

BOULDER

Q2 2023



OFFICE MARKET REPORT



OFFICE MARKET REPORT

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12 Mo Deliveries in SF

353K

12 Mo Net Absorption in SF

2.3K

Vacancy Rate

11.0%

12 Mo Rent Growth

2.9%

Both the vacancy and availability rates in Boulder have faced upward pressure for some time. Vacancies remain near a decade-high at 11.0% and are projected to increase further in 2023 with the delivery of new product.

Boulder has a significant number of high-tech companies with hardware and/or R&D operations. As such, the metro has significant demand for flex space that serves these tenants. Boulder has about 19.5 million SF of office space and 12 million SF of flex space, or an office-flex ratio of 1.5 to 1. Nationally, the office to flex ratio is about 5 to 1. San Jose is the only metro area in

the country with a higher relative concentration of flex space.

Boulder is still a relatively affordable market and has benefitted as some investors have been priced out of core gateway markets. Boulder has attracted investors in the pandemic era because it is less vulnerable to economic upheavals due to its diverse and highly skilled workforce, as well as the University of Colorado Boulder and government labs offering steady employment in the community. However, the high interest rate environment is impacting deal volume.

KEY INDICATORS

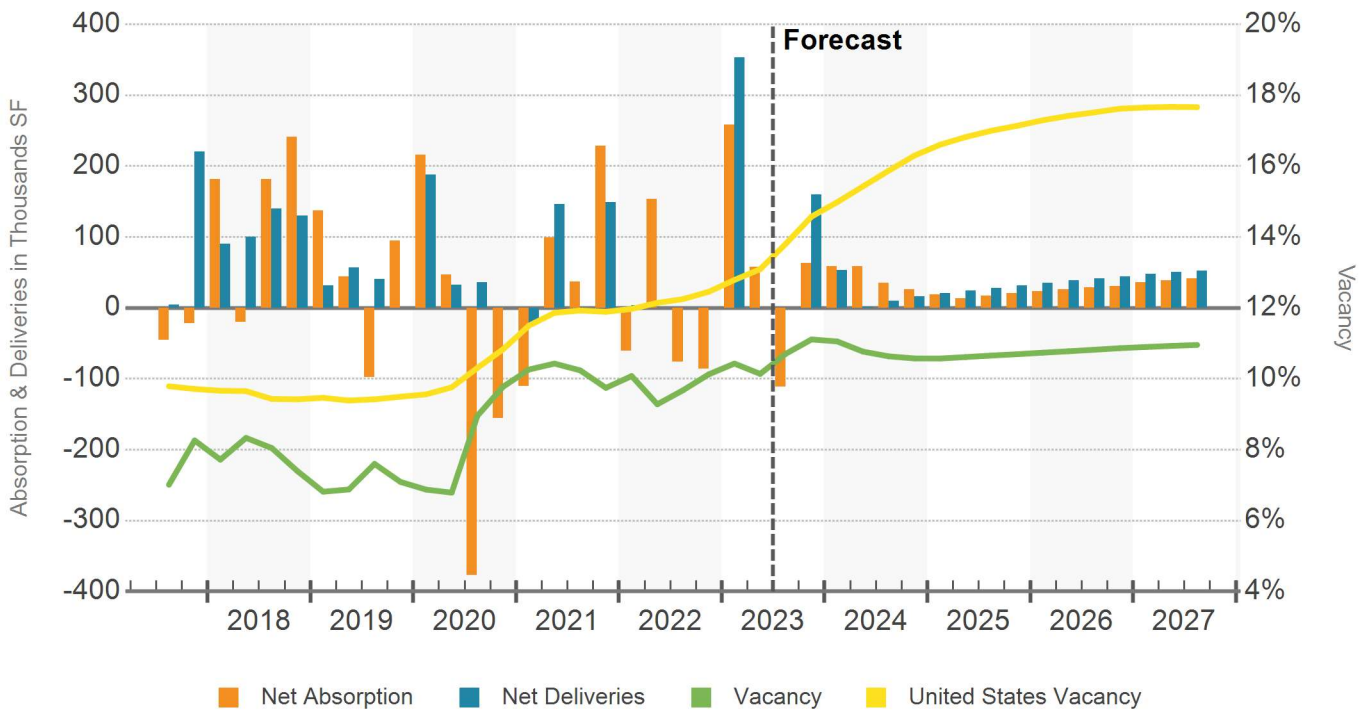
Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	2,948,953	11.1%	\$43.03	20.0%	(48,529)	0	163,000
3 Star	11,169,319	10.1%	\$34.57	14.7%	(31,411)	0	56,000
1 & 2 Star	5,477,019	12.6%	\$28.33	16.2%	(80,788)	0	0
Market	19,595,291	11.0%	\$34.18	16.0%	(160,728)	0	219,000
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.6%	9.7%	10.8%	15.6%	2003 Q3	4.3%	2000 Q2
Net Absorption SF	2.3K	200,472	128,253	1,297,339	2000 Q4	(597,202)	2021 Q1
Deliveries SF	353K	276,140	194,178	1,337,128	2000 Q4	0	2015 Q2
Rent Growth	2.9%	1.4%	-0.5%	10.5%	2015 Q4	-7.4%	2002 Q4
Sales Volume	\$127M	\$171.2M	N/A	\$779.6M	2022 Q1	\$25.7M	2009 Q3

Roughly 20% of Boulder's office-using employment is tied to the high tech or information sectors, on par with San Francisco's, and behind only San Jose's nationally. Unsurprisingly, the Boulder office market derives an unusually large amount of its demand from tenants connected to the tech sector, which has been reeling from a high interest rate environment. The current vacancy rate of 11.0% remains near a decade high, but below the national benchmark.

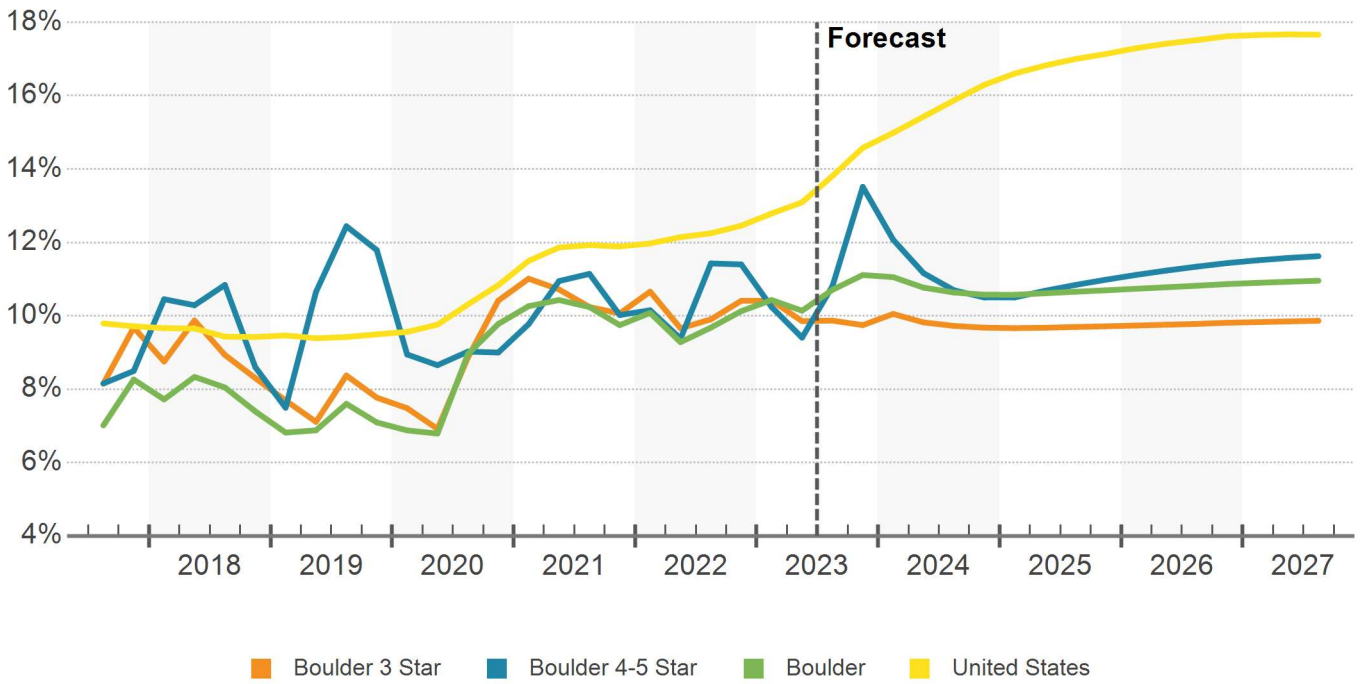
Boulder has attracted expansions from the giants of the

tech industry in the past. Google opened its \$130 million Pearl Place campus in 2017 that housed 1,500 employees before the pandemic. The company recently purchased RÊVE Boulder, located across the street, to serve as an extension of its existing campus. The RÊVE development was the largest block of speculative space that was slated to hit the market. With Google's acquisition, the space was removed, thereby limiting supply-side pressure. Google took occupancy of the space in 22Q2.

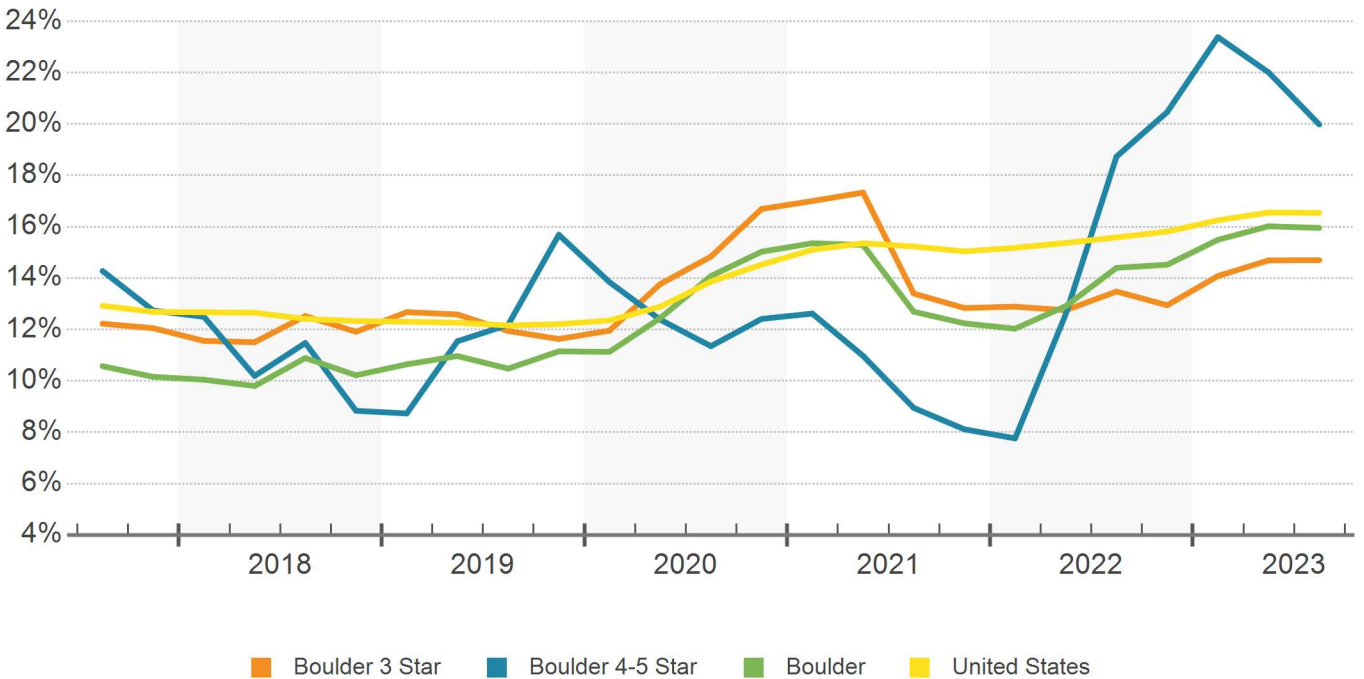
NET ABSORPTION, NET DELIVERIES & VACANCY



