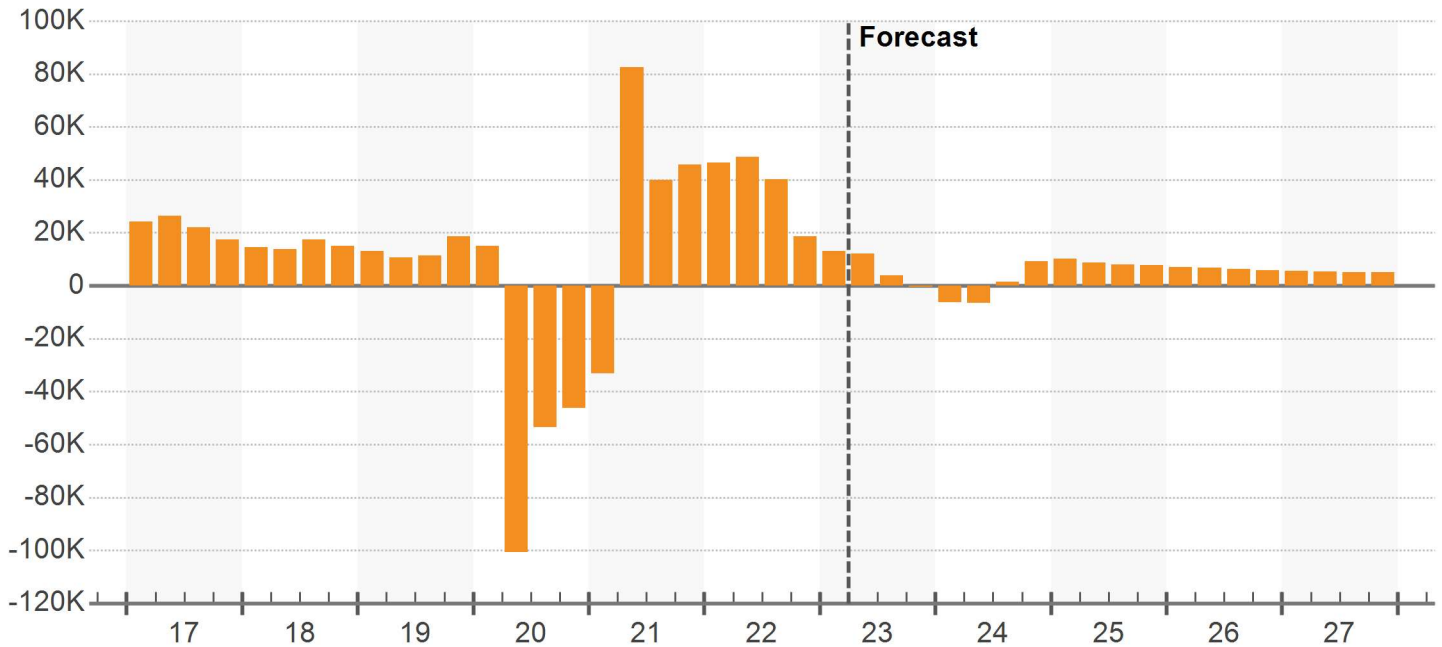


Source: Oxford Economics

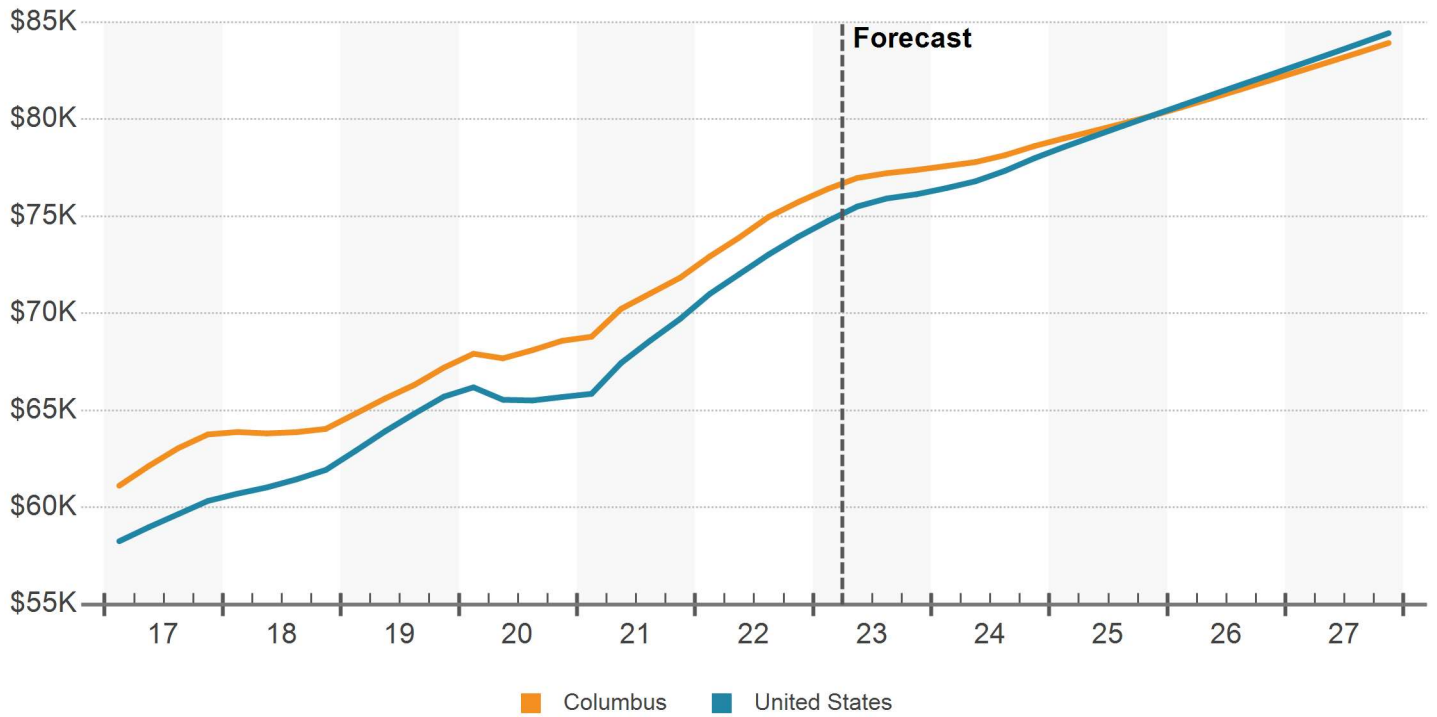
UNEMPLOYMENT RATE (%)



