



# Office Market Report

## Lakeland - FL (USA)

PREPARED BY



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CoStar™

**OFFICE MARKET REPORT**

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12 Mo Deliveries in SF

**125K**

12 Mo Net Absorption in SF

**35K**

Vacancy Rate

**4.4%**

Market Asking Rent Growth

**1.9%**

The Lakeland office market has a vacancy rate of 4.4%. This vacancy rate is unchanged from where it was a year ago. This flat level of vacancy occurred because there was 35,000 SF of positive absorption and 34,000 SF of net deliveries.

Rents have increased 1.9% in the past 12 months and are currently around \$22.00/SF. Nothing is under construction in the Lakeland office market. In the past year, there have been 93 sales, which traded for approximately \$101 million in volume.

Vacancy is 0.2% in 4 & 5 Star buildings, and 100,000 SF has been absorbed in this asset class over the past year. Within 3 Star buildings, vacancy is 6.2% and there has been 14,000 SF of negative absorption. Around 3.9% of 1 & 2 Star space is vacant, and there has been 56,000 SF of negative absorption over the past year.

Rents are around \$23.00/SF in 4 & 5 Star buildings, \$24.00/SF in 3 Star buildings, and \$19.90/SF in 1 & 2 Star buildings. Year-over-year rent growth was 0.5% in 4 & 5 Star buildings, 2.7% in 3 Star buildings, and

1.4% in 1 & 2 Star buildings.

Of the 93 sales in the past year, none were of 4 & 5 Star buildings, 21 were of 3 Star buildings, and 72 were of 1 & 2 Star buildings. Current vacancy is lower than its trailing three-year average of 4.6%, which is also lower than the national trailing three-year average of 12.4%. The market is approximately 260,000 SF larger than it was three years ago, and is the result of roughly 410,000 SF of construction and roughly 150,000 SF of demolition. Rents have increased 15.9% over the past three years, higher than the national average of 2.7%. There have been 350 sales over the past three years, amounting to \$306 million in volume and 2.8 million SF of inventory.

CoStar's estimated cap rate for Lakeland has averaged 8.8% over the past three years, which is lower than the current estimated cap rate of 9.3%.

The total Lakeland office market comprises 14.5 million SF of inventory.

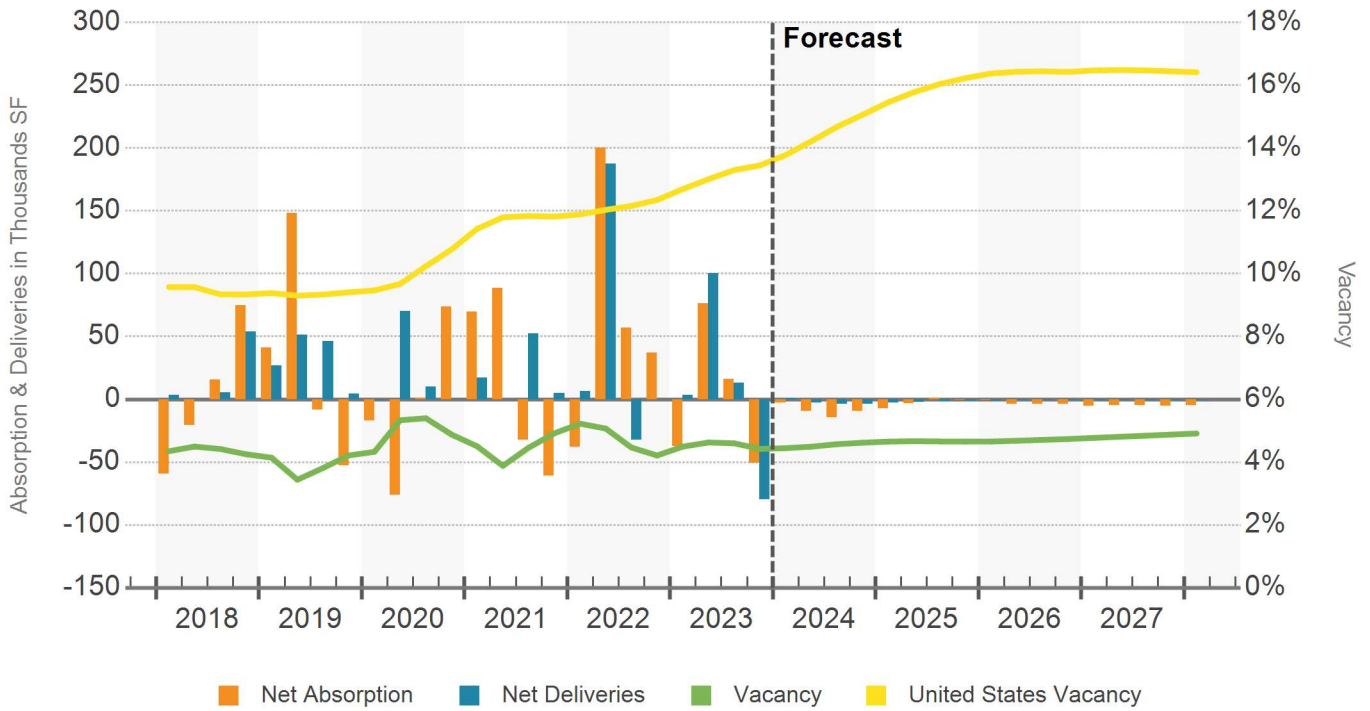
## KEY INDICATORS

| Current Quarter | RBA               | Vacancy Rate | Market Asking Rent | Availability Rate | Net Absorption SF | Deliveries SF | Under Construction |
|-----------------|-------------------|--------------|--------------------|-------------------|-------------------|---------------|--------------------|
| 4 & 5 Star      | 1,547,149         | 0.2%         | \$22.58            | 3.5%              | 0                 | 0             | 0                  |
| 3 Star          | 5,817,885         | 6.2%         | \$24.07            | 13.4%             | 13,370            | 10,875        | 0                  |
| 1 & 2 Star      | 7,151,636         | 3.9%         | \$19.87            | 5.8%              | (12,333)          | 0             | 0                  |
| <b>Market</b>   | <b>14,516,670</b> | <b>4.4%</b>  | <b>\$21.84</b>     | <b>8.6%</b>       | <b>1,037</b>      | <b>10,875</b> | <b>0</b>           |

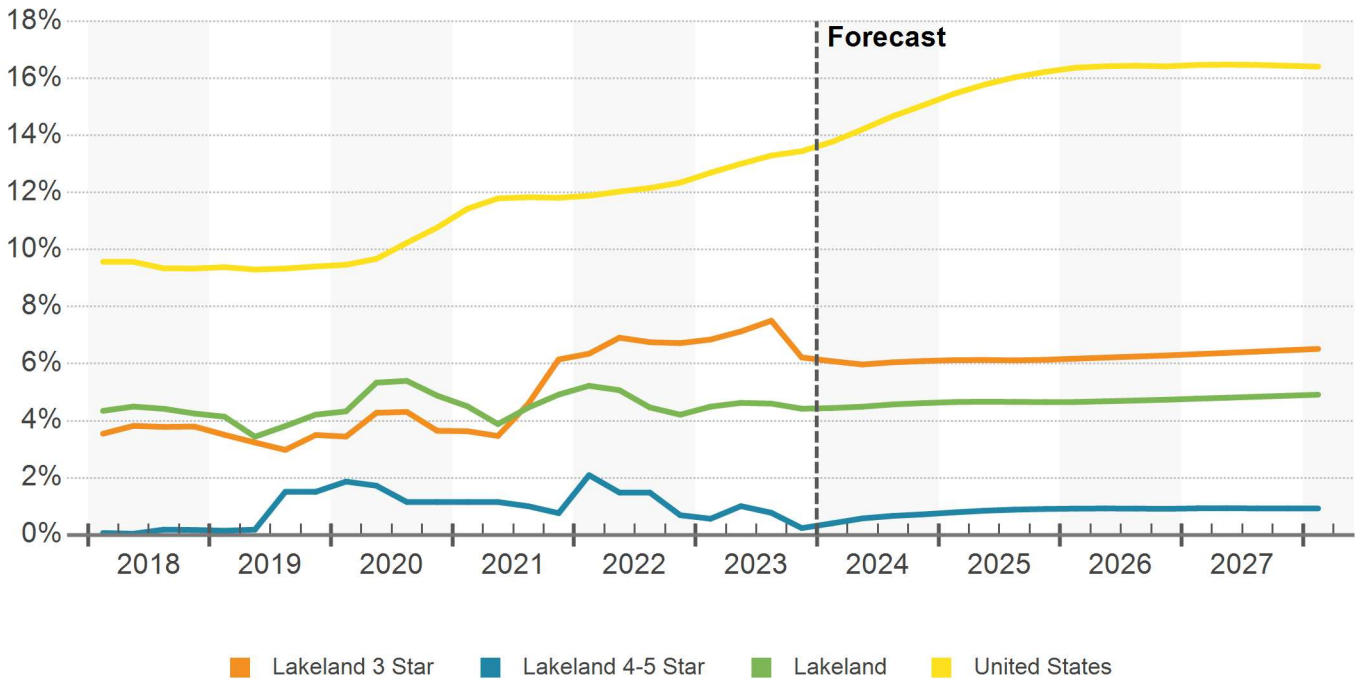
  

| Annual Trends             | 12 Month | Historical Average | Forecast Average | Peak     | When    | Trough    | When    |
|---------------------------|----------|--------------------|------------------|----------|---------|-----------|---------|
| Vacancy Change (YOY)      | 0%       | 5.8%               | 4.7%             | 9.4%     | 2013 Q2 | 0.3%      | 1999 Q3 |
| Net Absorption SF         | 35K      | 121,724            | (20,463)         | 642,588  | 2003 Q1 | (397,709) | 2005 Q2 |
| Deliveries SF             | 125K     | 158,033            | 15,914           | 651,167  | 2002 Q4 | 19,894    | 2017 Q3 |
| Market Asking Rent Growth | 1.9%     | 2.0%               | 0.4%             | 10.1%    | 2006 Q4 | -17.2%    | 2011 Q2 |
| Sales Volume              | \$94.8M  | \$39.6M            | N/A              | \$130.4M | 2023 Q4 | \$7.7M    | 2004 Q2 |