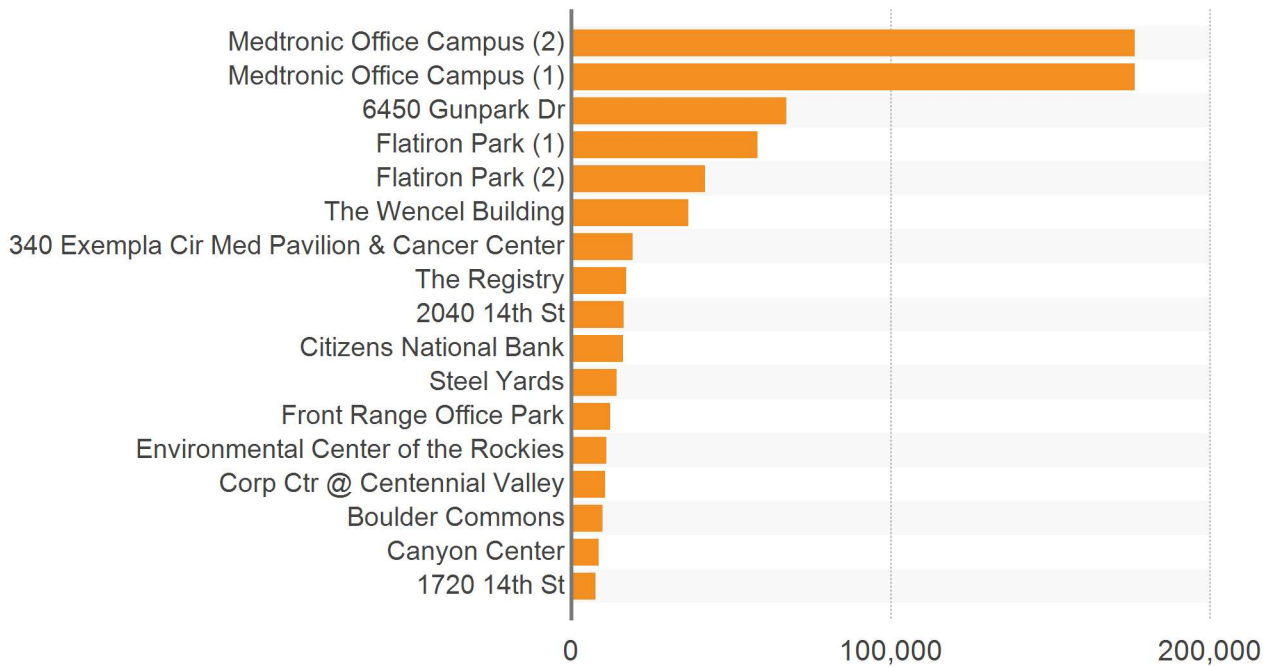
VACANCY RATE



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
Medtronic Office Campus (2)	Boulder County	176,500	0	176,500	0	0	0	176,500
Medtronic Office Campus (1)	Boulder County	176,500	0	176,500	0	0	0	176,500
6450 Gunpark Dr	Boulder	67,474	0	0	67,474	0	0	67,474
Flatiron Park (1)	Boulder	236,156	0	40,002	18,362	0	0	58,364
Flatiron Park (2)	Boulder	60,245	15,070	0	(1,005)	0	0	41,884
The Wencel Building	Boulder	63,000	0	0	36,747	0	0	36,747
340 Exempla Cir Med Pavilion &...	Boulder County	74,032	6,500	0	654	18,508	0	19,162
The Registry	Boulder	17,158	0	17,158	0	0	0	17,158
2040 14th St	Boulder	19,437	0	0	0	0	0	16,360
Citizens National Bank	Boulder	38,954	6,303	16,317	1,654	0	0	16,317
Steel Yards	Boulder	24,450	1,379	0	0	0	0	14,147
Front Range Office Park	Longmont	107,805	23,062	2,007	11,934	0	0	12,141
Environmental Center of the Roc...	Boulder County	10,961	0	10,961	0	0	0	10,961
Corp Ctr @ Centennial Valley	Boulder County	84,212	20,236	0	0	0	0	10,624
Boulder Commons	Boulder	60,000	0	9,067	0	0	0	9,790
Canyon Center	Boulder	78,433	14,327	0	4,974	0	0	8,666
1720 14th St	Boulder	10,098	0	0	7,686	0	0	7,686
Subtotal Primary Competitors		1,305,415	86,877	448,512	148,480	18,508	0	700,481
Remaining Boulder Market		18,289,876	2,060,535	(190,740)	(91,332)	(179,236)	0	(698,165)
Total Boulder Market		19,595,291	2,147,412	257,772	57,148	(160,728)	0	2,316

TOP OFFICE LEASES PAST 12 MONTHS

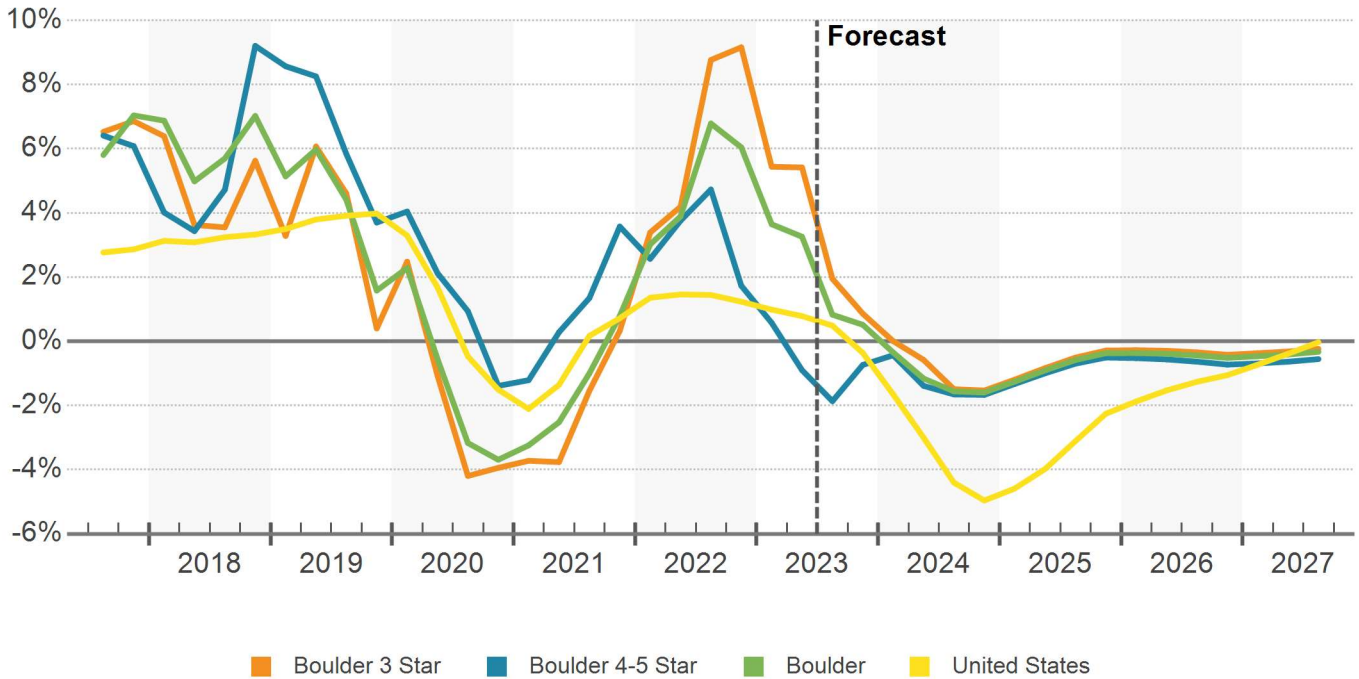
Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
Diagonal Tech Center	Longmont	61,600	Q1 23	-	-	Dean Callan & Compan...
2300 55th St	Boulder	61,117	Q2 23	CordenPharma	Cushman & Wakefield	CBRE
The Wencel Building	Boulder	36,747	Q4 22	-	-	Cresa
Center Green Court South	Boulder	33,146	Q2 23	ION Clean Energy	Cresa;Cushman &...	CBRE
Center Green Court South	Boulder	33,146	Q1 23	ION	Cresa;Cushman &...	CBRE
Corporate Place	Boulder	24,066	Q4 22	-	-	Elevated Commercial R...
Corporate Place	Boulder	24,066	Q3 22	Northrop Grumman	-	Elevated Commercial R...
Corporate Place	Boulder	23,237	Q4 22	-	-	Elevated Commercial R...
Flatiron Park	Boulder	18,362	Q1 23	-	-	CBRE;Dean Callan & C...
Flatiron Park	Boulder	18,000	Q4 22	Sweater	Gibbons-White, Inc.	Market Real Estate
Tierra Centre	Boulder	16,555	Q2 23	-	-	WWR Real Estate Serv...
Flatirons North	Boulder	16,329	Q2 23	-	-	WWR Real Estate Serv...
The Wencel Building	Boulder	14,642	Q4 22	-	-	The W.W. Reynolds Co...
Community Physicians Pavilion	Boulder County	9,888	Q2 23	-	-	Lillibridge Healthcare S...
The Campus at Longmont	Longmont	9,684	Q2 23	-	-	Dean Callan & Compan...
Boulder Commons	Boulder	9,067	Q4 22	Insight Analytics Solutions...	-	CBRE
Iris Park Professional Campus	Boulder	9,000	Q2 23	-	-	Gibbons-White, Inc.
Flatiron Park West	Boulder	8,752	Q2 23	Deuter USA	-	Dean Callan & Compan...
Cartwright Bldg	Boulder	8,730	Q1 23	-	-	WWR Real Estate Serv...
350 Terry St	Longmont	8,597	Q2 23	Ballet Studio	-	WP Westpark IV, LLC
Iris Park Professional Campus	Boulder	8,366	Q2 23	Siemens Corporation	Newmark	-
Twenty Ninth Street	Boulder	8,121	Q2 23	-	-	CBRE
Pearl East Business Park	Boulder	7,584	Q3 22	-	-	CBRE
Walnut Eleven Building	Boulder	7,142	Q4 22	-	-	Market Real Estate
Center Green Office Park *	Boulder	7,134	Q3 23	-	-	CBRE
2617 Broadway St	Boulder	7,114	Q2 23	-	-	The Colorado Group, Inc.
Corp Ctr @ Centennial Valley	Boulder County	6,936	Q2 23	-	-	Gibbons-White, Inc.
Westpeak Building	Boulder	6,816	Q1 23	Rubicon Technology Part...	-	-
Corp Ctr @ Centennial Valley	Boulder County	6,432	Q1 23	-	-	CBRE
6400 Lookout Rd	Boulder	6,285	Q4 22	-	-	Gibbons-White, Inc.
Discovery Office Park	Boulder County	6,112	Q4 22	-	-	Gibbons-White, Inc.
One Boulder Plaza	Boulder	5,329	Q3 23	-	-	Colliers;WWR Real Est...
Gunbarrel	Boulder	5,257	Q4 22	-	Cresa	Hughes Marino
MUM Portfolio	Boulder	5,004	Q1 23	Interface Communications	-	Dean Callan & Compan...
WaterStreet Plaza *	Boulder	4,893	Q3 22	Mercer Advisors	Hayes Commercial...	-
300 S Public Rd	Boulder County	4,891	Q2 23	-	-	The Colorado Group, Inc.
2118 13th St	Boulder	4,850	Q2 23	-	-	The Colorado Group, Inc.
225 Canyon Blvd	Boulder	4,490	Q2 23	-	-	Gibbons-White, Inc.
3223 Arapahoe Offices	Boulder	4,385	Q3 22	-	-	Skye Commercial
Pearl Street Mall	Boulder	4,320	Q2 23	-	-	Gibbons-White, Inc.