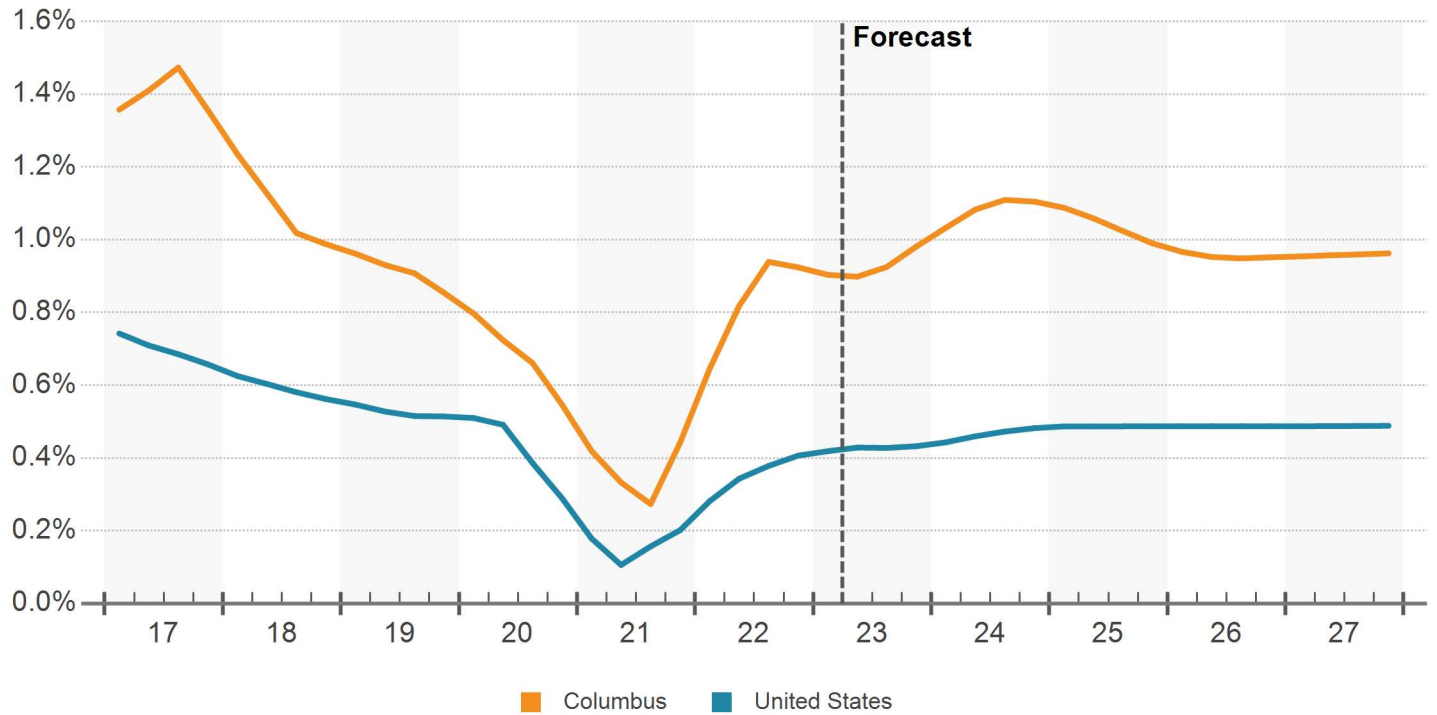
NET EMPLOYMENT CHANGE (YOY)