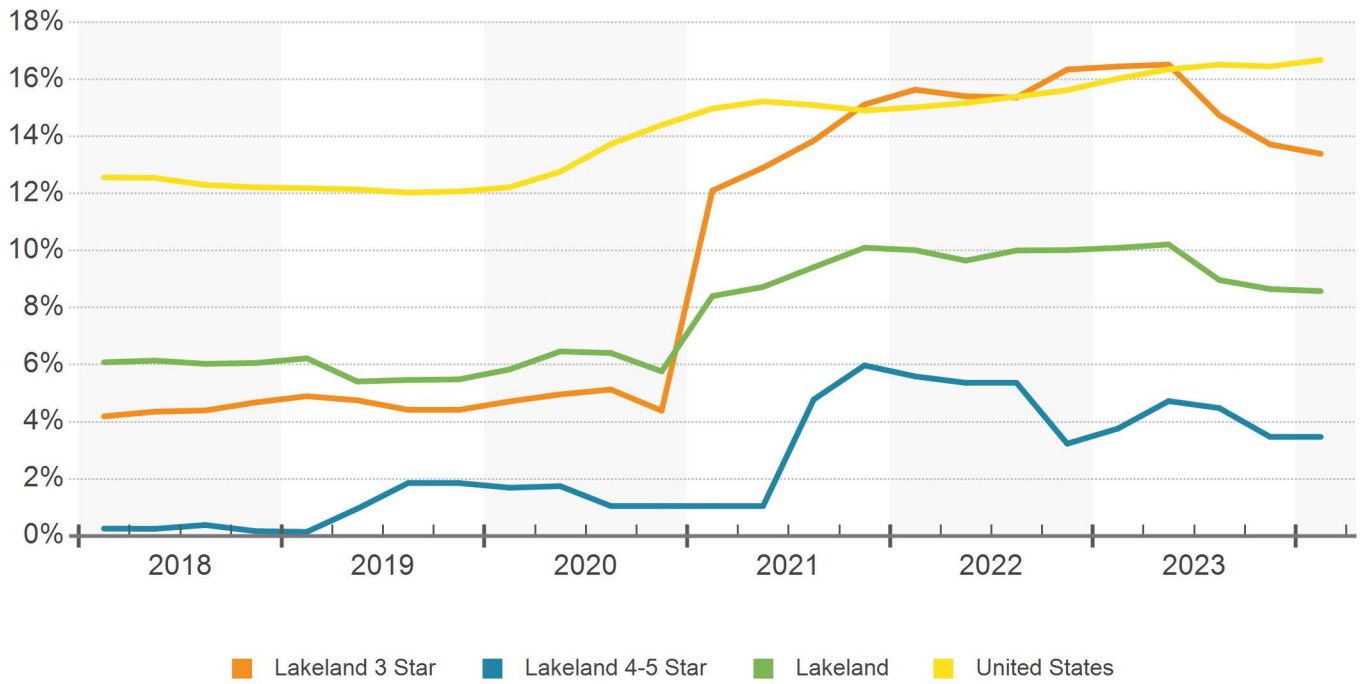
## NET ABSORPTION, NET DELIVERIES & VACANCY