Renewal

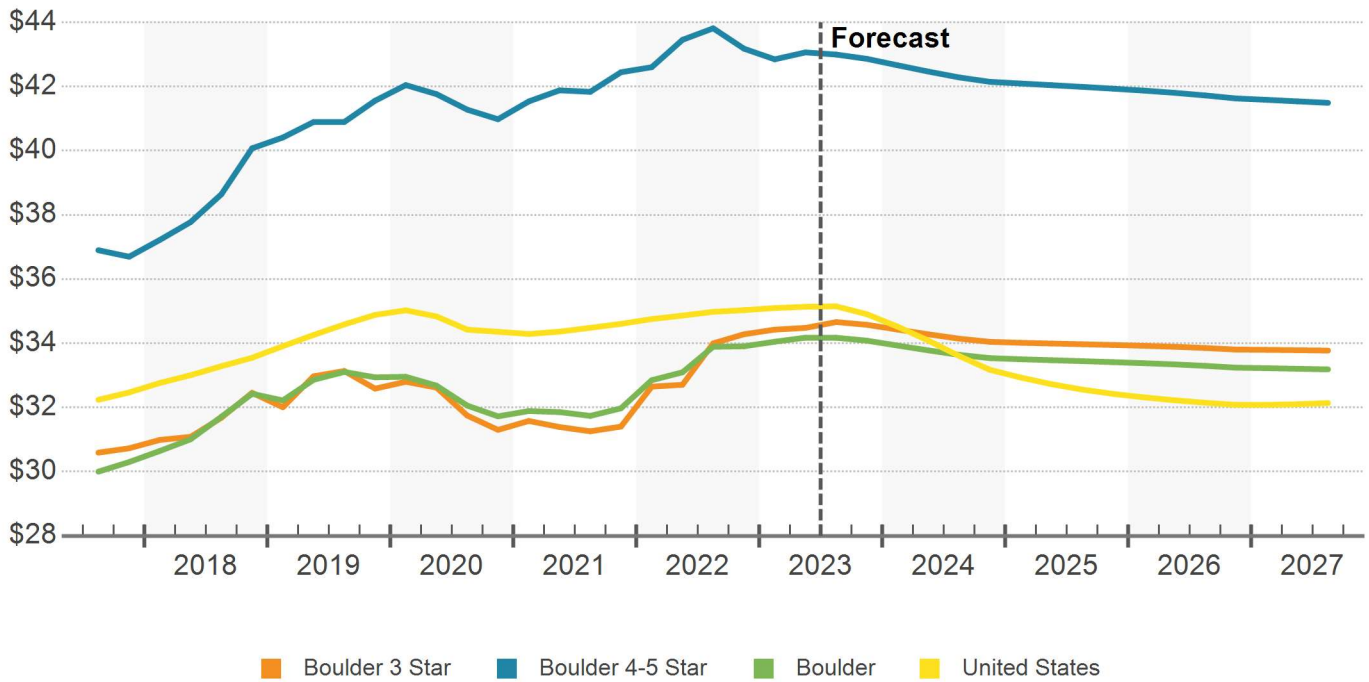
In addition to increasing concessions and offering shorter-term deals, Boulder landlords were quick to drop base rates at the onset of the pandemic amid significant absorption losses and rising vacancies. The drop in rates troughed in late 2020 and landlords are now marginally

regaining pricing power, with rents improving in recent months. Average annual office rents in Boulder are now up by 2.9%, an improvement relative to the -2.7% annual declines recorded in 20Q3.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Boulder	\$0.59	\$1.15	\$0.21	\$6.57	\$5.73	\$14.25
Boulder	\$0.59	\$1.16	\$0.21	\$6.69	\$5.77	\$14.42
Longmont	\$0.49	\$1.03	\$0.17	\$4.85	\$5	\$11.54

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
Boulder	\$0.49	\$0.97	\$0.13	\$6.60	\$3.42	\$11.61
Boulder	\$0.49	\$0.97	\$0.13	\$6.80	\$3.39	\$11.78
Longmont	\$0.48	\$0.94	\$0.13	\$5.18	\$3.61	\$10.34

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
Boulder	\$0.44	\$0.59	\$0.12	\$7.66	\$3.27	\$12.08
Boulder	\$0.44	\$0.59	\$0.12	\$8.47	\$3.63	\$13.25
Longmont	\$0.45	\$0.59	\$0.12	\$4.94	\$2.05	\$8.15

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

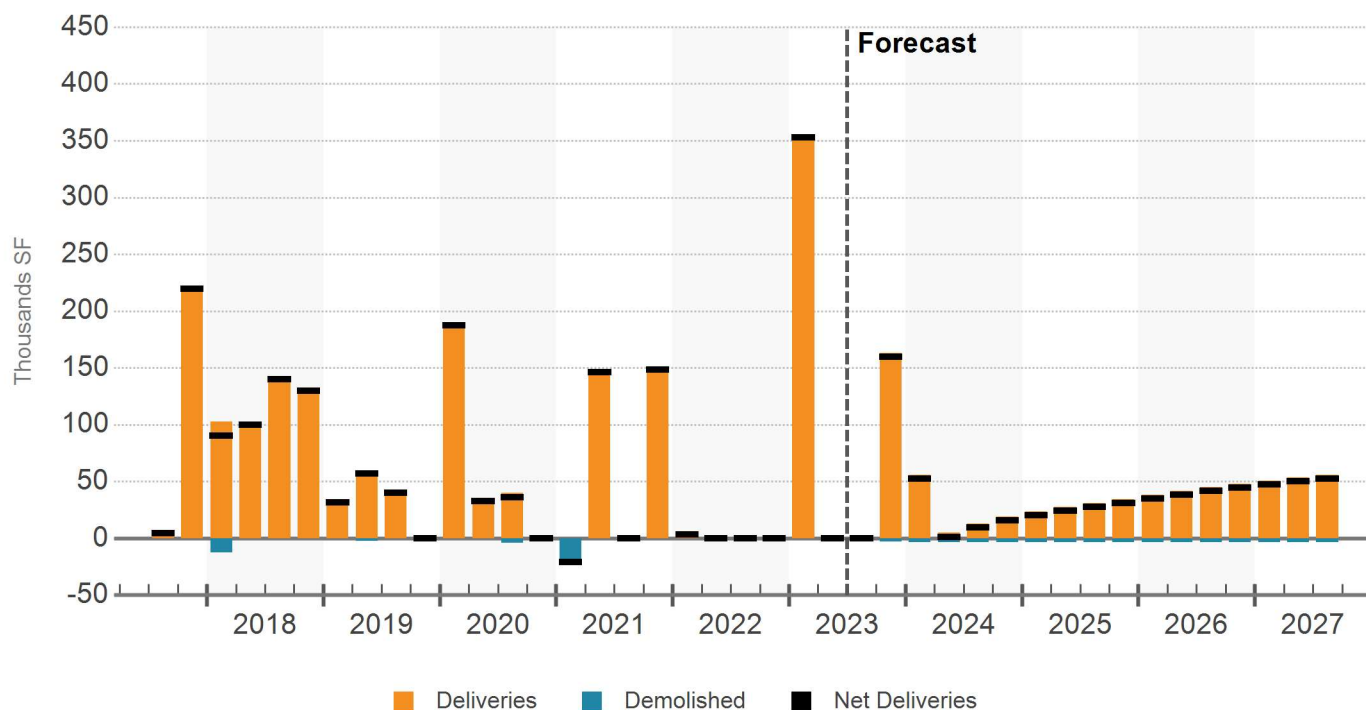
Mixed-use developments have been particularly popular in the Boulder market with added retail space complementing the main office and residential components. Developed in a qualified opportunity zone, RÈVE Boulder, a mixed-use development, delivered in October 2021. The project includes office space, 242 apartment units, and ground floor retail space. Google purchased the 148,500-SF office component of the development in September as an extension of its existing Pearl Place campus, located directly across the street.

While developers have targeted the city of Boulder, it's not an easy city to build in. The high barriers of entry make Boulder an attractive market. New projects in the city of Boulder are constrained by a height-limit ordinance dating back to the 1970s that restricts

buildings to no more than 55 feet.

A shuttered Macy's in the Twenty-Ninth Street Shopping Center will be converted into creative office space. The development is the latest in a growing trend to repurpose vacant big-box stores after the coronavirus pandemic accelerated the rate of store closures nationwide. The conversion will fit a need for modern office inventory in an area with a high barrier to entry. Construction began in May 2022 to transform the property into an expanded creative office building that it said will become one of the last large blocks of contiguous space available in the city. Once completed, the three-story property is expected to include 154,000 square feet of office space and 9,000 square feet of supporting retail space that is expected to be marketed to a single tenant.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

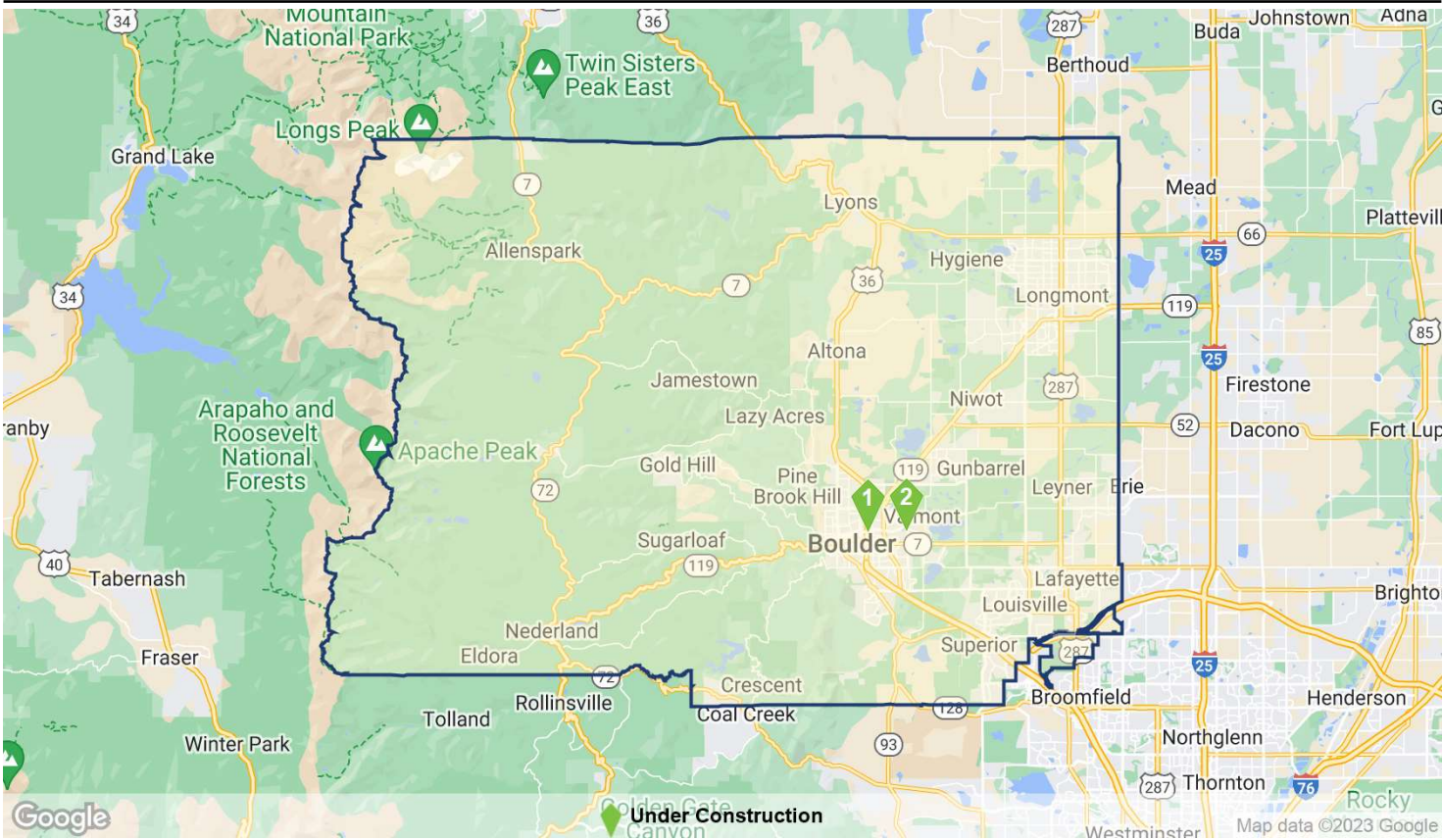
No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Boulder	2	219	0	0%	1	20,309	109,500	1
2	Boulder County	0	-	-	-	-	18,651	-	-
3	Longmont	0	-	-	-	-	10,301	-	-
Totals		2	219	0	0%		18,022	109,500	

Under Construction Properties

Boulder Office

Properties	Square Feet	Percent of Inventory	Released
2	219,000	1.1%	0%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