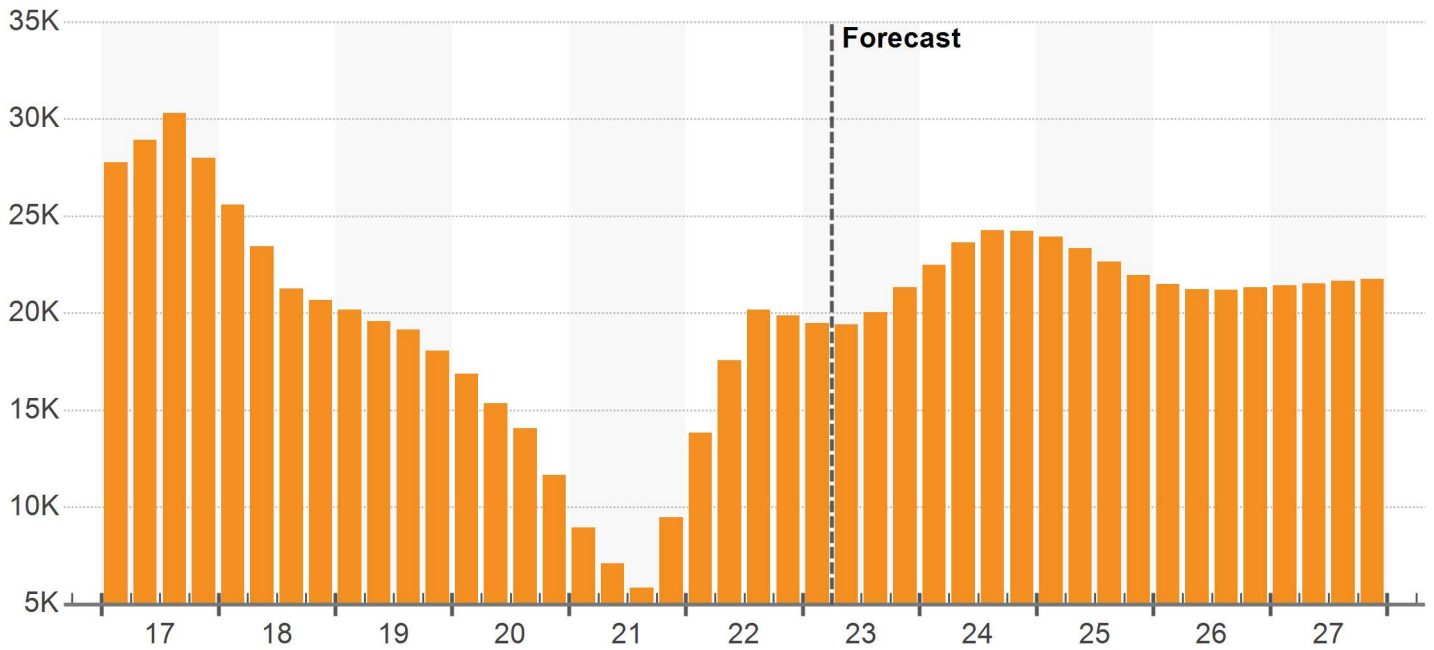
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

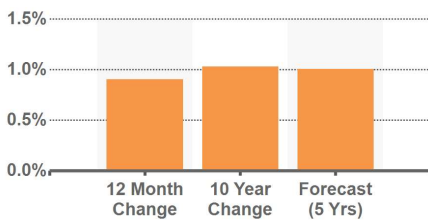


DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,181,806	334,279,594	0.9%	0.4%	1.0%	0.6%	1.0%	0.5%
Households	877,306	129,754,461	1.3%	0.8%	1.3%	0.9%	1.1%	0.6%
Median Household Income	\$76,840	\$75,323	4.3%	4.9%	3.6%	3.8%	2.0%	2.5%
Labor Force	1,120,406	165,328,750	-0.4%	0.8%	1.0%	0.6%	0.7%	0.4%
Unemployment	3.4%	3.5%	0%	-0.1%	-0.3%	-0.4%	-	-