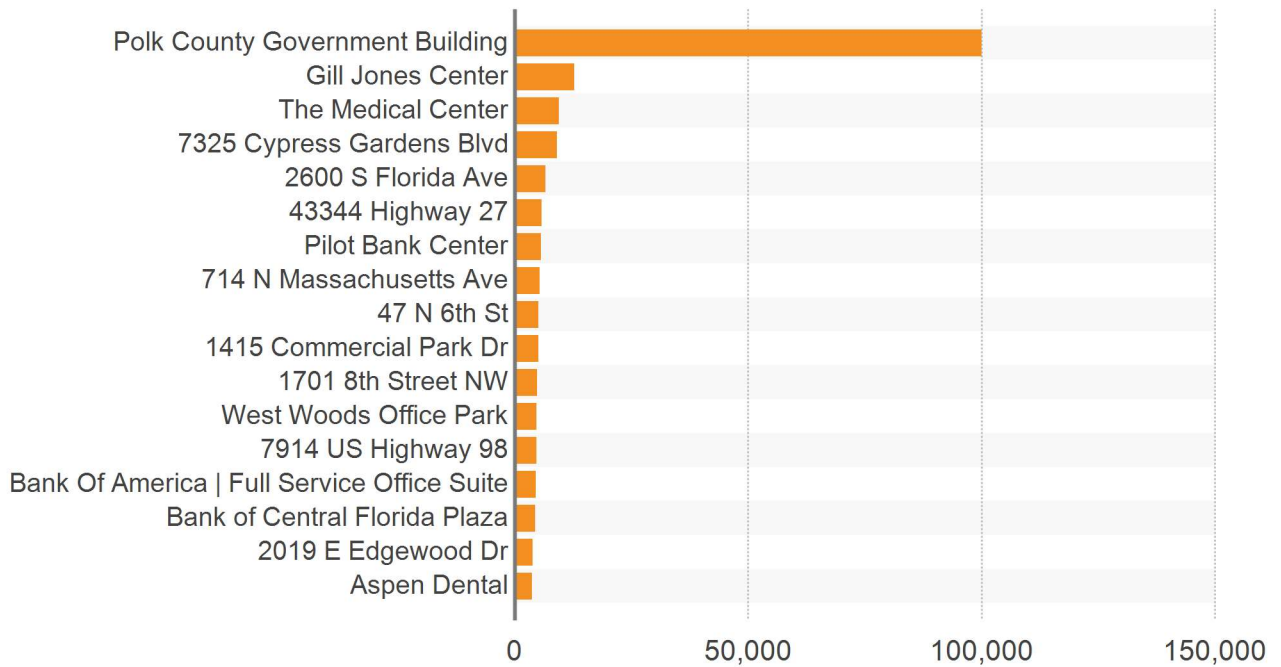
## VACANCY RATE



## AVAILABILITY RATE



## 12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



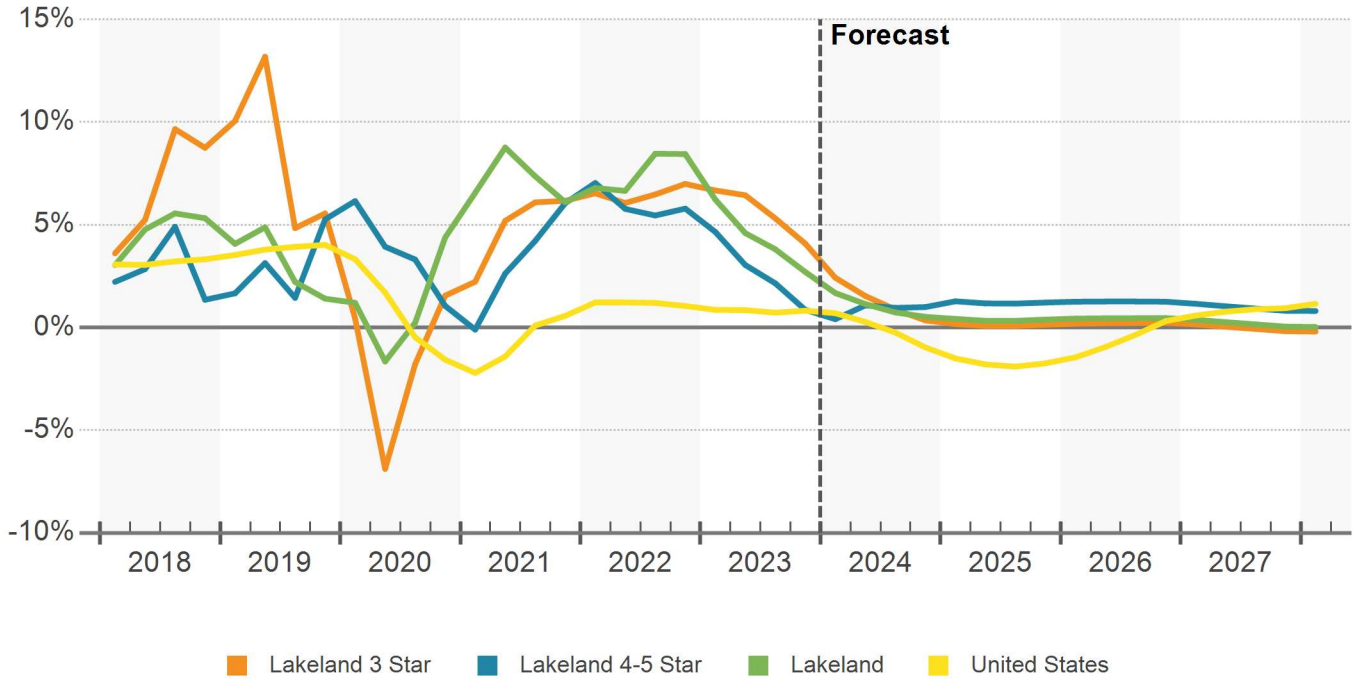
| Building Name/Address               | Submarket   | Bldg SF           | Vacant SF      | Net Absorption SF |          |          |          |                |
|-------------------------------------|-------------|-------------------|----------------|-------------------|----------|----------|----------|----------------|
|                                     |             |                   |                | 1st Qtr           | 2nd Qtr  | 3rd Qtr  | 4th Qtr  | 12 Month       |
| Polk County Government Building     | Polk County | 100,000           | 0              | 0                 | 0        | 0        | 0        | 100,000        |
| Gill Jones Center                   | Polk County | 200,000           | 142,758        | 12,758            | 0        | 0        | 0        | 12,758         |
| The Medical Center                  | Polk County | 39,841            | 0              | 2,760             | 0        | 0        | 0        | 9,505          |
| 7325 Cypress Gardens Blvd           | Polk County | 9,148             | 0              | 0                 | 0        | 0        | 0        | 9,148          |
| 2600 S Florida Ave                  | Polk County | 8,330             | 0              | 0                 | 0        | 0        | 0        | 6,591          |
| 43344 Highway 27                    | Polk County | 5,800             | 0              | 320               | 0        | 0        | 0        | 5,800          |
| Pilot Bank Center                   | Polk County | 30,000            | 0              | 7,180             | 0        | 0        | 0        | 5,681          |
| 714 N Massachusetts Ave             | Polk County | 5,400             | 0              | 0                 | 0        | 0        | 0        | 5,400          |
| 47 N 6th St                         | Polk County | 6,480             | 0              | 0                 | 0        | 0        | 0        | 5,127          |
| 1415 Commercial Park Dr             | Polk County | 5,064             | 0              | 5,064             | 0        | 0        | 0        | 5,064          |
| 1701 8th Street NW                  | Polk County | 10,875            | 5,988          | 4,887             | 0        | 0        | 0        | 4,887          |
| West Woods Office Park              | Polk County | 27,140            | 13,600         | 0                 | 0        | 0        | 0        | 4,740          |
| 7914 US Highway 98                  | Polk County | 4,719             | 0              | 0                 | 0        | 0        | 0        | 4,719          |
| Bank Of America   Full Service...   | Polk County | 10,000            | 200            | 0                 | 0        | 0        | 0        | 4,595          |
| Bank of Central Florida Plaza       | Polk County | 40,000            | 0              | 0                 | 0        | 0        | 0        | 4,456          |
| 2019 E Edgewood Dr                  | Polk County | 8,040             | 2,006          | 0                 | 0        | 0        | 0        | 3,815          |
| Aspen Dental                        | Polk County | 3,750             | 0              | 0                 | 0        | 0        | 0        | 3,750          |
| <b>Subtotal Primary Competitors</b> |             | <b>514,587</b>    | <b>164,552</b> | <b>32,969</b>     | <b>0</b> | <b>0</b> | <b>0</b> | <b>196,036</b> |
| Remaining Lakeland Market           |             | 14,002,083        | 476,842        | (31,932)          | 0        | 0        | 0        | (161,083)      |
| <b>Total Lakeland Market</b>        |             | <b>14,516,670</b> | <b>641,394</b> | <b>1,037</b>      | <b>0</b> | <b>0</b> | <b>0</b> | <b>34,953</b>  |

### TOP OFFICE LEASES PAST 12 MONTHS

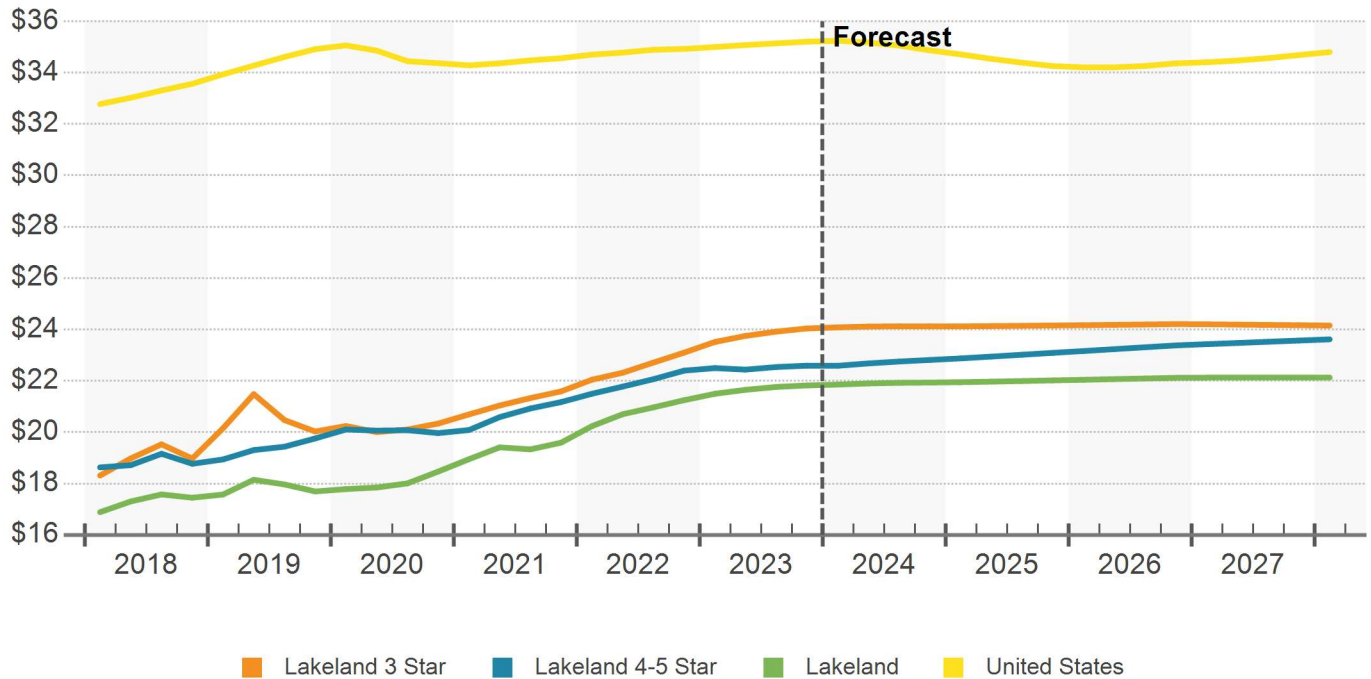
| Building Name/Address         | Submarket   | Leased SF | Qtr   | Tenant Name                  | Tenant Rep Company | Leasing Rep Company      |
|-------------------------------|-------------|-----------|-------|------------------------------|--------------------|--------------------------|
| 2801 Saluda Rd                | Polk County | 56,620    | Q3 23 | Search Automotive Techn...   | -                  | -                        |
| Wendel-Georges Bldg           | Polk County | 12,000    | Q3 23 | -                            | -                  | COhatch                  |
| 6/10 Plaza *                  | Polk County | 8,984     | Q1 24 | Protected Trust              | -                  | -                        |
| 502 E Bridgers Ave            | Polk County | 7,500     | Q2 23 | CNR Deesel Lab               | -                  | Truck Spot Properties    |
| 601 1st St N                  | Polk County | 7,096     | Q4 23 | Gessler                      | -                  | -                        |
| Shoppes at Miller's Landing * | Polk County | 6,000     | Q4 23 | DaVita Kidney Care           | -                  | -                        |
| The Medical Center            | Polk County | 5,676     | Q4 23 | Orthopedic Medical Group     | Franklin Street    | SVN   Saunders Ralsto... |
| 714 N Massachusetts Ave       | Polk County | 5,400     | Q2 23 | Absolute Jobs                | -                  | Lorio & Associates, Inc. |
| 99 6th St SW                  | Polk County | 5,300     | Q1 24 | -                            | -                  | Six/Ten, LLC             |
| 5385 Gateway Blvd *           | Polk County | 4,800     | Q2 23 | Reliant Atlantic Dry Ice     | -                  | -                        |
| 7914 US Highway 98            | Polk County | 4,719     | Q2 23 | -                            | -                  | SVN   Saunders Ralsto... |
| 600 N Broadway Ave            | Polk County | 4,650     | Q3 23 | -                            | -                  | SVN   Saunders Ralsto... |
| 230 N Kentucky Ave            | Polk County | 4,095     | Q1 24 | -                            | -                  | SVN   Saunders Ralsto... |
| 425 S Florida Ave             | Polk County | 3,825     | Q1 23 | Medina Law Group             | -                  | Ulysses Realty Group     |
| 1513 6th St SE                | Polk County | 3,812     | Q1 24 | -                            | -                  | I4 Properties Group      |
| 1000 W Beacon Rd              | Polk County | 3,720     | Q2 23 | -                            | -                  | Ulysses Realty Group     |
| Parkway University Center     | Polk County | 3,500     | Q2 23 | -                            | -                  | Ulysses Realty Group     |
| 4100 Recker Hwy               | Polk County | 3,400     | Q3 23 | -                            | -                  | The Ruthvens Inc.        |
| 331 S Florida Ave             | Polk County | 2,656     | Q1 23 | -                            | -                  | Colliers                 |
| 145 Horizon Ct                | Polk County | 2,600     | Q2 23 | -                            | -                  | Lorio & Associates, Inc. |
| 42719 Highway 27              | Polk County | 2,585     | Q2 23 | -                            | -                  | Broadway Real Estate...  |
| 230 Central Ave W *           | Polk County | 2,506     | Q1 24 | Century 21 Watson & Mye...   | -                  | -                        |
| 5151 S Lakeland Dr            | Polk County | 2,500     | Q4 23 | -                            | -                  | Lorio & Associates, Inc. |
| 608 Ingraham Ave              | Polk County | 2,482     | Q1 24 | -                            | -                  | Premium Properties Re... |
| Joseph Town Center            | Polk County | 2,400     | Q1 24 | -                            | -                  | Baron Realty             |
| Bowyer Bldg                   | Polk County | 2,400     | Q1 24 | -                            | -                  | Broadway Real Estate...  |
| Yarnall Bldg                  | Polk County | 2,300     | Q1 24 | -                            | -                  | Lorio & Associates, Inc. |
| Belvedere Professional Center | Polk County | 2,275     | Q2 23 | Excelsia Music Publishing... | -                  | Gator Realty Of Polk     |
| 1253 W Memorial Blvd          | Polk County | 2,229     | Q1 24 | -                            | -                  | SVN   Saunders Ralsto... |
| 198 1st St S                  | Polk County | 2,170     | Q1 24 | -                            | -                  | Village Realty           |
| 815 S Missouri Ave            | Polk County | 2,103     | Q4 23 | -                            | -                  | eXp Realty               |
| 2322 Lakeland Hills Blvd      | Polk County | 2,004     | Q1 23 | -                            | -                  | Broadway Real Estate...  |
| 2019 E Edgewood Dr            | Polk County | 2,002     | Q3 23 | -                            | -                  | Lorio & Associates, Inc. |
| Edgewood Center               | Polk County | 2,000     | Q3 23 | Nan McKay and Associates     | -                  | Daniels Realty Company   |
| Bldg A                        | Polk County | 2,000     | Q4 23 | Central Florida Orthopeadic  | -                  | Lorio & Associates, Inc. |
| 243 N Florida Ave             | Polk County | 1,988     | Q4 23 | Inklings Bookstore           | -                  | CAM Futures LLC          |
| 600 N Broadway Ave            | Polk County | 1,958     | Q3 23 | -                            | -                  | SVN   Saunders Ralsto... |
| 4414 Florida National Dr      | Polk County | 1,900     | Q2 23 | Spinal Solutions             | -                  | Lorio & Associates, Inc. |
| Grenson Building A            | Polk County | 1,882     | Q1 23 | -                            | -                  | Broadway Real Estate...  |
| Park Grace                    | Polk County | 1,800     | Q1 24 | -                            | -                  | Baron Realty             |