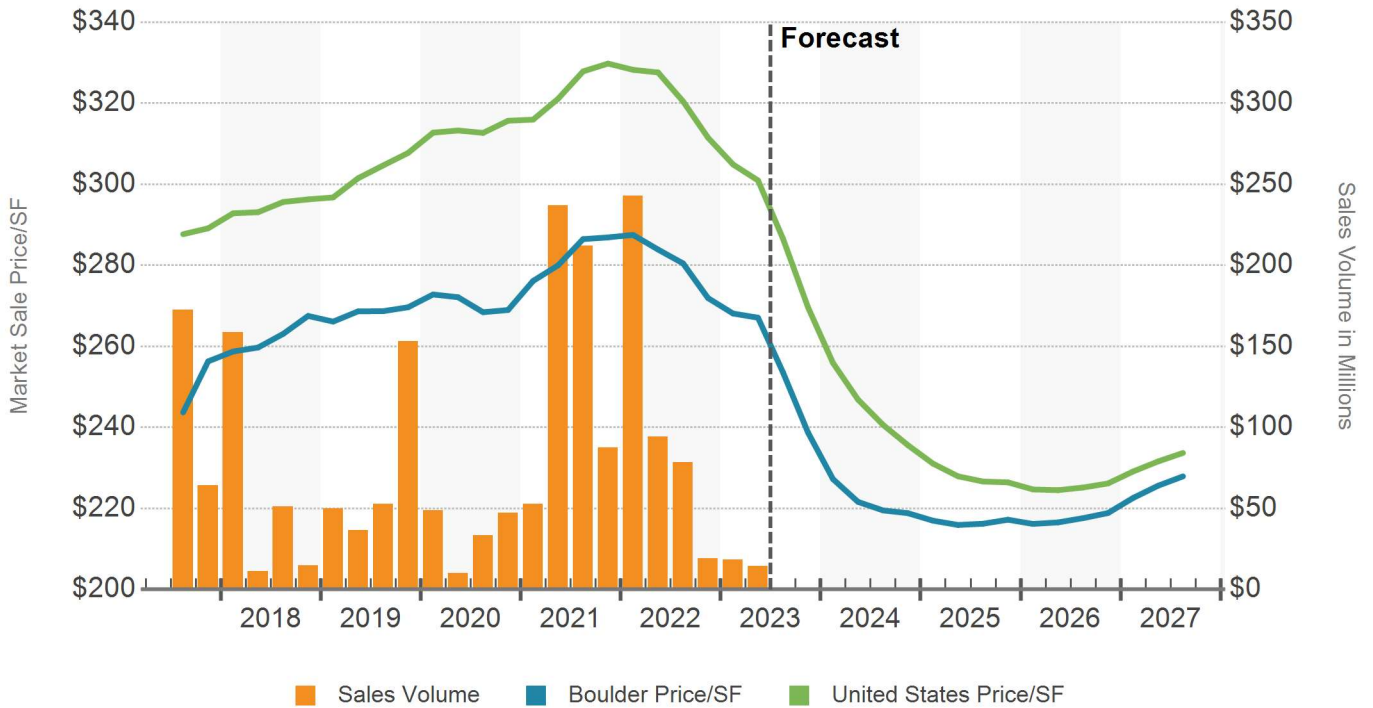
Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Boulder 29 1900 29th St	★★★★★	163,000	3	Jun 2022	Nov 2023	-
2 5505 Central Ave	★★★☆☆	56,000	2	Sep 2022	Jan 2024	Crescent Real Estate LLC

The trailing 12-month sales volume sits at \$119 million, now below the metro's five year annual average of \$317 million. Boulder is still a relatively affordable market and has benefitted as some investors have been priced out of core gateway markets. Boulder has attracted investors in the pandemic era because it is less vulnerable to economic upheavals due to its diverse and highly skilled workforce, as well as the University of Colorado Boulder and government labs offering steady employment in the

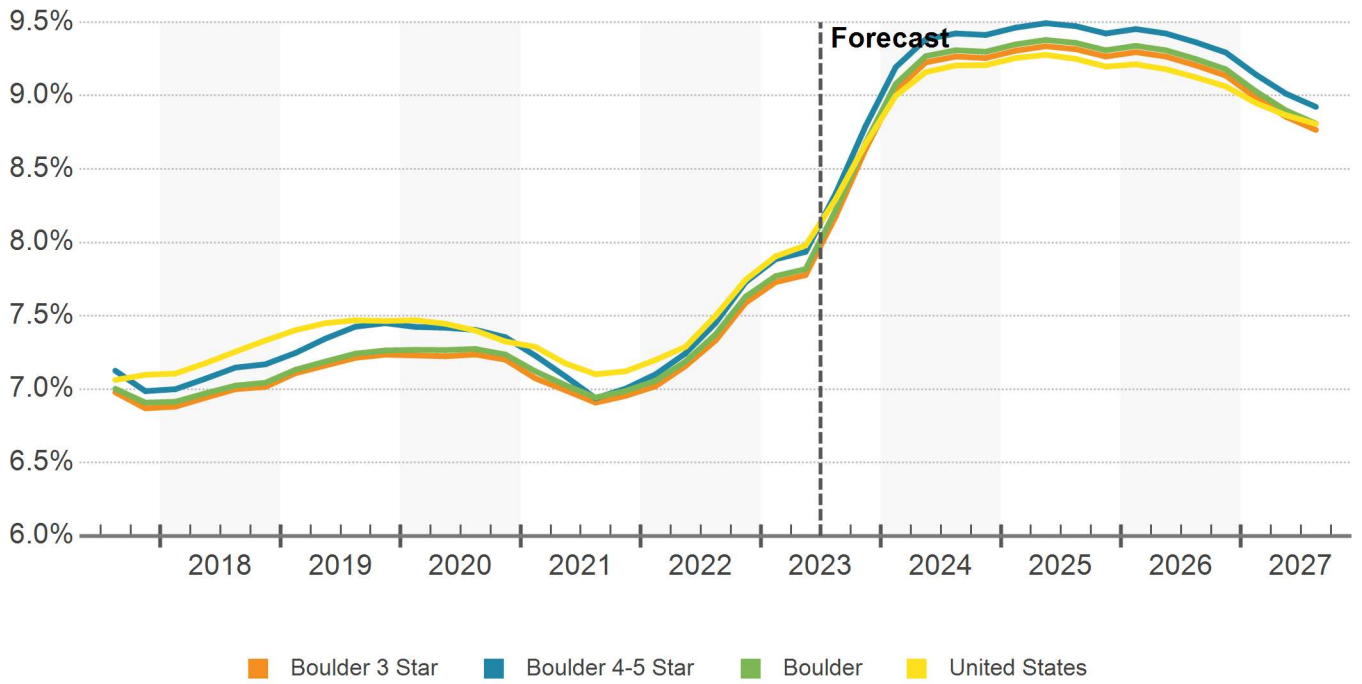
community.

Boulder attracts an atypically high amount of institutional investment for a smaller office market, and cap rates are competitive here as a result. Out of roughly 300 metro areas with an office inventory of less than 25 million SF, Boulder's market-wide cap rate was recently the fourth lowest.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Boulder Office

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

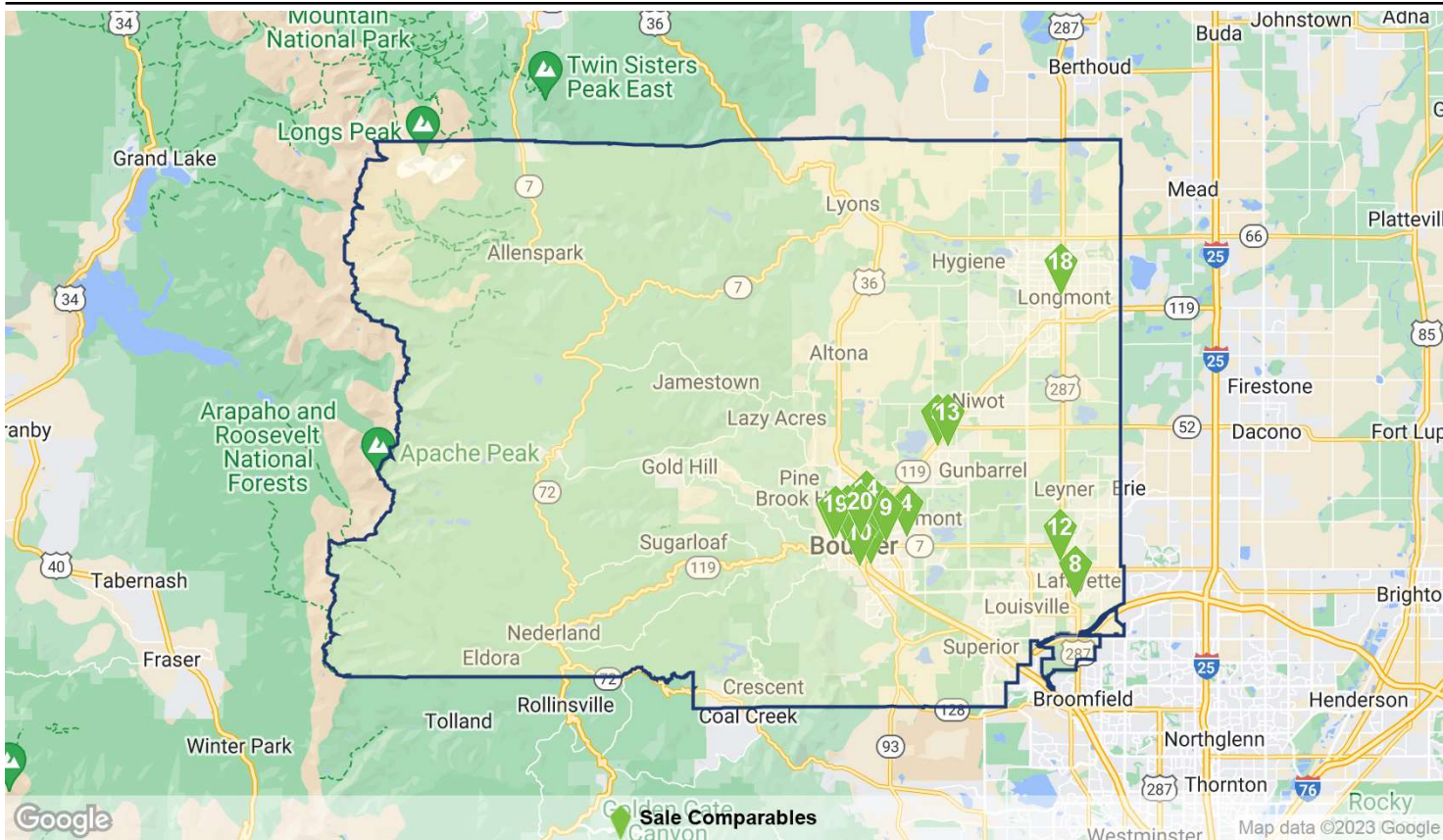
65

5.8%

\$347

9.2%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$654,174	\$3,761,332	\$2,492,500	\$25,776,304
Price/SF	\$51	\$347	\$392	\$886
Cap Rate	5.1%	5.8%	5.8%	6.5%
Time Since Sale in Months	0.4	6.7	6.5	11.9
Property Attributes	Low	Average	Median	High
Building SF	1,120	10,656	7,868	53,791
Stories	1	2	2	4
Typical Floor SF	974	5,788	4,566	21,390
Vacancy Rate At Sale	0%	9.2%	0%	100%
Year Built	1905	1971	1979	2022
Star Rating	★★★★★	★★★★★ 2.4	★★★★★	★★★★★