Source: Oxford Economics

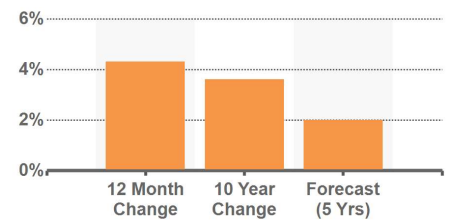
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Bethel Rd	293	5,039	4.3%	9	0	0	0%	-	1	122	2.4%	3
2	Downtown	549	30,857	26.2%	1	0	0	0%	-	2	299	1.0%	1
3	Downtown East	138	2,587	2.2%	13	0	0	0%	-	0	-	-	-
4	Dublin	311	11,384	9.7%	3	2	336	2.9%	2	0	-	-	-
5	East	622	8,042	6.8%	5	1	6	0.1%	9	1	48	0.6%	8
6	Fairfield County	297	2,128	1.8%	15	2	32	1.5%	8	0	-	-	-
7	Grandview/Upper Arlington	297	6,048	5.1%	7	2	130	2.1%	3	2	174	2.9%	2
8	Hilliard	161	2,486	2.1%	14	1	36	1.4%	7	1	110	4.4%	4
9	Licking County	310	2,950	2.5%	12	0	0	0%	-	0	-	-	-
10	Madison County	41	197	0.2%	20	0	0	0%	-	0	-	-	-
11	Morrow County	25	110	0.1%	21	0	0	0%	-	0	-	-	-
12	North Central	417	12,128	10.3%	2	2	122	1.0%	4	1	101	0.8%	6
13	Outlying Delaware County	337	3,066	2.6%	11	5	54	1.8%	5	2	23	0.8%	9
14	Pickaway County	67	424	0.4%	19	0	0	0%	-	0	-	-	-
15	Polaris	129	7,019	6.0%	6	0	0	0%	-	0	-	-	-
16	Southeast	173	1,443	1.2%	17	0	0	0%	-	1	6	0.4%	11
17	Southwest	205	1,626	1.4%	16	1	4	0.3%	10	0	-	-	-
18	Union County	70	968	0.8%	18	0	0	0%	-	2	11	1.1%	10
19	West	181	3,648	3.1%	10	3	454	12.4%	1	0	-	-	-
20	Westerville	419	9,424	8.0%	4	1	46	0.5%	6	2	105	1.1%	5
21	Worthington	244	6,027	5.1%	8	0	0	0%	-	3	76	1.3%	7

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Bethel Rd	\$19.97	14	3.2%	4	0.5%	15
2	Downtown	\$22.41	3	2.4%	20	1.2%	6
3	Downtown East	\$20.66	8	3.3%	3	0.2%	19
4	Dublin	\$22.03	4	2.5%	17	1.4%	2
5	East	\$21.37	7	2.9%	11	0.6%	11
6	Fairfield County	\$19.60	16	3.2%	5	-0.1%	21
7	Grandview/Upper Arlington	\$21.81	5	2.4%	18	1.2%	4
8	Hilliard	\$20.08	11	2.6%	15	0.5%	14
9	Licking County	\$19.85	15	3.1%	9	0.5%	13
10	Madison County	\$17	21	3.2%	7	0.3%	16
11	Morrow County	\$17.85	20	3.1%	8	0.3%	18
12	North Central	\$23.23	2	3.0%	10	0.9%	8
13	Outlying Delaware County	\$20.51	10	3.5%	1	0.3%	17
14	Pickaway County	\$18.86	19	3.4%	2	0.1%	20
15	Polaris	\$23.98	1	2.1%	21	2.1%	1
16	Southeast	\$19.23	17	2.8%	13	0.8%	9
17	Southwest	\$20.07	12	3.2%	6	0.6%	12
18	Union County	\$19.98	13	2.6%	16	1.2%	5
19	West	\$20.61	9	2.4%	19	0.8%	10
20	Westerville	\$21.58	6	2.7%	14	1.0%	7
21	Worthington	\$18.88	18	2.9%	12	1.3%	3

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Bethel Rd	486,517	9.7%	12	(70,034)	-1.4%	15	-
2	Downtown	2,700,041	8.8%	10	(43,927)	-0.1%	13	-
3	Downtown East	20,276	0.8%	2	10,720	0.4%	7	-
4	Dublin	2,420,730	21.3%	19	(492,513)	-4.3%	21	-
5	East	831,549	10.3%	13	(176,165)	-2.2%	17	-
6	Fairfield County	55,503	2.6%	5	24,500	1.2%	4	1.3
7	Grandview/Upper Arlington	326,002	5.4%	7	(12,674)	-0.2%	11	-
8	Hilliard	332,982	13.4%	16	(240,679)	-9.7%	19	-
9	Licking County	333,837	11.3%	14	(80,443)	-2.7%	16	-
10	Madison County	-	-	-	2,761	1.4%	9	-
11	Morrow County	-	-	-	4,160	3.8%	8	-
12	North Central	1,002,541	8.3%	9	(185,686)	-1.5%	18	-
13	Outlying Delaware County	214,403	7.0%	8	1,223	0%	10	44.5
14	Pickaway County	14,766	3.5%	6	(12,798)	-3.0%	12	-
15	Polaris	653,428	9.3%	11	157,204	2.2%	2	-
16	Southeast	24,140	1.7%	3	47,116	3.3%	3	-
17	Southwest	33,773	2.1%	4	15,106	0.9%	5	0.3
18	Union County	1,234	0.1%	1	12,573	1.3%	6	-
19	West	432,451	11.9%	15	305,237	8.4%	1	1.3
20	Westerville	1,555,370	16.5%	17	(251,642)	-2.7%	20	-
21	Worthington	1,168,113	19.4%	18	(68,336)	-1.1%	14	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	118,640,134	78,850	0.1%	449,806	0.4%	0.2
2026	118,561,284	(8,277)	0%	117,452	0.1%	-
2025	118,569,561	(80,733)	-0.1%	55,404	0%	-
2024	118,650,294	126,511	0.1%	(671,099)	-0.6%	-
2023	118,523,783	1,297,569	1.1%	(1,590,301)	-1.3%	-
YTD	117,785,683	559,469	0.5%	(605,874)	-0.5%	-
2022	117,226,214	926,580	0.8%	(446,254)	-0.4%	-
2021	116,299,634	430,078	0.4%	(402,174)	-0.3%	-
2020	115,869,556	877,305	0.8%	(512,663)	-0.4%	-
2019	114,992,251	1,083,344	1.0%	924,601	0.8%	1.2
2018	113,908,907	1,495,761	1.3%	957,848	0.8%	1.6
2017	112,413,146	1,436,118	1.3%	1,473,198	1.3%	1.0
2016	110,977,028	1,675,133	1.5%	1,899,154	1.7%	0.9
2015	109,301,895	422,761	0.4%	1,093,752	1.0%	0.4
2014	108,879,134	614,857	0.6%	1,100,264	1.0%	0.6
2013	108,264,277	283,200	0.3%	1,833,132	1.7%	0.2
2012	107,981,077	357,640	0.3%	1,003,239	0.9%	0.4
2011	107,623,437	182,091	0.2%	150,877	0.1%	1.2