Renewal

## MARKET ASKING RENT GROWTH (YOY)



## MARKET ASKING RENT PER SQUARE FEET





## 4 & 5 STAR EXPENSES PER SF (ANNUAL)

| Market / Cluster | Utilities | Cleaning | Insurance | Taxes  | Other  | Total          |
|------------------|-----------|----------|-----------|--------|--------|----------------|
| <b>Lakeland</b>  | \$0.49    | \$1.54   | \$0.47    | \$2.80 | \$5.41 | <b>\$10.71</b> |
| Polk County      | \$0.49    | \$1.54   | \$0.47    | \$2.80 | \$5.41 | <b>\$10.71</b> |

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         |
|------------------|-----------|----------|-----------|--------|--------|---------------|
| <b>Lakeland</b>  | \$0.52    | \$1.24   | \$0.51    | \$2.59 | \$1.02 | <b>\$5.88</b> |
| Polk County      | \$0.52    | \$1.24   | \$0.51    | \$2.59 | \$1.02 | <b>\$5.88</b> |

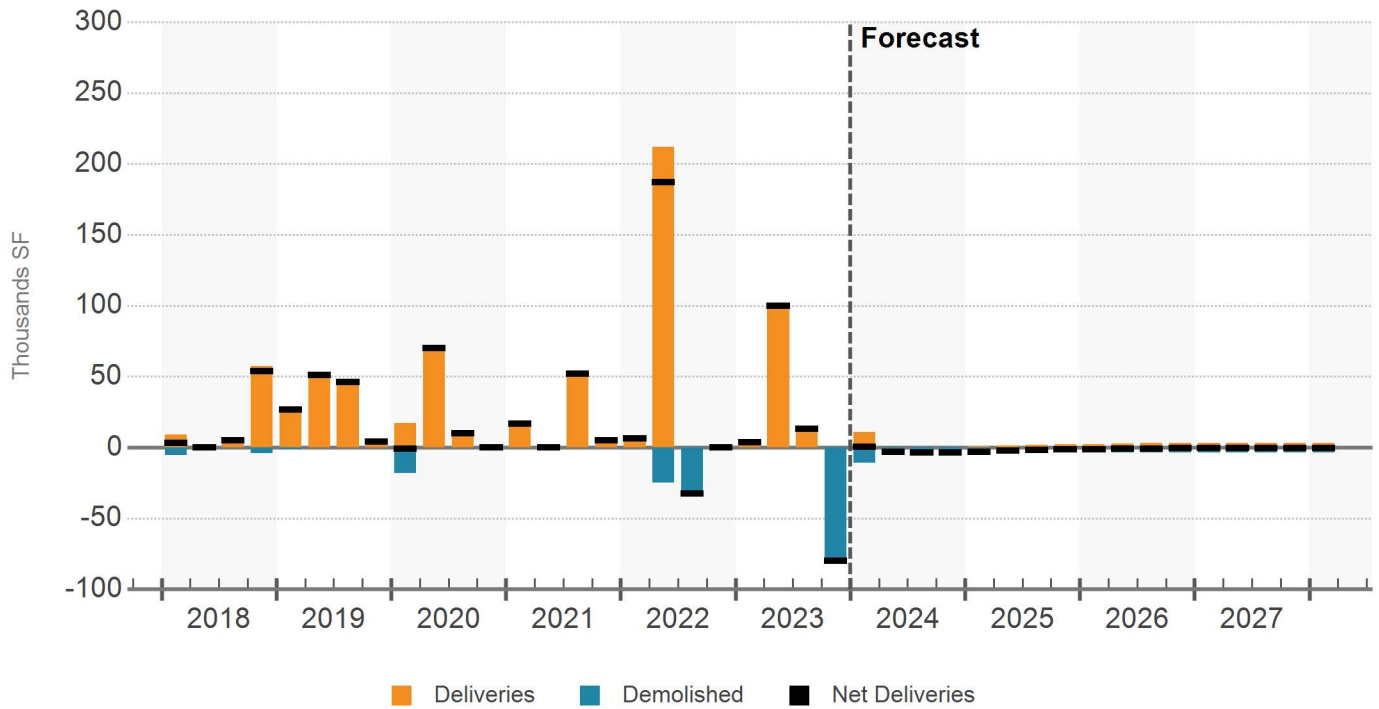
Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

## 1 & 2 STAR EXPENSES PER SF (ANNUAL)

| Market / Cluster | Utilities | Cleaning | Insurance | Taxes  | Other  | Total         |
|------------------|-----------|----------|-----------|--------|--------|---------------|
| <b>Lakeland</b>  | \$0.50    | \$0.92   | \$0.48    | \$2.03 | \$1.64 | <b>\$5.57</b> |
| Polk County      | \$0.50    | \$0.92   | \$0.48    | \$2.03 | \$1.64 | <b>\$5.57</b> |