Sales Past 12 Months

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 1715 38th St	★★★★★	1980	42,779	0%	7/27/2022	\$25,776,304	\$603	-
2 1745 38th St	★★★★★	1980	14,712	0%	7/27/2022	\$8,864,653	\$603	-
3 1775 38th St	★★★★★	1980	13,965	0%	7/27/2022	\$8,414,551	\$603	-
4 5450 Western Ave	★★★★★	1984	25,432	50.1%	8/3/2022	\$7,000,000	\$275	-
5 5400 Spine Rd	★★★★★	1982	16,750	0%	10/26/2022	\$5,375,000	\$321	-
6 2935 Baseline Rd	★★★★★	1977	15,042	18.0%	7/15/2022	\$5,175,000	\$344	-
7 Crossroads Gardens 1800 30th St	★★★★★	1972	53,791	0%	2/27/2023	\$5,100,000	\$95	-
8 Bldg 3 120 Old Laramie Trl	★★★★★	2008	7,968	0%	4/27/2023	\$4,376,276	\$549	-
9 Arapahoe Park Office Bldg 4141 E Arapahoe Ave	★★★★★	1978	13,300	0%	9/28/2022	\$3,950,000	\$297	-
10 Environmental Center of... 2260 Baseline	★★★★★	1960	10,961	100%	12/15/2022	\$3,400,000	\$310	-
11 1720 14th St	★★★★★	1960	10,098	0%	4/13/2023	\$3,300,000	\$327	-
12 569 N Highway 287	★★★★★	2022	3,500	0%	9/21/2022	\$3,100,000	\$886	5.1%
13 5400 Mount Meeker Rd	★★★★★	1979	8,358	0%	8/9/2022	\$3,045,000	\$364	-
14 2625 28th St	★★★★★	2007	5,743	0%	4/4/2023	\$3,000,000	\$522	-
15 719 Walnut St	★★★★★	1966	5,420	0%	1/12/2023	\$2,800,000	\$517	-
16 Arcadia 1634 Walnut St	★★★★★	1989	7,477	0%	12/19/2022	\$2,685,000	\$359	-
17 Folsom Professional Bldg 1823 Folsom St	★★★★★	1975	7,767	0%	9/1/2022	\$2,300,000	\$296	-
18 385 Main St	★★★★★	1980	9,289	0%	12/12/2022	\$2,070,000	\$223	-
19 900 West Pearl 900-908 W Pearl St	★★★★★	2004	3,175	0%	2/1/2023	\$1,900,000	\$598	-
20 1845 Folsom St	★★★★★	1930	4,487	0%	10/13/2022	\$1,850,000	\$412	-

Boulder developed into a dynamic economy in the past decade. A number of different industries have contributed to this growth, but high tech companies continue to grab most of the headlines, and for good reason. Tech companies have flourished in Boulder thanks to a well-developed infrastructure that stems from a synergistic relationship with the University of Colorado. Firms looking to hire have no shortage of qualified graduates from which to choose.

The amount of flex space in Boulder speaks to how important the tech sector is to the economy. Flex space, which draws demand from high-tech tenants needing both office and R&D space, represents just over half of the entire industrial stock. San Jose is the only other metro in the country where flex space comprises at least half of the industrial stock.

Several Fortune 500 companies also help solidify the

economy, including GE, IBM, Lockheed Martin, and Qualcomm. Google, which employed three or four hundred employees in the metro earlier in the cycle, now employs upwards of 1,000 and is actively expanding with the completion of its 200,000-SF campus. The firm bought the first phase of its campus in a record-breaking deal, and further made its commitment to the area clear by announcing plans to move forward with a 100,000-SF expansion of the campus.

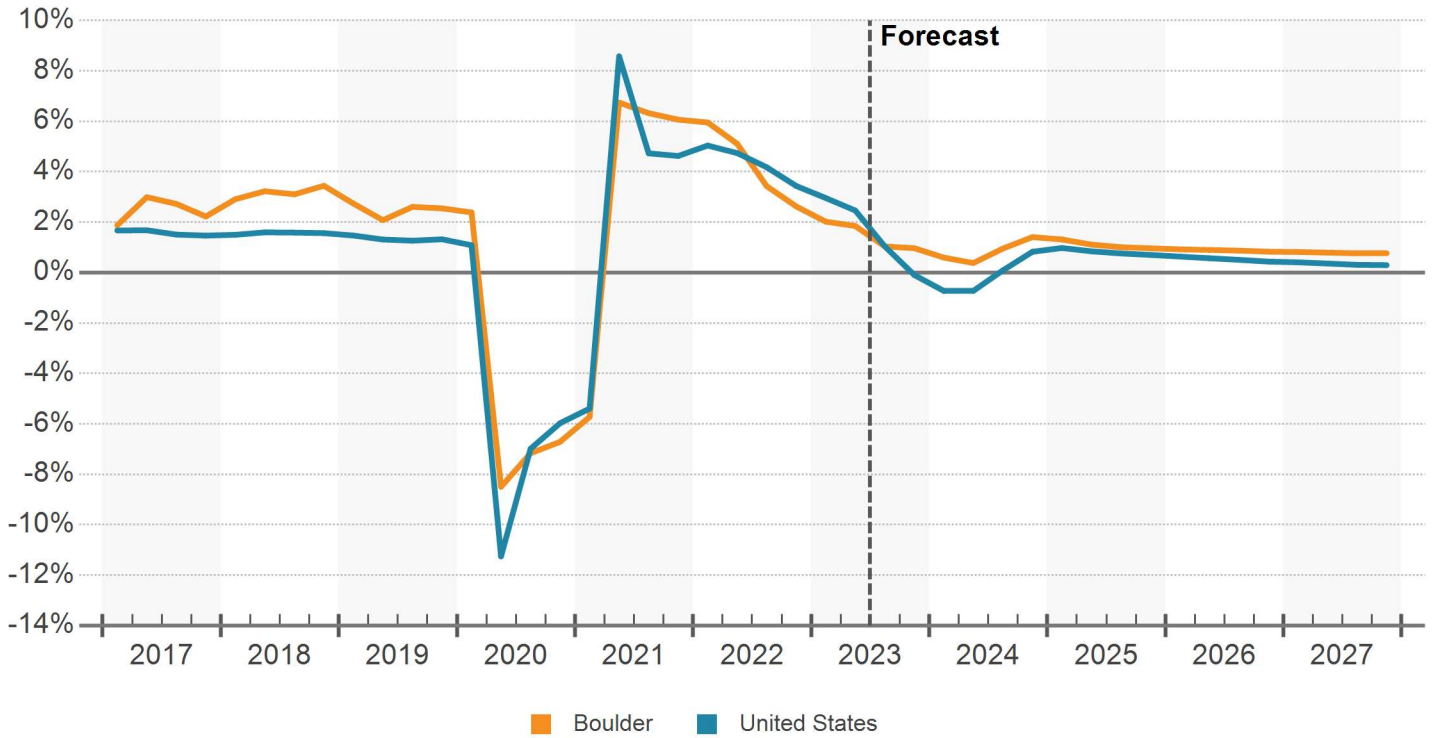
Amazon, Uber, and Twitter also have a presence in the metro, and the high tech backbone should continue to be an important source of high-paying job growth in Boulder. Of course, there's always the possibility of being overly exposed to a certain sector, and high tech and information jobs do account for about 20% of office-using employment, in the neighborhood of San Francisco's level.

BOULDER 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	22	1.3	1.32%	1.39%	2.76%	0.79%	0.49%	-0.08%
Trade, Transportation and Utilities	26	0.7	0.61%	0.82%	1.14%	1.20%	0.16%	-0.02%
Retail Trade	17	0.8	-0.43%	0.61%	0.31%	0.39%	0.20%	-0.01%
Financial Activities	7	0.6	-1.17%	0.95%	-0.21%	1.48%	0.07%	-0.02%
Government	39	1.3	5.73%	1.73%	1.82%	0.30%	1.59%	0.45%
Natural Resources, Mining and Construction	6	0.5	3.09%	2.77%	3.06%	2.50%	0.10%	0.10%
Education and Health Services	26	0.8	2.28%	3.49%	1.90%	1.76%	0.90%	0.56%
Professional and Business Services	44	1.4	2.36%	1.99%	3.09%	2.14%	0.57%	0.23%
Information	8	2.0	-11.80%	-1.46%	-0.15%	1.13%	0.10%	0.18%
Leisure and Hospitality	21	0.9	2.50%	5.74%	1.21%	1.59%	1.59%	0.85%
Other Services	8	1.1	-1.24%	2.91%	3.96%	0.68%	0.59%	0.17%
Total Employment	208	1.0	1.73%	2.25%	1.97%	1.35%	0.80%	0.28%

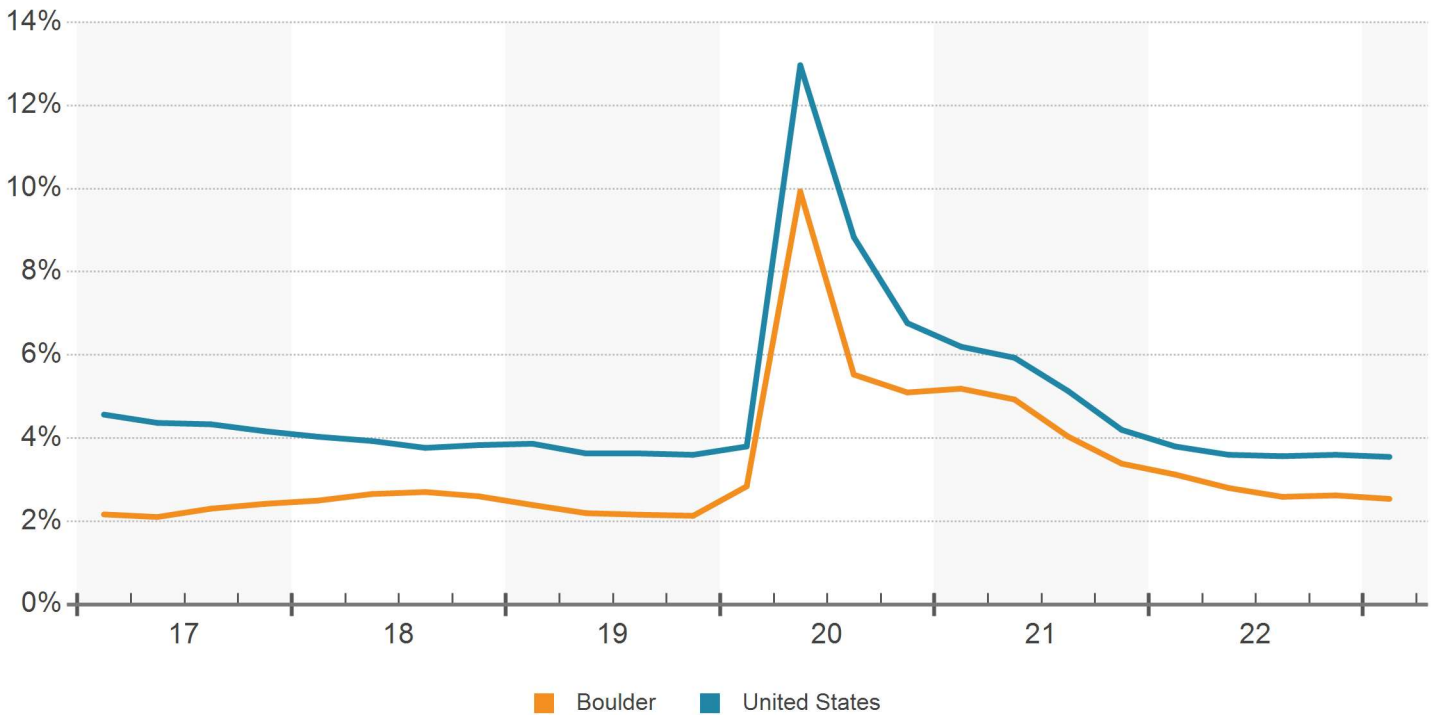
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