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	40,744,003	221,129	0.5%	215,106	0.5%	1.0
2026	40,522,874	133,702	0.3%	64,436	0.2%	2.1
2025	40,389,172	61,293	0.2%	59,251	0.1%	1.0
2024	40,327,879	211,078	0.5%	(80,216)	-0.2%	-
2023	40,116,801	876,877	2.2%	17,907	0%	49.0
YTD	39,753,784	513,860	1.3%	24,643	0.1%	20.9
2022	39,239,924	598,150	1.5%	(857,990)	-2.2%	-
2021	38,641,774	574,161	1.5%	(405,612)	-1.0%	-
2020	38,067,613	462,195	1.2%	(21,820)	-0.1%	-
2019	37,605,418	727,582	2.0%	709,192	1.9%	1.0
2018	36,877,836	1,230,724	3.5%	1,233,509	3.3%	1.0
2017	35,647,112	1,495,954	4.4%	1,344,959	3.8%	1.1
2016	34,151,158	1,566,676	4.8%	1,281,561	3.8%	1.2
2015	32,584,482	527,466	1.6%	554,831	1.7%	1.0
2014	32,057,016	759,577	2.4%	723,578	2.3%	1.0
2013	31,297,439	176,935	0.6%	452,865	1.4%	0.4
2012	31,120,504	314,938	1.0%	601,899	1.9%	0.5
2011	30,805,566	138,146	0.5%	9,656	0%	14.3

Supply & Demand Trends

Columbus Office

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	49,055,238	0	0%	208,027	0.4%	0
2026	49,055,238	0	0%	96,118	0.2%	0
2025	49,055,238	0	0%	62,376	0.1%	0
2024	49,055,238	57,454	0.1%	(249,264)	-0.5%	-
2023	48,997,784	488,686	1.0%	(1,171,745)	-2.4%	-
YTD	48,554,707	45,609	0.1%	(607,374)	-1.3%	-
2022	48,509,098	353,302	0.7%	371,815	0.8%	1.0
2021	48,155,796	(43,359)	-0.1%	(7,132)	0%	-
2020	48,199,155	422,503	0.9%	(250,558)	-0.5%	-
2019	47,776,652	405,848	0.9%	438,669	0.9%	0.9
2018	47,370,804	328,571	0.7%	(42,749)	-0.1%	-
2017	47,042,233	90,625	0.2%	205,336	0.4%	0.4
2016	46,951,608	228,507	0.5%	479,759	1.0%	0.5
2015	46,723,101	(21,986)	0%	355,777	0.8%	-
2014	46,745,087	(23,656)	-0.1%	13,559	0%	-
2013	46,768,743	174,059	0.4%	1,030,652	2.2%	0.2
2012	46,594,684	132,796	0.3%	160,088	0.3%	0.8
2011	46,461,888	54,147	0.1%	159,900	0.3%	0.3