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

## DELIVERIES & DEMOLITIONS



## SUBMARKET CONSTRUCTION

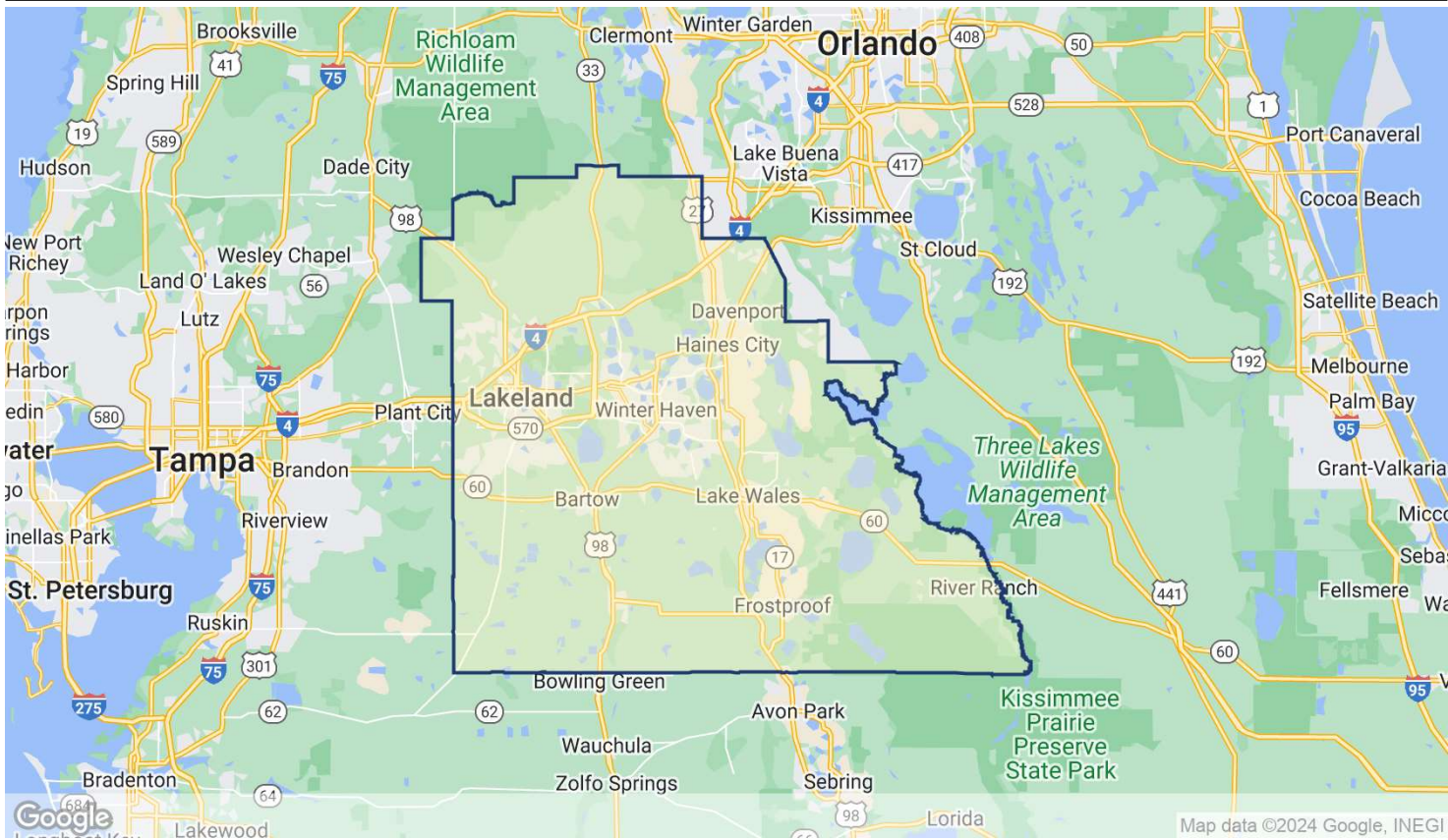
| No.           | Submarket   | Under Construction Inventory |          |                     |              |      | Average Building Size |              |      |
|---------------|-------------|------------------------------|----------|---------------------|--------------|------|-----------------------|--------------|------|
|               |             | Bldgs                        | SF (000) | Pre-Leased SF (000) | Pre-Leased % | Rank | All Existing          | Under Constr | Rank |
| 1             | Polk County | 0                            | -        | -                   | -            | -    | 8,450                 | -            | -    |
| <b>Totals</b> |             | <b>0</b>                     | <b>0</b> | <b>0</b>            | <b>-</b>     |      | <b>8,450</b>          | <b>-</b>     |      |

# Under Construction Properties

Lakeland Office

| Properties | Square Feet | Percent of Inventory | Released |
|------------|-------------|----------------------|----------|
| 0          | 0           | -                    | -        |

## UNDER CONSTRUCTION PROPERTIES



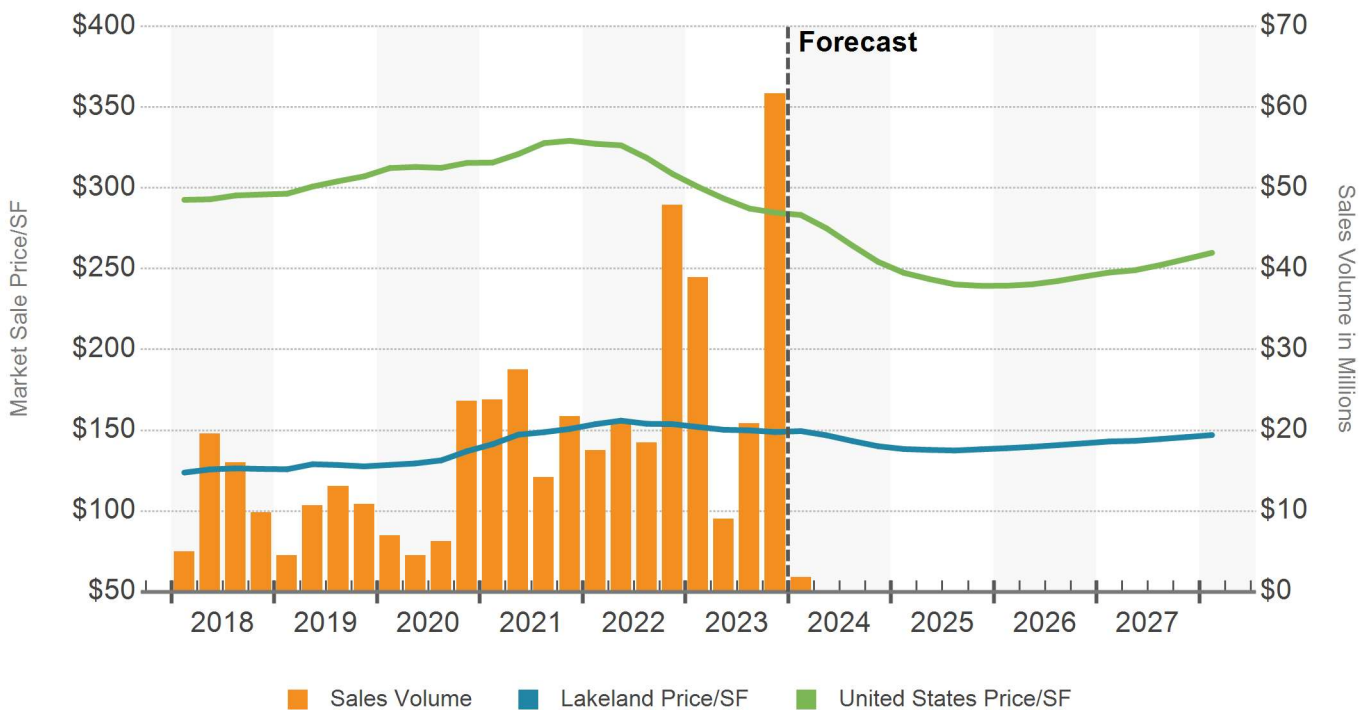
There have been 93 sales in the Lakeland office market over the past year, which amounts to \$101 million of volume and 1.1 million SF of stock. These sales have averaged \$93/SF, which is below the estimated market price of \$150/SF. During this time, trailing one-year price per SF averages were as high as \$181/SF and as low as \$93/SF. Over the past three years, Lakeland has averaged 118 sales per year, \$95.7 million of volume per year, and 890,000 SF of stock per year.

The 93 sales include 21 buildings rated 3 Star, and

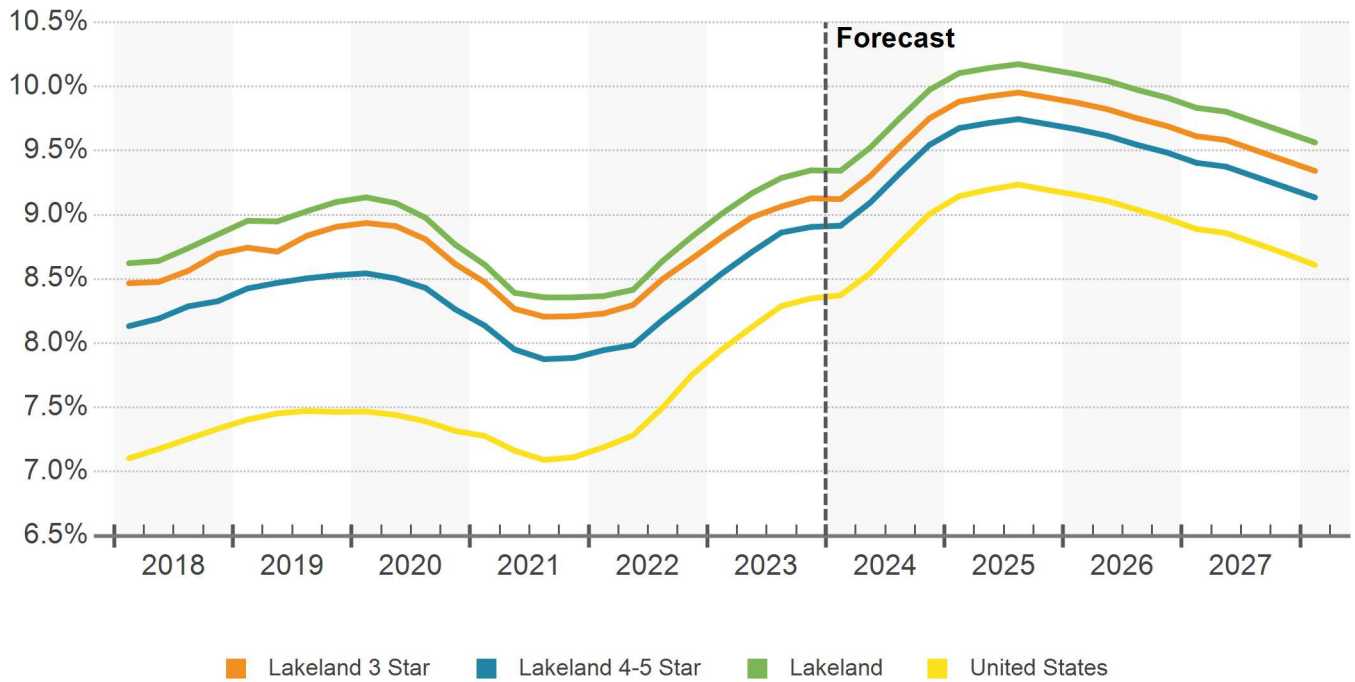
72 buildings rated 1 & 2 Star. The 3 Star buildings traded for \$58.4 million in volume, or \$127/SF on average. The 1 & 2 Star buildings traded for \$43.0 million in volume, or \$68/SF on average.