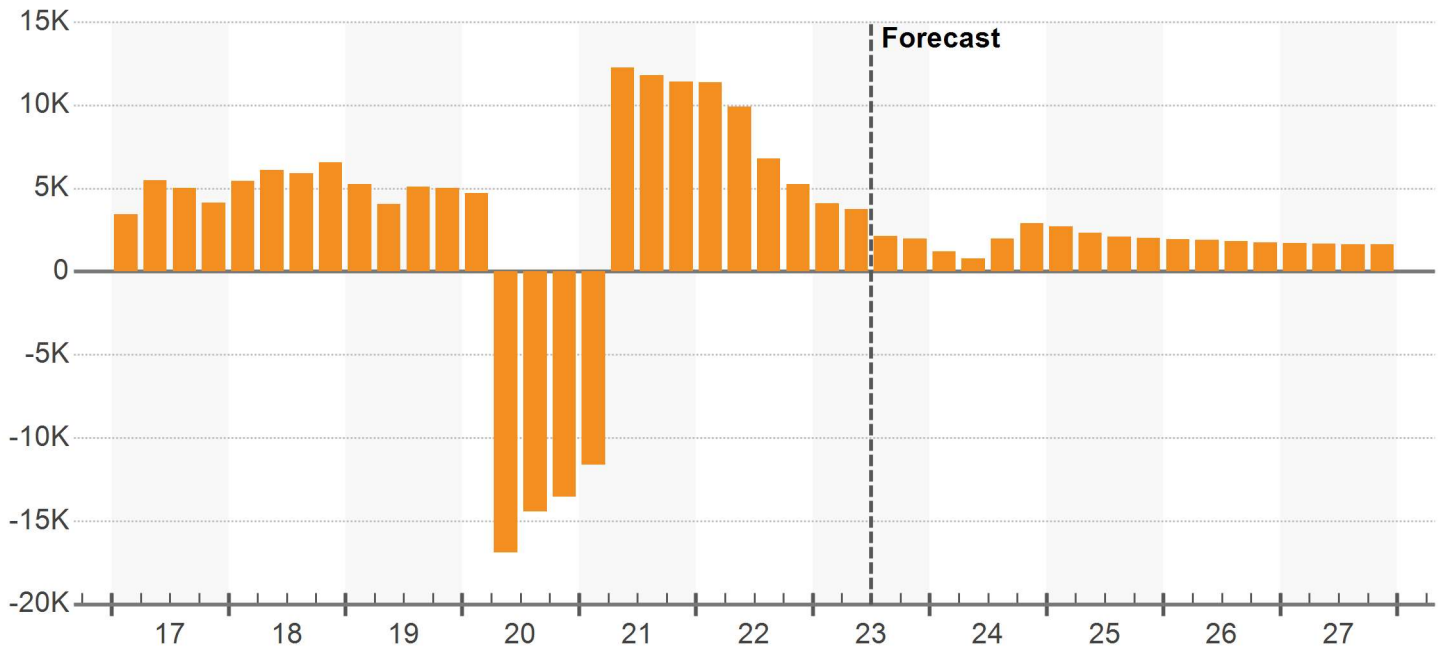


Source: Oxford Economics

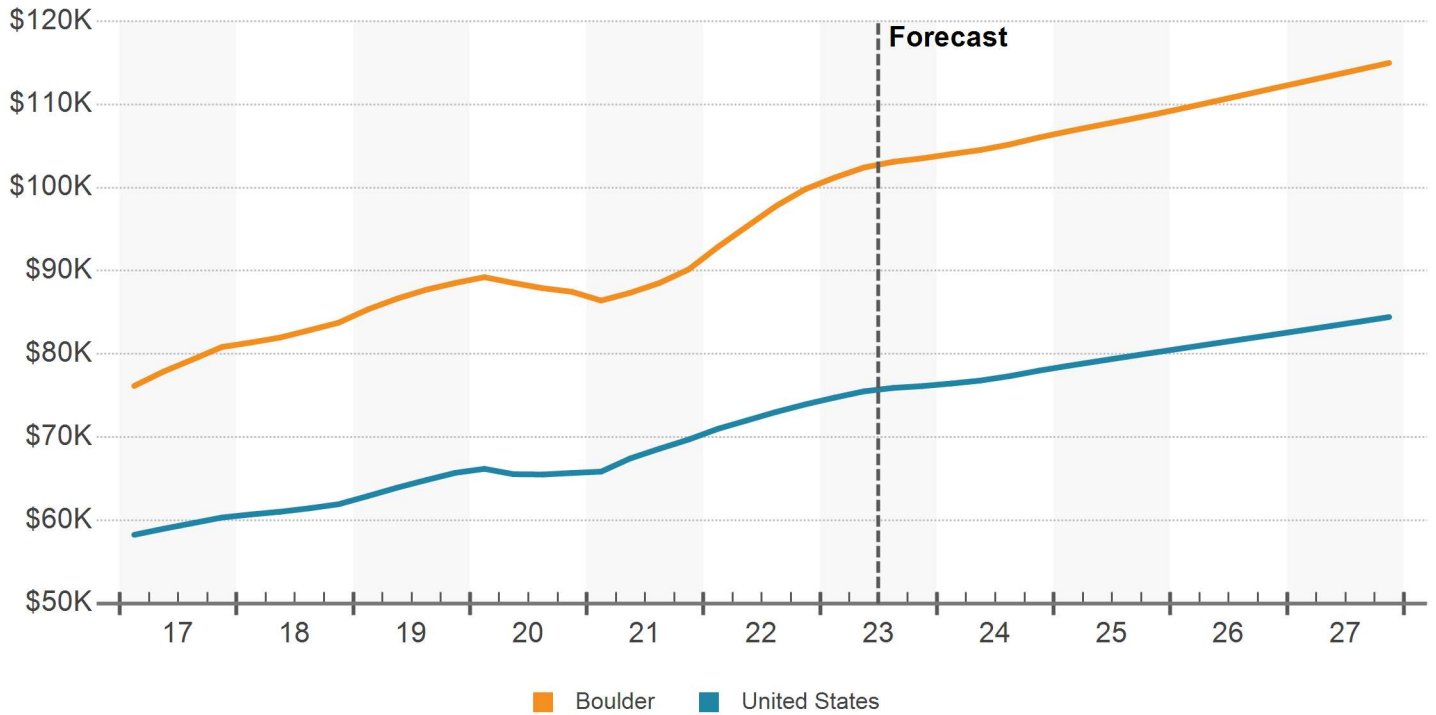
UNEMPLOYMENT RATE (%)



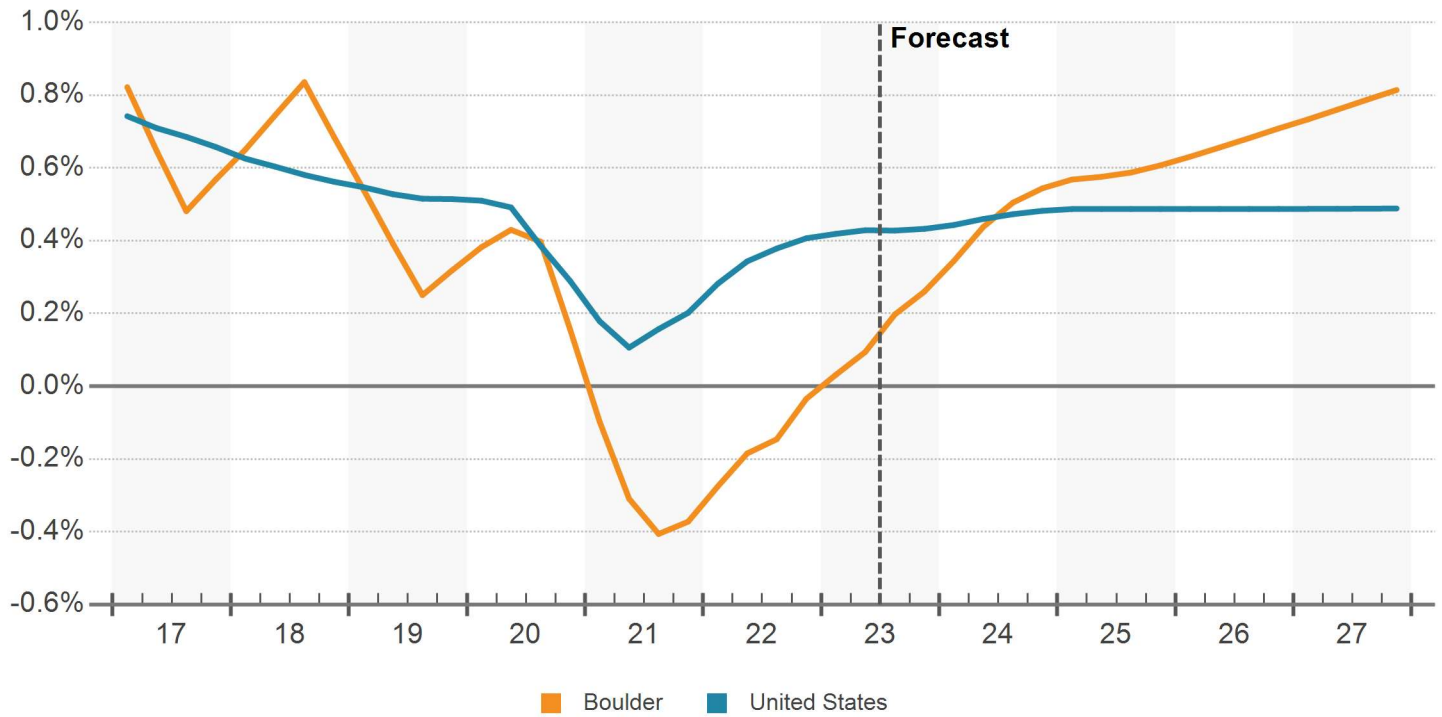
NET EMPLOYMENT CHANGE (YOY)



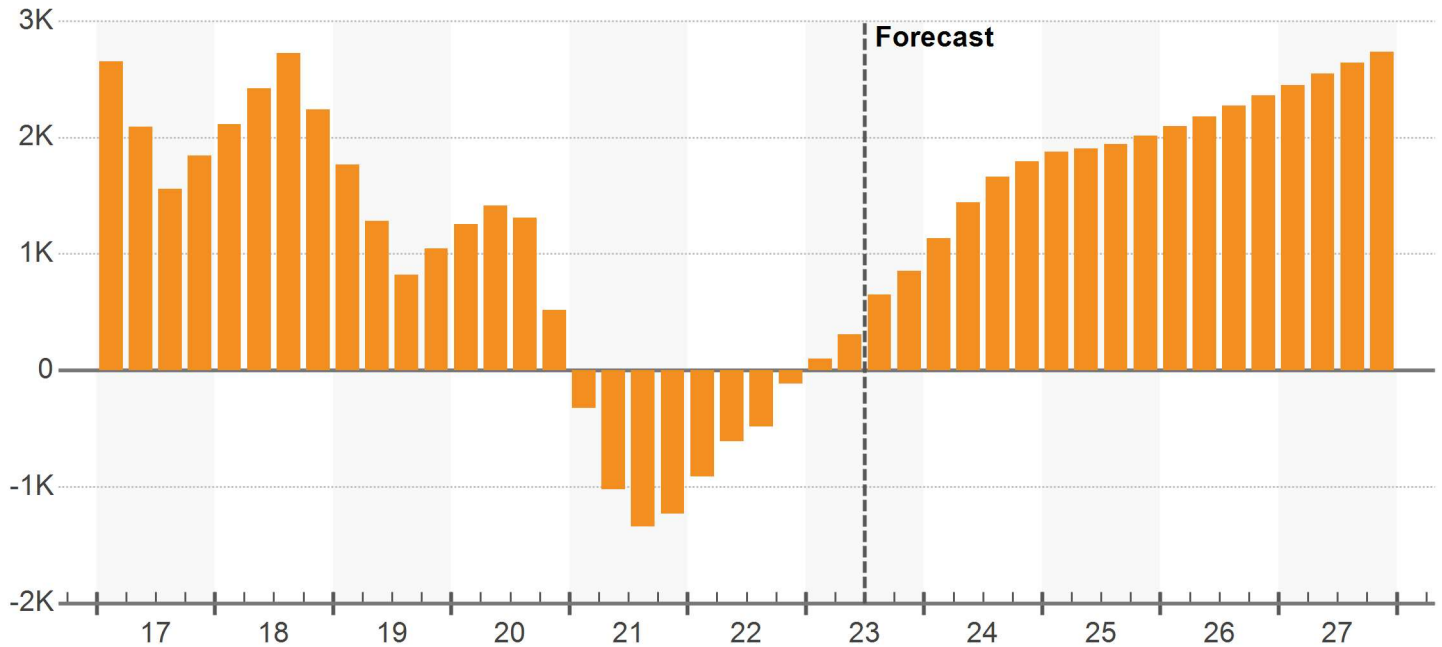
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