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	28,840,893	(142,279)	-0.5%	26,673	0.1%	-
2026	28,983,172	(141,979)	-0.5%	(43,102)	-0.1%	-
2025	29,125,151	(142,026)	-0.5%	(66,223)	-0.2%	-
2024	29,267,177	(142,021)	-0.5%	(341,619)	-1.2%	-
2023	29,409,198	(67,994)	-0.2%	(436,463)	-1.5%	-
YTD	29,477,192	0	0%	(23,143)	-0.1%	-
2022	29,477,192	(24,872)	-0.1%	39,921	0.1%	-
2021	29,502,064	(100,724)	-0.3%	10,570	0%	-
2020	29,602,788	(7,393)	0%	(240,285)	-0.8%	-
2019	29,610,181	(50,086)	-0.2%	(223,260)	-0.8%	-
2018	29,660,267	(63,534)	-0.2%	(232,912)	-0.8%	-
2017	29,723,801	(150,461)	-0.5%	(77,097)	-0.3%	-
2016	29,874,262	(120,050)	-0.4%	137,834	0.5%	-
2015	29,994,312	(82,719)	-0.3%	183,144	0.6%	-
2014	30,077,031	(121,064)	-0.4%	363,127	1.2%	-
2013	30,198,095	(67,794)	-0.2%	349,615	1.2%	-
2012	30,265,889	(90,094)	-0.3%	241,252	0.8%	-
2011	30,355,983	(10,202)	0%	(18,679)	-0.1%	-

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$20.28	119	0.6%	-5.5%	14,525,944	12.2%	-0.3%
2026	\$20.16	118	-0.2%	-6.1%	14,890,078	12.6%	-0.1%
2025	\$20.21	118	-0.7%	-5.9%	15,009,134	12.7%	-0.1%
2024	\$20.36	119	-4.1%	-5.2%	15,138,355	12.8%	0.7%
2023	\$21.23	124	-1.1%	-1.1%	14,333,154	12.1%	2.3%
YTD	\$21.66	127	2.7%	0.9%	12,607,656	10.7%	0.9%
2022	\$21.47	126	2.7%	0%	11,442,313	9.8%	1.1%
2021	\$20.91	122	1.6%	-2.6%	10,069,479	8.7%	0.7%
2020	\$20.58	121	0.8%	-4.1%	9,233,119	8.0%	1.1%
2019	\$20.42	120	5.4%	-4.9%	7,847,259	6.8%	0.1%
2018	\$19.38	113	0.8%	-9.8%	7,688,516	6.7%	0.3%
2017	\$19.22	113	3.2%	-10.5%	7,273,519	6.5%	-0.1%
2016	\$18.62	109	4.7%	-13.3%	7,310,599	6.6%	-0.3%
2015	\$17.80	104	2.1%	-17.1%	7,535,492	6.9%	-0.6%
2014	\$17.44	102	3.9%	-18.8%	8,206,483	7.5%	-0.5%
2013	\$16.78	98	1.6%	-21.9%	8,691,890	8.0%	-1.5%
2012	\$16.52	97	3.8%	-23.1%	10,241,822	9.5%	-0.6%
2011	\$15.92	93	-0.5%	-25.9%	10,887,421	10.1%	0%

4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$22.77	115	0.3%	-7.7%	7,379,643	18.1%	-0.1%
2026	\$22.69	115	-0.4%	-8.0%	7,374,156	18.2%	0.1%
2025	\$22.79	116	-1.0%	-7.6%	7,305,423	18.1%	0%
2024	\$23.02	117	-4.3%	-6.7%	7,303,901	18.1%	0.6%
2023	\$24.05	122	-0.7%	-2.5%	7,012,613	17.5%	1.8%
YTD	\$24.56	124	1.2%	-0.4%	6,642,853	16.7%	1.0%
2022	\$24.22	123	-0.7%	-1.8%	6,153,636	15.7%	3.5%
2021	\$24.38	124	0.5%	-1.2%	4,697,496	12.2%	2.4%
2020	\$24.26	123	-1.6%	-1.6%	3,717,723	9.8%	1.2%
2019	\$24.66	125	7.6%	0%	3,233,708	8.6%	-0.1%
2018	\$22.92	116	0.2%	-7.1%	3,215,318	8.7%	-0.7%
2017	\$22.86	116	4.0%	-7.3%	3,341,019	9.4%	0%
2016	\$21.99	111	8.4%	-10.8%	3,190,024	9.3%	0.4%
2015	\$20.29	103	1.0%	-17.7%	2,904,909	8.9%	-0.2%
2014	\$20.09	102	2.2%	-18.6%	2,932,274	9.1%	-0.1%
2013	\$19.65	100	1.6%	-20.3%	2,896,275	9.3%	-0.9%
2012	\$19.34	98	6.0%	-21.6%	3,172,205	10.2%	-1.0%
2011	\$18.24	92	1.2%	-26.0%	3,459,166	11.2%	0.4%