The market's current transaction cap rate stands at 7.4%, above the national average of 7.3%. Over the past three years, transaction cap rates have averaged 7.4%. Within Lakeland, 4 & 5 Star buildings have a market cap rate of 8.9%, 3 Star buildings have a market cap rate of 9.1%, and 1 & 2 Star buildings have a market cap rate of 9.6%.

## SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



# Sales Past 12 Months

Lakeland Office

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

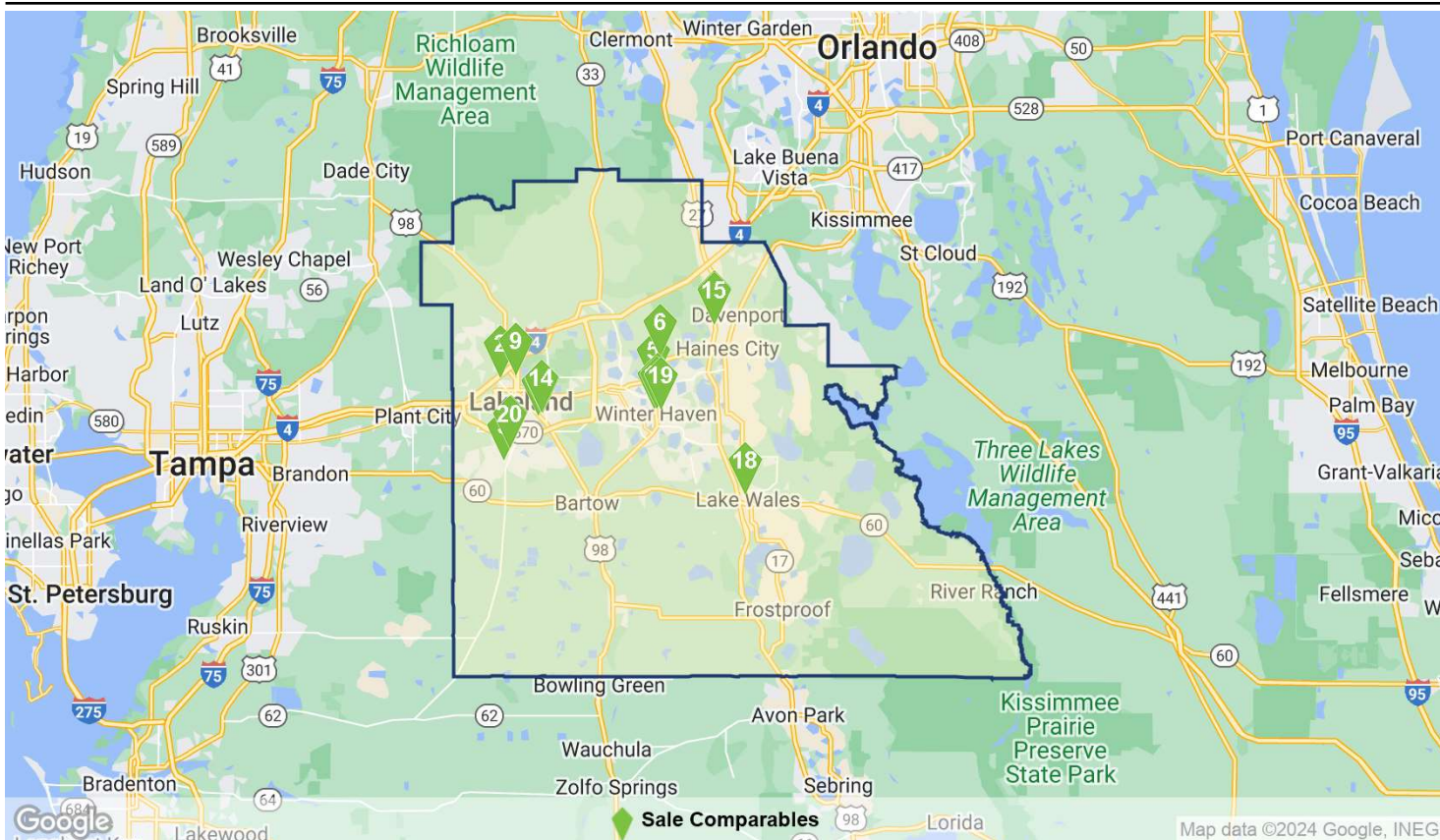
96

6.8%

\$89

15.3%

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

| Sales Attributes          | Low       | Average     | Median    | High         |
|---------------------------|-----------|-------------|-----------|--------------|
| Sale Price                | \$103,300 | \$1,194,036 | \$400,000 | \$14,361,344 |
| Price/SF                  | \$4.56    | \$89        | \$132     | \$536        |
| Cap Rate                  | 3.6%      | 6.8%        | 7.0%      | 9.0%         |
| Time Since Sale in Months | 0.5       | 6.1         | 6.0       | 11.9         |
| Property Attributes       | Low       | Average     | Median    | High         |
| Building SF               | 700       | 12,203      | 4,870     | 200,000      |
| Stories                   | 1         | 1           | 1         | 4            |
| Typical Floor SF          | 671       | 10,798      | 4,263     | 200,000      |
| Vacancy Rate At Sale      | 0%        | 15.3%       | 0%        | 100%         |
| Year Built                | 1920      | 1975        | 1972      | 2014         |
| Star Rating               | ★★★★★     | ★★★★★ 2.2   | ★★★★★     | ★★★★★        |

# Sales Past 12 Months

Lakeland Office

## RECENT SIGNIFICANT SALES

| Property Name - Address                                  | Property |          |         |         | Sale       |              |          |          |
|--|----------|----------|---------|---------|------------|--------------|----------|----------|
|  | Rating   | Yr Built | Bldg SF | Vacancy | Sale Date  | Price        | Price/SF | Cap Rate |
| 1 639 1st St N   | ★★★★☆    | 1982     | 50,259  | 0%      | 12/2/2023  | \$14,361,344 | \$286    | -        |
| 2 1775 Interstate Dr                                     | ★★★★☆    | 2001     | 80,000  | 0%      | 11/10/2023 | \$11,000,000 | \$138    | -        |
| 3 6415 S Florida Ave                                     | ★★★★☆    | 2014     | 16,694  | 0%      | 8/7/2023   | \$8,750,000  | \$524    | 6.6%     |
| 4 550 Pope Ave   | ★★★☆☆    | 2012     | 23,036  | 0%      | 12/29/2023 | \$5,300,156  | \$230    | -        |
| 5 Gill Jones Center<br>3425 Lake Alfred Rd               | ★★★★☆    | 1962     | 200,000 | 77.8%   | 7/31/2023  | \$4,500,000  | \$23     | -        |
| 6 530 N Dakota Ave                                       | ★★★☆☆    | 1953     | 8,184   | 0%      | 10/18/2023 | \$3,300,300  | \$403    | -        |
| 7 2290-2300 Commerce Po...                               | ★★★☆☆    | 1990     | 27,732  | 0%      | 6/14/2023  | \$3,100,000  | \$112    | -        |
| 8 601 1st St N   | ★★★★☆    | 1954     | 15,825  | 0%      | 12/2/2023  | \$2,960,244  | \$187    | -        |
| 9 1920 Lakeland Hills Blvd                               | ★★★☆☆    | 1970     | 5,487   | 0%      | 12/29/2023 | \$2,659,044  | \$485    | -        |
| 10 2142 E Edgewood Dr                                    | ★★★☆☆    | 1998     | 7,108   | 35.4%   | 12/29/2023 | \$2,610,800  | \$367    | -        |
| 11 2330-2340 Commerce Po...                              | ★★★★☆    | 1990     | 19,750  | 0%      | 12/29/2023 | \$2,435,575  | \$123    | -        |
| 12 2026-2036 Commerce Po...                              | ★★★☆☆    | 1991     | 21,148  | 0%      | 12/29/2023 | \$2,064,425  | \$98     | -        |
| 13 295 Patterson Rd                                      | ★★★☆☆    | 2006     | 7,636   | 0%      | 12/21/2023 | \$1,950,000  | \$255    | 7.8%     |
| 14 Tall Oaks Business Park<br>2015 & 2025 Crystal Woo... | ★★★★☆    | 1982     | 21,023  | 0%      | 11/30/2023 | \$1,890,000  | \$90     | -        |
| 15 175 Patterson Rd                                      | ★★★★☆    | 2006     | 5,034   | 0%      | 9/12/2023  | \$1,300,000  | \$258    | -        |
| 16 146 Avenue B NW                                       | ★★★☆☆    | 1960     | 3,307   | 0%      | 11/30/2023 | \$1,200,000  | \$363    | -        |
| 17 160 Fitzgerald Rd                                     | ★★★★☆    | 2008     | 4,500   | 0%      | 10/3/2023  | \$1,100,000  | \$244    | -        |
| 18 Rhodesbilt Arcade<br>230 E Park Ave                   | ★★★☆☆    | 1924     | 8,070   | 0%      | 6/20/2023  | \$1,060,000  | \$131    | -        |
| 19 450 E Central Ave                                     | ★★★★☆    | 1967     | 5,512   | 0%      | 12/2/2023  | \$1,024,789  | \$186    | -        |
| 20 5380 S Florida Ave                                    | ★★★☆☆    | 1981     | 6,220   | 0%      | 9/1/2023   | \$900,000    | \$145    | -        |