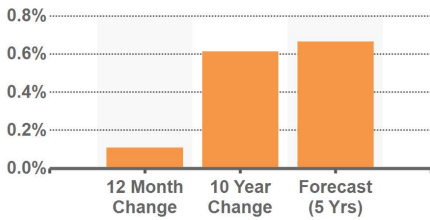


DEMOGRAPHIC TRENDS

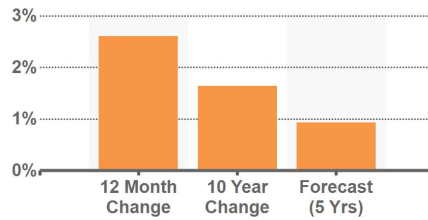
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	329,470	334,417,719	0.1%	0.4%	0.6%	0.6%	0.7%	0.5%
Households	136,982	129,828,148	0.4%	0.7%	1.0%	0.9%	0.8%	0.6%
Median Household Income	\$102,512	\$75,567	7.1%	4.7%	4.0%	3.8%	2.6%	2.5%
Labor Force	204,739	165,434,859	2.6%	0.8%	1.6%	0.6%	0.9%	0.4%
Unemployment	2.5%	3.5%	-0.2%	0%	-0.3%	-0.4%	-	-

Source: Oxford Economics

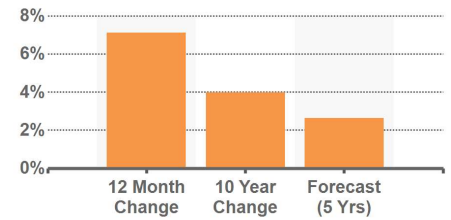
POPULATION GROWTH



LABOR FORCE GROWTH



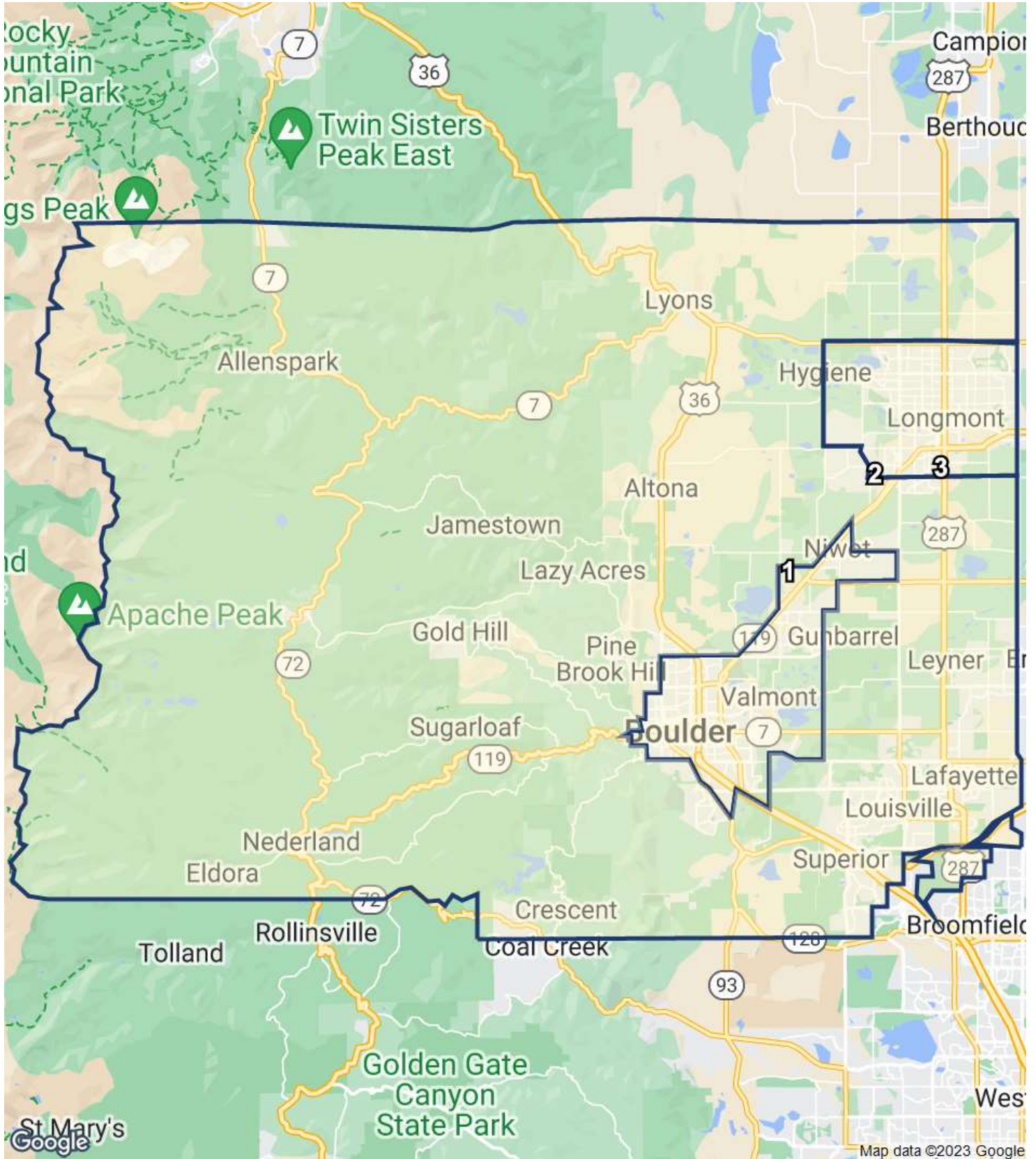
INCOME GROWTH



Source: Oxford Economics

Submarkets

BOULDER SUBMARKETS



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	Boulder	620	12,591	64.3%	1	0	0	0%	-	2	219	1.7%	1
2	Boulder County	262	4,886	24.9%	2	2	353	7.2%	1	0	-	-	-
3	Longmont	205	2,112	10.8%	3	0	0	0%	-	0	-	-	-

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Boulder	\$36.06	1	3.1%	1	0.4%	2
2	Boulder County	\$32.85	2	2.4%	3	0.8%	1
3	Longmont	\$25.81	3	2.9%	2	-4.5%	3

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Boulder	1,623,326	12.9%	3	(216,685)	-1.7%	3	-
2	Boulder County	380,523	7.8%	2	234,425	4.8%	1	1.5
3	Longmont	143,563	6.8%	1	(15,424)	-0.7%	2	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	20,300,512	204,156	1.0%	159,280	0.8%	1.3
2026	20,096,356	158,717	0.8%	108,355	0.5%	1.5
2025	19,937,639	103,194	0.5%	69,292	0.3%	1.5
2024	19,834,445	79,279	0.4%	177,989	0.9%	0.4
2023	19,755,166	512,875	2.7%	266,656	1.3%	1.9
YTD	19,595,291	353,000	1.8%	154,192	0.8%	2.3
2022	19,242,291	3,500	0%	(70,151)	-0.4%	-
2021	19,238,791	273,286	1.4%	252,480	1.3%	1.1
2020	18,965,505	255,957	1.4%	(270,906)	-1.4%	-
2019	18,709,548	128,754	0.7%	178,099	1.0%	0.7
2018	18,580,794	460,199	2.5%	583,185	3.1%	0.8
2017	18,120,595	380,868	2.1%	41,748	0.2%	9.1
2016	17,739,727	292,927	1.7%	119,810	0.7%	2.4
2015	17,446,800	5,038	0%	(20,634)	-0.1%	-
2014	17,441,762	(46,679)	-0.3%	116,008	0.7%	-
2013	17,488,441	95,484	0.5%	286,085	1.6%	0.3
2012	17,392,957	(9,721)	-0.1%	414,255	2.4%	-
2011	17,402,678	52,334	0.3%	244,427	1.4%	0.2

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	3,656,316	217,951	6.3%	184,941	5.1%	1.2
2026	3,438,365	172,464	5.3%	137,844	4.0%	1.3
2025	3,265,901	116,930	3.7%	88,793	2.7%	1.3
2024	3,148,971	37,018	1.2%	126,884	4.0%	0.3
2023	3,111,953	516,000	19.9%	391,420	12.6%	1.3
YTD	2,948,953	353,000	13.6%	323,078	11.0%	1.1
2022	2,595,953	0	0%	(35,855)	-1.4%	-
2021	2,595,953	120,768	4.9%	83,411	3.2%	1.4
2020	2,475,185	259,929	11.7%	298,417	12.1%	0.9
2019	2,215,256	93,487	4.4%	14,739	0.7%	6.3
2018	2,121,769	132,600	6.7%	119,112	5.6%	1.1
2017	1,989,169	242,000	13.9%	289,563	14.6%	0.8
2016	1,747,169	180,000	11.5%	58,020	3.3%	3.1
2015	1,567,169	0	0%	(56,646)	-3.6%	-
2014	1,567,169	0	0%	(6,742)	-0.4%	-
2013	1,567,169	0	0%	21,193	1.4%	0
2012	1,567,169	0	0%	66,640	4.3%	0
2011	1,567,169	0	0%	103,199	6.6%	0

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	11,225,281	(1)	0%	(7,705)	-0.1%	-
2026	11,225,282	3	0%	(10,850)	-0.1%	-
2025	11,225,279	2	0%	(4,103)	0%	-
2024	11,225,277	55,970	0.5%	58,296	0.5%	1.0
2023	11,169,307	(12)	0%	73,983	0.7%	-
YTD	11,169,319	0	0%	30,528	0.3%	0
2022	11,169,319	3,500	0%	(35,323)	-0.3%	-
2021	11,165,819	173,646	1.6%	194,593	1.7%	0.9
2020	10,992,173	0	0%	(290,536)	-2.6%	-
2019	10,992,173	31,631	0.3%	90,034	0.8%	0.4
2018	10,960,542	340,023	3.2%	458,081	4.2%	0.7
2017	10,620,519	134,168	1.3%	(225,715)	-2.1%	-
2016	10,486,351	158,031	1.5%	93,429	0.9%	1.7
2015	10,328,320	16,583	0.2%	30,222	0.3%	0.5
2014	10,311,737	(42,149)	-0.4%	45,615	0.4%	-
2013	10,353,886	96,787	0.9%	160,549	1.6%	0.6
2012	10,257,099	0	0%	285,099	2.8%	0
2011	10,257,099	52,334	0.5%	51,461	0.5%	1.0

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	5,418,915	(13,794)	-0.3%	(17,956)	-0.3%	-
2026	5,432,709	(13,750)	-0.3%	(18,639)	-0.3%	-
2025	5,446,459	(13,738)	-0.3%	(15,398)	-0.3%	-
2024	5,460,197	(13,709)	-0.3%	(7,191)	-0.1%	-
2023	5,473,906	(3,113)	-0.1%	(198,747)	-3.6%	-
YTD	5,477,019	0	0%	(199,414)	-3.6%	-
2022	5,477,019	0	0%	1,027	0%	0
2021	5,477,019	(21,128)	-0.4%	(25,524)	-0.5%	-
2020	5,498,147	(3,972)	-0.1%	(278,787)	-5.1%	-
2019	5,502,119	3,636	0.1%	73,326	1.3%	0
2018	5,498,483	(12,424)	-0.2%	5,992	0.1%	-
2017	5,510,907	4,700	0.1%	(22,100)	-0.4%	-
2016	5,506,207	(45,104)	-0.8%	(31,639)	-0.6%	-
2015	5,551,311	(11,545)	-0.2%	5,790	0.1%	-
2014	5,562,856	(4,530)	-0.1%	77,135	1.4%	-
2013	5,567,386	(1,303)	0%	104,343	1.9%	-
2012	5,568,689	(9,721)	-0.2%	62,516	1.1%	-
2011	5,578,410	0	0%	89,767	1.6%	0

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$33.17	145	-0.2%	-2.2%	2,228,487	11.0%	0.1%
2026	\$33.24	145	-0.5%	-2.0%	2,183,414	10.9%	0.2%
2025	\$33.41	146	-0.4%	-1.5%	2,132,280	10.7%	0.1%
2024	\$33.54	146	-1.6%	-1.1%	2,097,436	10.6%	-0.5%
2023	\$34.08	149	0.5%	0.5%	2,194,993	11.1%	1.0%
YTD	\$34.18	149	2.9%	0.8%	2,147,412	11.0%	0.8%
2022	\$33.91	148	6.0%	0%	1,948,604	10.1%	0.4%
2021	\$31.98	139	0.8%	-5.7%	1,874,953	9.7%	0%
2020	\$31.73	138	-3.7%	-6.4%	1,854,147	9.8%	2.7%
2019	\$32.94	144	1.6%	-2.9%	1,327,284	7.1%	-0.3%
2018	\$32.43	141	7.0%	-4.4%	1,374,153	7.4%	-0.9%
2017	\$30.30	132	7.0%	-10.6%	1,497,139	8.3%	1.7%
2016	\$28.31	123	1.5%	-16.5%	1,158,019	6.5%	0.9%
2015	\$27.89	122	10.5%	-17.7%	984,902	5.6%	0.1%
2014	\$25.24	110	7.3%	-25.6%	959,230	5.5%	-0.9%
2013	\$23.51	103	3.7%	-30.7%	1,121,917	6.4%	-1.1%
2012	\$22.66	99	4.4%	-33.2%	1,312,518	7.5%	-2.4%
2011	\$21.72	95	0%	-36.0%	1,736,494	10.0%	-1.1%