3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$20.25	117	0.7%	-5.6%	5,072,525	10.3%	-0.4%
2026	\$20.12	116	-0.1%	-6.3%	5,280,552	10.8%	-0.2%
2025	\$20.15	116	-0.7%	-6.1%	5,376,670	11.0%	-0.1%
2024	\$20.29	117	-4.0%	-5.5%	5,439,046	11.1%	0.6%
2023	\$21.14	122	-1.5%	-1.5%	5,132,328	10.5%	3.3%
YTD	\$21.59	125	3.9%	0.6%	4,124,865	8.5%	1.3%
2022	\$21.46	124	5.3%	0%	3,471,882	7.2%	-0.1%
2021	\$20.39	118	2.3%	-5.0%	3,490,395	7.2%	-0.1%
2020	\$19.93	115	1.0%	-7.1%	3,526,622	7.3%	1.3%
2019	\$19.74	114	4.4%	-8.0%	2,853,561	6.0%	-0.1%
2018	\$18.90	109	2.1%	-11.9%	2,886,382	6.1%	0.7%
2017	\$18.52	107	1.9%	-13.7%	2,515,062	5.3%	-0.3%
2016	\$18.17	105	1.5%	-15.4%	2,629,773	5.6%	-0.6%
2015	\$17.90	103	1.4%	-16.6%	2,881,897	6.2%	-0.8%
2014	\$17.66	102	6.8%	-17.7%	3,259,660	7.0%	-0.1%
2013	\$16.54	96	2.3%	-22.9%	3,296,875	7.0%	-1.9%
2012	\$16.17	93	2.8%	-24.7%	4,153,468	8.9%	-0.1%
2011	\$15.73	91	-2.3%	-26.7%	4,180,760	9.0%	-0.2%

1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$16.92	130	0.9%	-4.6%	2,073,776	7.2%	-0.5%
2026	\$16.77	129	0.1%	-5.4%	2,235,370	7.7%	-0.3%
2025	\$16.76	128	-0.5%	-5.5%	2,327,041	8.0%	-0.2%
2024	\$16.84	129	-3.8%	-5.1%	2,395,408	8.2%	0.7%
2023	\$17.50	134	-1.3%	-1.3%	2,188,213	7.4%	1.3%
YTD	\$17.84	137	2.9%	0.6%	1,839,938	6.2%	0.1%
2022	\$17.73	136	4.1%	0%	1,816,795	6.2%	-0.2%
2021	\$17.03	131	2.4%	-4.0%	1,881,588	6.4%	-0.3%
2020	\$16.64	128	5.6%	-6.2%	1,988,774	6.7%	0.8%
2019	\$15.75	121	2.8%	-11.2%	1,759,990	5.9%	0.6%
2018	\$15.32	117	-0.5%	-13.6%	1,586,816	5.3%	0.6%
2017	\$15.40	118	4.3%	-13.2%	1,417,438	4.8%	-0.2%
2016	\$14.77	113	4.0%	-16.7%	1,490,802	5.0%	-0.8%
2015	\$14.21	109	5.7%	-19.9%	1,748,686	5.8%	-0.9%
2014	\$13.44	103	1.5%	-24.2%	2,014,549	6.7%	-1.6%
2013	\$13.24	102	0.1%	-25.3%	2,498,740	8.3%	-1.4%
2012	\$13.23	101	1.3%	-25.4%	2,916,149	9.6%	-1.1%
2011	\$13.05	100	0.2%	-26.4%	3,247,495	10.7%	0%

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
2027	-	-	-	-	-	-	\$97.92	123	10.7%
2026	-	-	-	-	-	-	\$93.66	118	11.0%
2025	-	-	-	-	-	-	\$92.18	116	11.2%
2024	-	-	-	-	-	-	\$92.90	117	11.3%
2023	-	-	-	-	-	-	\$104.05	131	10.6%
YTD	91	\$109.5M	1.5%	\$1,795,031	\$79.34	8.8%	\$116.77	147	9.7%
2022	316	\$526.9M	5.8%	\$2,300,747	\$111.09	7.9%	\$119.13	150	9.6%
2021	320	\$541M	5.0%	\$2,292,505	\$107.93	7.7%	\$124.29	156	8.8%
2020	244	\$345.5M	3.7%	\$1,857,267	\$93.57	8.1%	\$114.56	144	9.1%
2019	293	\$454.8M	5.2%	\$2,145,188	\$92.86	8.9%	\$110.25	138	9.3%
2018	289	\$344.9M	4.6%	\$1,699,110	\$96.39	8.8%	\$102.58	129	9.4%
2017	268	\$380.3M	4.7%	\$2,333,141	\$92.81	8.1%	\$102.22	128	9.0%
2016	298	\$508.9M	5.8%	\$2,435,159	\$93.08	8.4%	\$104.32	131	8.5%
2015	261	\$295.6M	3.9%	\$1,400,843	\$85.47	8.1%	\$100.10	126	8.5%
2014	235	\$355.3M	3.8%	\$1,910,396	\$93.62	8.1%	\$96.27	121	8.5%
2013	228	\$344.2M	4.8%	\$1,966,591	\$80.27	9.3%	\$93.51	117	8.6%
2012	215	\$425.4M	5.3%	\$2,532,172	\$83.59	9.6%	\$88.45	111	8.9%