Lakeland's economy has remained resilient in recent years, with job and population growth being the leading indicators of the market's success. According to the Census Bureau, from April 1st 2020 to July 1st 2022, Lakeland added more new residents than any other area in Florida, adding over 57,000 or 70 new residents every day.

The region's unemployment rate has increased 50 basis points year over year to 3.7% as of November 2023, according to the Florida Department of Economic Opportunity. Nearly every sector has recorded year-over-year growth with education and health services, leisure and hospitality, and manufacturing leading the market over the past year.

Lakeland's location along the I-4 Corridor has made it a magnet for companies looking to establish or expand

their distribution hubs. Publix Supermarkets, Amazon, Saddle Creek Logistics Services, Rooms to Go, and Southern Glazer Wine & Spirits are all major employers in the market with a significant industrial presence. In addition, IKEA and UPS have all recently hired hundreds of employees for their new industrial facilities.

In addition to trade employment, a sizable office-using employment base exists. Publix Supermarkets, which is headquartered in Lakeland, is the area's largest private employer with more than 8,000 workers. Within the past few years, the company completed a 190,000 SF expansion to its corporate headquarters and added 700 high-wage workers. Insurance company Geico also expanded its regional office by 50,000 SF and hired 500 new employees, bringing its local employment base to 3,800.

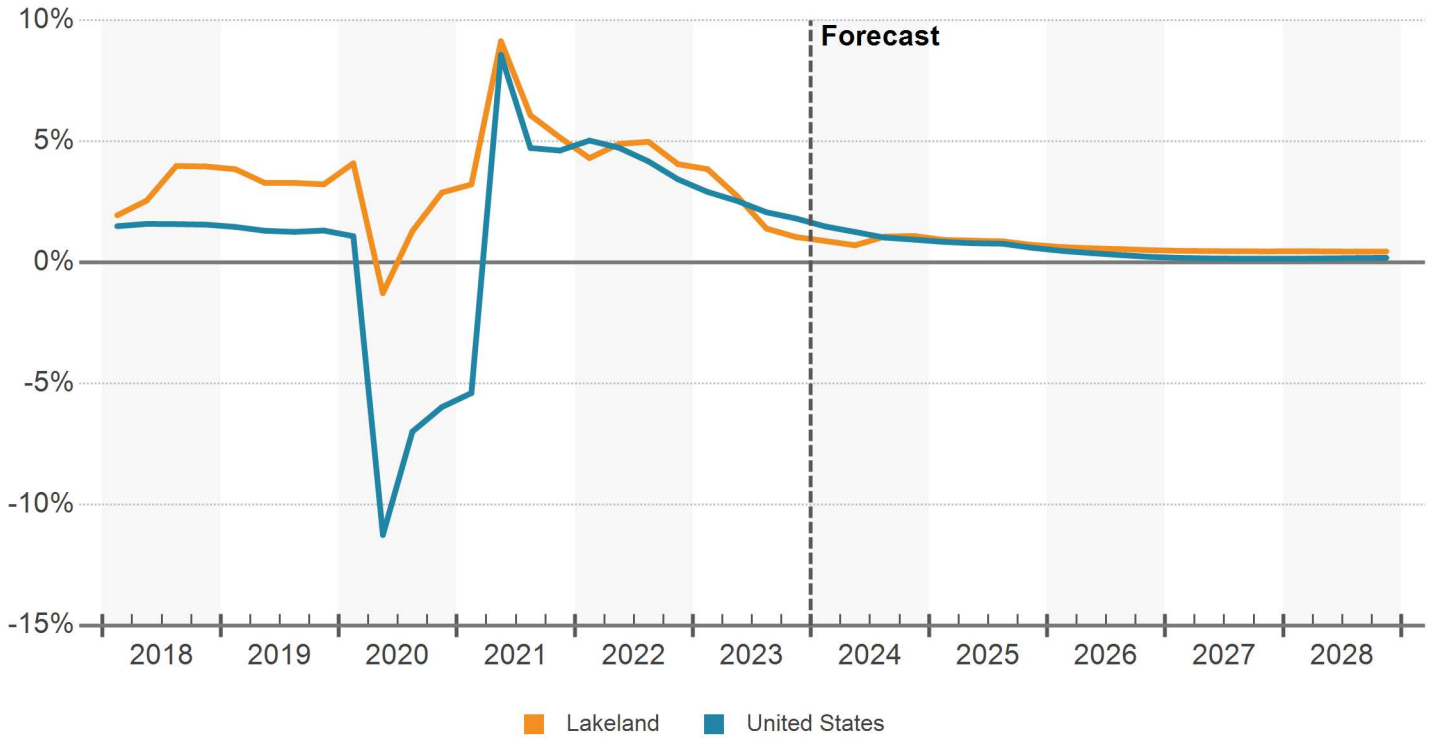
## LAKELAND EMPLOYMENT BY INDUSTRY IN THOUSANDS

| Industry                                   | CURRENT JOBS |            | CURRENT GROWTH |              | 10 YR HISTORICAL |              | 5 YR FORECAST |              |
|--|--------------|------------|----------------|--------------|------------------|--------------|---------------|--------------|
|  | Jobs         | LQ         | Market         | US           | Market           | US           | Market        | US           |
| Manufacturing                              | 20           | 0.9        | 1.02%          | 0.04%        | 2.02%            | 0.71%        | 0.89%         | 0.14%        |
| Trade, Transportation and Utilities        | 77           | 1.5        | 1.27%          | 0.11%        | 4.70%            | 1.05%        | 0.60%         | 0.15%        |
| Retail Trade                               | 33           | 1.2        | 0.34%          | -0.09%       | 2.38%            | 0.20%        | 0.89%         | 0.13%        |
| Financial Activities                       | 17           | 1.1        | 0.94%          | 0.62%        | 3.84%            | 1.45%        | 0.30%         | 0.18%        |
| Government                                 | 28           | 0.7        | 0.25%          | 2.50%        | 0.30%            | 0.54%        | 0.68%         | 0.35%        |
| Natural Resources, Mining and Construction | 15           | 1.0        | -1.68%         | 2.30%        | 3.11%            | 2.40%        | 0.57%         | 0.27%        |
| Education and Health Services              | 41           | 0.9        | 4.36%          | 3.62%        | 3.13%            | 1.98%        | 0.87%         | 0.65%        |
| Professional and Business Services         | 36           | 0.9        | -1.55%         | 0.76%        | 3.32%            | 1.99%        | -0.17%        | 0.49%        |
| Information                                | 3            | 0.5        | 2.09%          | -2.08%       | 4.13%            | 1.09%        | -0.49%        | 0.24%        |
| Leisure and Hospitality                    | 29           | 1.0        | 0.05%          | 2.72%        | 3.45%            | 1.52%        | 1.22%         | 0.73%        |
| Other Services                             | 7            | 0.7        | 2.08%          | 1.62%        | 2.26%            | 0.66%        | 0.63%         | 0.28%        |
| <b>Total Employment</b>                    | <b>272</b>   | <b>1.0</b> | <b>0.92%</b>   | <b>1.55%</b> | <b>3.20%</b>     | <b>1.35%</b> | <b>0.60%</b>  | <b>0.39%</b> |