4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$41.45	134	-0.4%	-4.0%	426,213	11.7%	0.2%
2026	\$41.63	134	-0.7%	-3.6%	393,255	11.4%	0.5%
2025	\$41.93	135	-0.5%	-2.9%	358,694	11.0%	0.5%
2024	\$42.15	136	-1.7%	-2.4%	330,612	10.5%	-3.0%
2023	\$42.86	138	-0.7%	-0.7%	420,523	13.5%	2.1%
YTD	\$43.03	139	-1.1%	-0.3%	325,864	11.1%	-0.3%
2022	\$43.18	139	1.7%	0%	295,942	11.4%	1.4%
2021	\$42.44	137	3.6%	-1.7%	260,087	10.0%	1.0%
2020	\$40.98	132	-1.4%	-5.1%	222,730	9.0%	-2.8%
2019	\$41.56	134	3.7%	-3.8%	261,218	11.8%	3.2%
2018	\$40.07	129	9.2%	-7.2%	182,470	8.6%	0.1%
2017	\$36.70	118	6.1%	-15.0%	168,982	8.5%	-3.9%
2016	\$34.59	112	0.6%	-19.9%	216,545	12.4%	6.4%
2015	\$34.39	111	2.1%	-20.4%	94,565	6.0%	3.6%
2014	\$33.69	109	4.8%	-22.0%	37,919	2.4%	0.4%
2013	\$32.17	104	0.8%	-25.5%	31,177	2.0%	-1.4%
2012	\$31.91	103	6.0%	-26.1%	52,370	3.3%	-4.3%
2011	\$30.10	97	-0.5%	-30.3%	119,010	7.6%	-6.6%

3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$33.77	149	-0.1%	-1.5%	1,108,883	9.9%	0.1%
2026	\$33.80	150	-0.4%	-1.4%	1,101,178	9.8%	0.1%
2025	\$33.95	150	-0.3%	-1.0%	1,090,325	9.7%	0%
2024	\$34.05	151	-1.5%	-0.7%	1,086,218	9.7%	-0.1%
2023	\$34.58	153	0.9%	0.9%	1,088,542	9.7%	-0.7%
YTD	\$34.57	153	5.1%	0.8%	1,131,997	10.1%	-0.3%
2022	\$34.28	152	9.2%	0%	1,162,525	10.4%	0.3%
2021	\$31.41	139	0.3%	-8.4%	1,123,702	10.1%	-0.3%
2020	\$31.30	139	-3.9%	-8.7%	1,144,649	10.4%	2.6%
2019	\$32.59	144	0.4%	-4.9%	854,113	7.8%	-0.5%
2018	\$32.46	144	5.6%	-5.3%	910,040	8.3%	-1.4%
2017	\$30.73	136	6.9%	-10.4%	1,028,098	9.7%	3.3%
2016	\$28.76	127	2.9%	-16.1%	668,215	6.4%	0.5%
2015	\$27.96	124	12.6%	-18.4%	603,613	5.8%	-0.1%
2014	\$24.84	110	8.3%	-27.5%	617,252	6.0%	-0.8%
2013	\$22.94	102	4.4%	-33.1%	705,016	6.8%	-0.7%
2012	\$21.98	97	3.3%	-35.9%	768,778	7.5%	-2.8%
2011	\$21.28	94	-0.4%	-37.9%	1,053,877	10.3%	0%

1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$27.26	143	-0.2%	-5.3%	693,391	12.8%	0.1%
2026	\$27.32	144	-0.6%	-5.0%	688,981	12.7%	0.1%
2025	\$27.48	144	-0.5%	-4.5%	683,261	12.5%	0.1%
2024	\$27.61	145	-1.7%	-4.0%	680,606	12.5%	-0.1%
2023	\$28.08	148	0.7%	-2.4%	685,928	12.5%	3.6%
YTD	\$28.33	149	1.1%	-1.5%	689,551	12.6%	3.6%
2022	\$27.87	146	2.5%	-3.1%	490,137	8.9%	0%
2021	\$27.20	143	-0.5%	-5.5%	491,164	9.0%	0.1%
2020	\$27.33	144	-5.0%	-5.0%	486,768	8.9%	5.0%
2019	\$28.77	151	2.7%	0%	211,953	3.9%	-1.3%
2018	\$28.02	147	8.7%	-2.6%	281,643	5.1%	-0.3%
2017	\$25.79	136	8.3%	-10.4%	300,059	5.4%	0.5%
2016	\$23.82	125	-1.1%	-17.2%	273,259	5.0%	-0.2%
2015	\$24.07	126	13.3%	-16.3%	286,724	5.2%	-0.3%
2014	\$21.25	112	7.5%	-26.1%	304,059	5.5%	-1.5%
2013	\$19.76	104	5.0%	-31.3%	385,724	6.9%	-1.9%
2012	\$18.82	99	5.4%	-34.6%	491,370	8.8%	-1.3%
2011	\$17.86	94	1.6%	-37.9%	563,607	10.1%	-1.6%

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	-	-	-	-	-	-	\$229.68	158	8.7%
2026	-	-	-	-	-	-	\$218.87	151	9.2%
2025	-	-	-	-	-	-	\$217.23	150	9.3%
2024	-	-	-	-	-	-	\$218.84	151	9.3%
2023	-	-	-	-	-	-	\$238.74	165	8.7%
YTD	30	\$32.6M	0.7%	\$1,713,392	\$248.06	-	\$265.25	183	7.9%
2022	87	\$434.6M	5.7%	\$6,298,221	\$438.08	6.7%	\$271.93	187	7.6%
2021	111	\$589.2M	9.0%	\$6,695,589	\$361.12	5.5%	\$286.91	198	7.0%
2020	61	\$139.1M	3.5%	\$3,091,574	\$226.68	6.4%	\$268.99	185	7.2%
2019	74	\$292.3M	8.8%	\$6,354,185	\$278.87	6.7%	\$269.66	186	7.3%
2018	87	\$235.7M	6.4%	\$3,682,808	\$223.82	6.8%	\$267.52	184	7.0%
2017	65	\$452.7M	8.2%	\$6,964,409	\$305.82	6.9%	\$256.31	177	6.9%
2016	88	\$232.6M	6.8%	\$3,186,673	\$219.31	8.9%	\$241.92	167	6.8%
2015	108	\$256.8M	13.7%	\$3,518,125	\$195.34	6.5%	\$236.71	163	6.7%
2014	77	\$125.1M	4.7%	\$1,787,489	\$152.45	7.0%	\$212.21	146	6.9%
2013	80	\$81.4M	3.3%	\$1,334,908	\$157.11	8.3%	\$194.22	134	7.2%
2012	100	\$123.7M	7.3%	\$1,472,422	\$117.44	7.5%	\$181.49	125	7.5%

(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
2027	-	-	-	-	-	-	\$257.99	142	8.9%
2026	-	-	-	-	-	-	\$246.54	136	9.3%
2025	-	-	-	-	-	-	\$245.18	135	9.4%
2024	-	-	-	-	-	-	\$247.23	136	9.4%
2023	-	-	-	-	-	-	\$269.46	149	8.8%
YTD	-	-	-	-	-	-	\$298.76	165	8.0%
2022	-	-	-	-	-	-	\$306.98	169	7.7%
2021	2	\$50M	4.8%	\$25,003,365	\$401.35	-	\$330.56	182	7.0%
2020	3	\$20.5M	5.0%	\$6,826,684	\$163.87	-	\$302.36	167	7.4%
2019	6	\$169.1M	21.9%	\$33,811,520	\$405.73	-	\$297.22	164	7.4%
2018	-	-	-	-	-	-	\$298.55	165	7.2%
2017	4	\$232.2M	23.0%	\$58,048,489	\$506.89	-	\$290.30	160	7.0%
2016	3	\$92.6M	14.2%	\$30,856,667	\$373.15	-	\$277.59	153	6.8%
2015	4	\$98.5M	25.6%	\$24,621,156	\$245.04	6.4%	\$276.61	153	6.6%
2014	-	-	-	-	-	-	\$258.21	142	6.7%
2013	1	\$3.7M	2.0%	\$3,650,000	\$118.61	9.0%	\$238.41	132	7.0%
2012	2	\$25.7M	12.3%	\$12,840,100	\$133.63	6.7%	\$226.16	125	7.2%

(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
2027	-	-	-	-	-	-	\$227.68	162	8.7%
2026	-	-	-	-	-	-	\$216.80	154	9.1%
2025	-	-	-	-	-	-	\$215.01	153	9.3%
2024	-	-	-	-	-	-	\$216.47	154	9.3%
2023	-	-	-	-	-	-	\$236.09	168	8.6%
YTD	17	\$21.4M	0.9%	\$1,941,041	\$227.02	-	\$261.62	186	7.8%
2022	40	\$273.8M	5.7%	\$8,052,336	\$456.30	6.6%	\$268.30	191	7.6%
2021	54	\$462.1M	12.0%	\$10,046,516	\$364.91	6.1%	\$282.26	200	7.0%
2020	35	\$90M	3.6%	\$4,288,007	\$247.80	6.5%	\$264.55	188	7.2%
2019	46	\$89.6M	9.2%	\$3,582,821	\$183.19	6.6%	\$264.86	188	7.2%
2018	37	\$138.8M	6.3%	\$5,141,958	\$229.77	6.7%	\$263.17	187	7.0%
2017	26	\$125M	5.4%	\$4,808,901	\$219.71	7.6%	\$253.12	180	6.9%
2016	34	\$67.9M	4.8%	\$2,261,685	\$159.82	6.7%	\$236.83	168	6.8%
2015	55	\$97.7M	13.3%	\$2,872,907	\$166.26	6.5%	\$229.25	163	6.7%
2014	31	\$46.9M	2.8%	\$1,512,975	\$163.15	8.4%	\$205.33	146	6.9%
2013	39	\$48.2M	2.8%	\$1,553,476	\$177.72	6.8%	\$188.71	134	7.2%
2012	32	\$52M	4.3%	\$2,259,682	\$159.05	6.5%	\$176.80	126	7.5%

(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
2027	-	-	-	-	-	-	\$217.69	163	8.8%
2026	-	-	-	-	-	-	\$207.41	156	9.2%
2025	-	-	-	-	-	-	\$205.91	155	9.3%
2024	-	-	-	-	-	-	\$207.58	156	9.3%
2023	-	-	-	-	-	-	\$226.71	170	8.7%
YTD	13	\$11.2M	0.8%	\$1,400,375	\$301.30	-	\$253.65	190	7.9%
2022	47	\$160.8M	8.4%	\$4,594,223	\$410.20	6.8%	\$259.44	195	7.7%
2021	55	\$77.1M	5.0%	\$1,926,633	\$320.34	5.3%	\$271.64	204	7.0%
2020	23	\$28.6M	2.6%	\$1,361,555	\$228.08	6.0%	\$259.14	195	7.2%
2019	22	\$33.7M	3.0%	\$2,104,024	\$236.20	6.8%	\$263.85	198	7.2%
2018	50	\$96.9M	9.3%	\$2,618,022	\$215.81	6.9%	\$258.83	194	7.0%
2017	35	\$95.5M	8.2%	\$2,727,463	\$210.69	6.4%	\$243.54	183	6.9%
2016	51	\$72.2M	8.1%	\$1,805,164	\$186.05	11.1%	\$232.08	174	6.8%
2015	49	\$60.7M	11.0%	\$1,733,133	\$186.43	6.6%	\$229.35	172	6.7%
2014	46	\$78.2M	9.7%	\$2,005,692	\$146.69	6.3%	\$200.19	150	7.0%
2013	40	\$29.6M	4.5%	\$1,021,437	\$136.78	9.0%	\$180.42	135	7.4%
2012	66	\$46M	11.2%	\$780,180	\$86.17	8.4%	\$165.70	124	7.7%

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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.