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(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
2027	-	-	-	-	-	-	\$115.54	124	10.2%
2026	-	-	-	-	-	-	\$110.55	119	10.5%
2025	-	-	-	-	-	-	\$108.93	117	10.7%
2024	-	-	-	-	-	-	\$109.94	118	10.8%
2023	-	-	-	-	-	-	\$123.75	133	10.1%
YTD	3	\$40.7M	1.5%	\$13,550,000	\$66.30	-	\$139.58	150	9.3%
2022	18	\$236.1M	5.7%	\$18,163,962	\$146.67	6.1%	\$142.75	154	9.1%
2021	13	\$208.2M	2.9%	\$23,132,111	\$236.22	6.5%	\$148.79	160	8.4%
2020	7	\$144.7M	3.4%	\$24,124,767	\$130.03	8.0%	\$135.10	145	8.7%
2019	15	\$282.6M	6.1%	\$20,188,564	\$125.94	8.2%	\$130.31	140	8.9%
2018	15	\$142.2M	4.3%	\$12,931,550	\$130.98	8.0%	\$118.04	127	9.1%
2017	17	\$203.6M	6.6%	\$13,574,707	\$100.48	7.6%	\$115.52	124	8.8%
2016	29	\$317.5M	9.9%	\$12,212,328	\$106.24	8.3%	\$118.14	127	8.3%
2015	14	\$107.5M	3.9%	\$9,771,558	\$103.94	8.4%	\$112.22	121	8.3%
2014	12	\$136.8M	3.6%	\$11,397,570	\$117.93	7.3%	\$108.25	117	8.3%
2013	16	\$149.2M	5.1%	\$9,948,438	\$109.95	-	\$106.56	115	8.3%
2012	16	\$259M	9.0%	\$17,263,874	\$100.43	9.1%	\$100.26	108	8.6%

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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
2027	-	-	-	-	-	-	\$92.96	120	10.8%
2026	-	-	-	-	-	-	\$88.93	115	11.1%
2025	-	-	-	-	-	-	\$87.52	113	11.3%
2024	-	-	-	-	-	-	\$88.17	114	11.4%
2023	-	-	-	-	-	-	\$98.57	127	10.7%
YTD	26	\$32.6M	1.6%	\$1,811,222	\$66.33	9.3%	\$110.38	142	9.9%
2022	95	\$162.7M	6.0%	\$2,542,769	\$88.60	7.8%	\$112.71	145	9.7%
2021	106	\$223.5M	6.6%	\$2,758,985	\$75.88	7.4%	\$116.94	151	8.9%
2020	67	\$131.1M	3.5%	\$2,341,938	\$82.54	8.1%	\$107.92	139	9.3%
2019	85	\$88.9M	4.4%	\$1,326,574	\$61.29	8.8%	\$104.01	134	9.5%
2018	92	\$117M	4.8%	\$2,250,322	\$78.34	8.9%	\$97.06	125	9.5%
2017	68	\$101M	3.6%	\$2,405,881	\$80.60	7.3%	\$97.52	126	9.1%
2016	71	\$117.5M	3.2%	\$2,097,622	\$87.19	8.9%	\$99.93	129	8.6%
2015	73	\$118.2M	3.6%	\$1,906,809	\$89.52	8.4%	\$96.78	125	8.5%
2014	77	\$145M	3.8%	\$2,457,503	\$91.54	7.9%	\$93.47	121	8.5%
2013	73	\$145.2M	5.4%	\$2,847,171	\$71.13	8.6%	\$90.86	117	8.7%
2012	63	\$115M	4.1%	\$2,211,625	\$69.08	9.8%	\$86.32	111	8.9%

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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
2027	-	-	-	-	-	-	\$82.09	126	11.2%
2026	-	-	-	-	-	-	\$78.41	120	11.5%
2025	-	-	-	-	-	-	\$77.03	118	11.7%
2024	-	-	-	-	-	-	\$77.43	119	11.8%
2023	-	-	-	-	-	-	\$86.23	132	11.1%
YTD	62	\$36.2M	1.3%	\$906,123	\$131.53	7.9%	\$96.18	148	10.2%
2022	203	\$128M	5.8%	\$842,120	\$98.76	8.4%	\$97.50	150	10.1%
2021	201	\$109.4M	5.4%	\$749,071	\$92.17	8.0%	\$103.01	158	9.2%
2020	170	\$69.6M	4.4%	\$560,923	\$70.27	8.2%	\$97.50	150	9.5%
2019	193	\$83.3M	5.5%	\$635,570	\$69.21	9.1%	\$93.17	143	9.7%
2018	182	\$85.7M	4.5%	\$611,826	\$85.78	9.0%	\$90.60	139	9.5%
2017	183	\$75.6M	4.3%	\$713,531	\$92.56	8.8%	\$91.85	141	9.0%
2016	198	\$74M	5.3%	\$582,369	\$65.35	7.7%	\$92.72	142	8.6%
2015	174	\$69.9M	4.3%	\$506,294	\$63.31	7.6%	\$89.03	137	8.6%
2014	146	\$73.6M	4.2%	\$639,741	\$69.93	8.8%	\$84.55	130	8.7%
2013	139	\$49.7M	3.5%	\$456,157	\$55.94	9.7%	\$80.08	123	8.9%
2012	136	\$51.4M	3.4%	\$509,330	\$60.80	10.0%	\$75.86	116	9.2%

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