Source: Oxford Economics  
LQ = Location Quotient

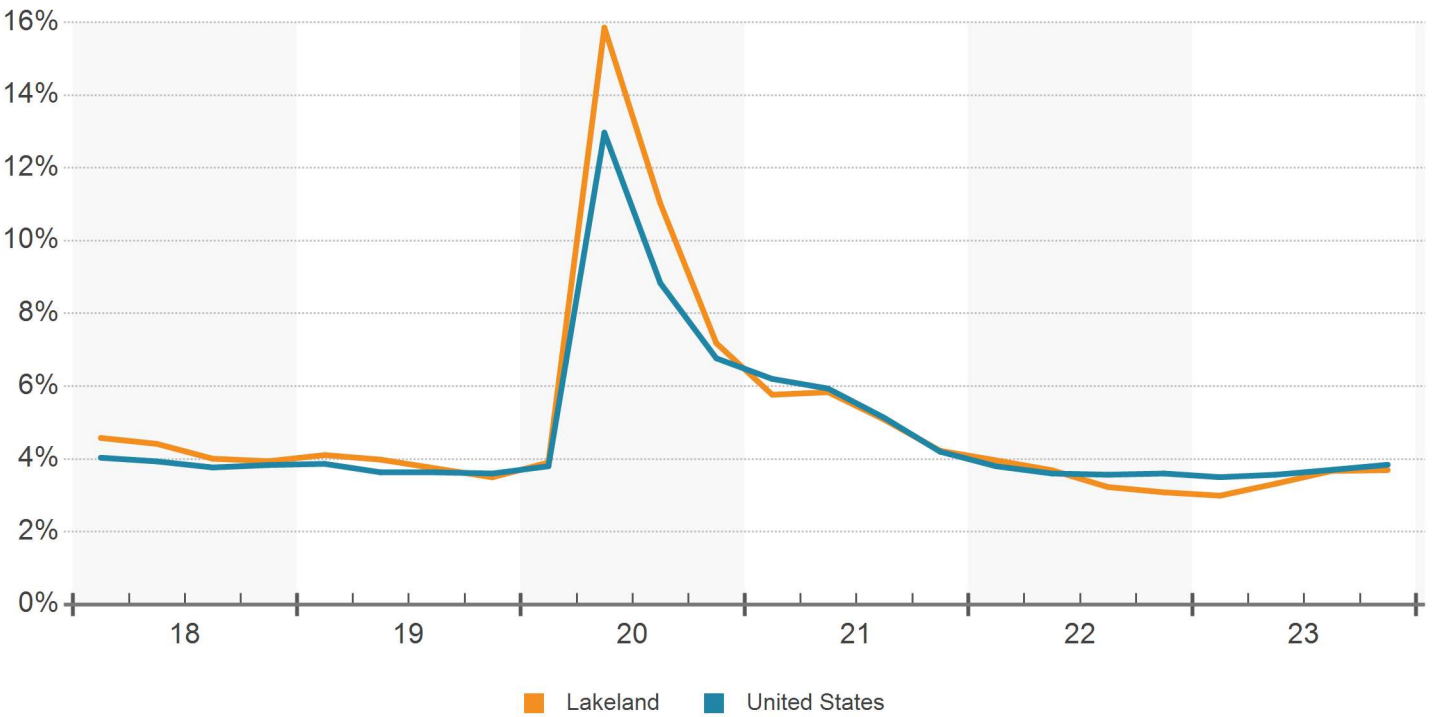


## JOB GROWTH (YOY)

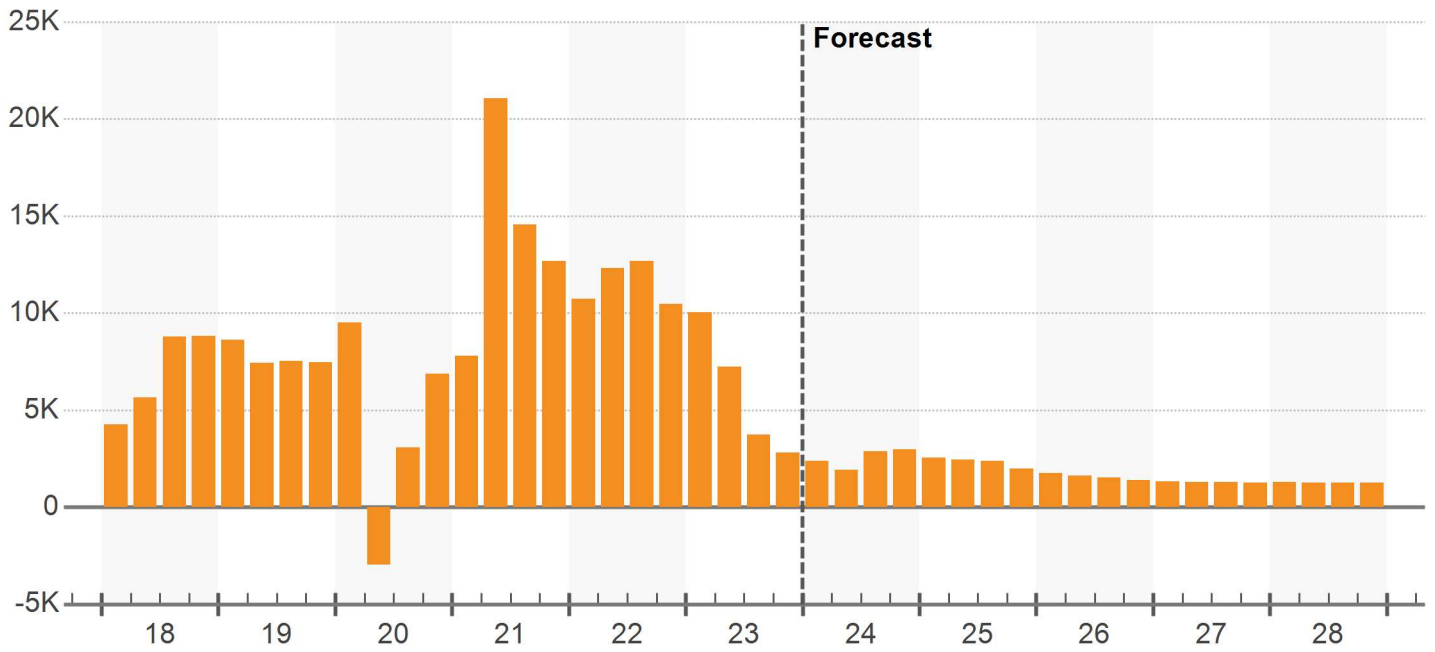


Source: Oxford Economics

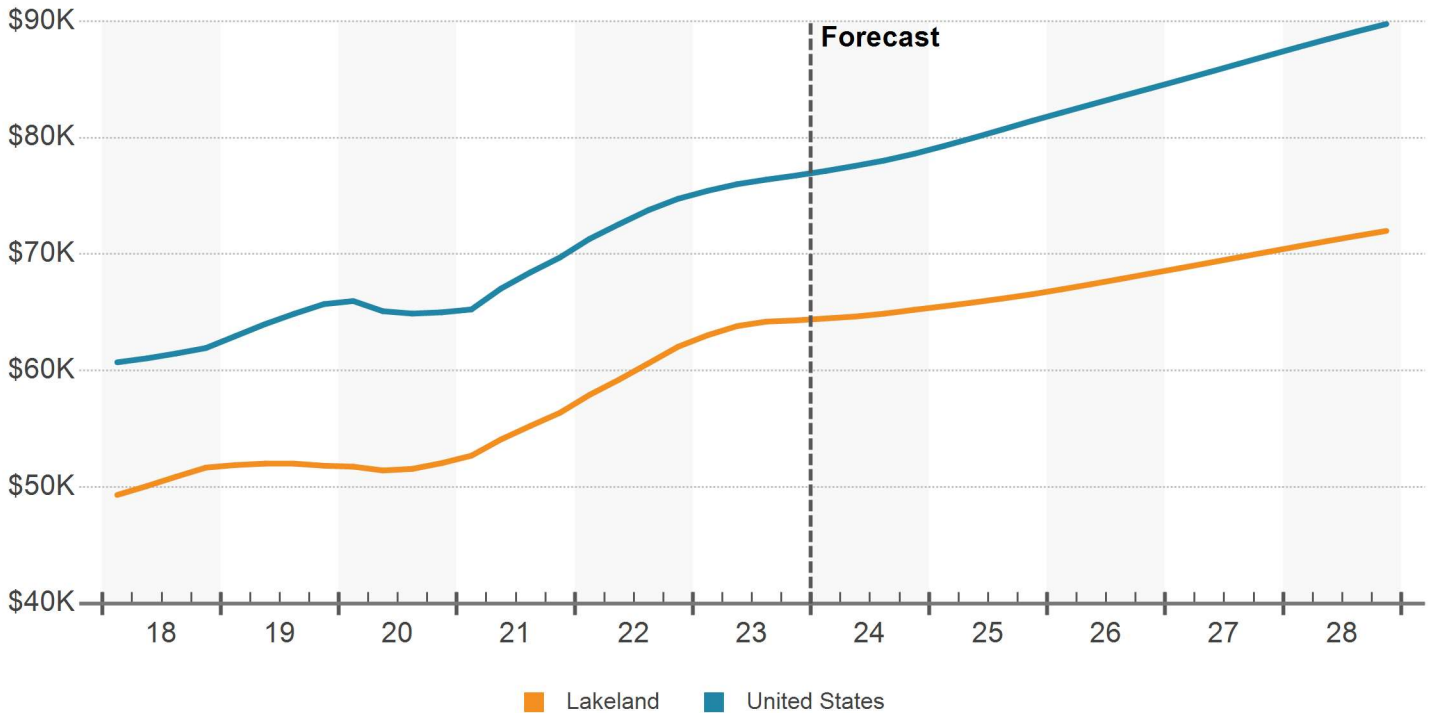
## UNEMPLOYMENT RATE (%)



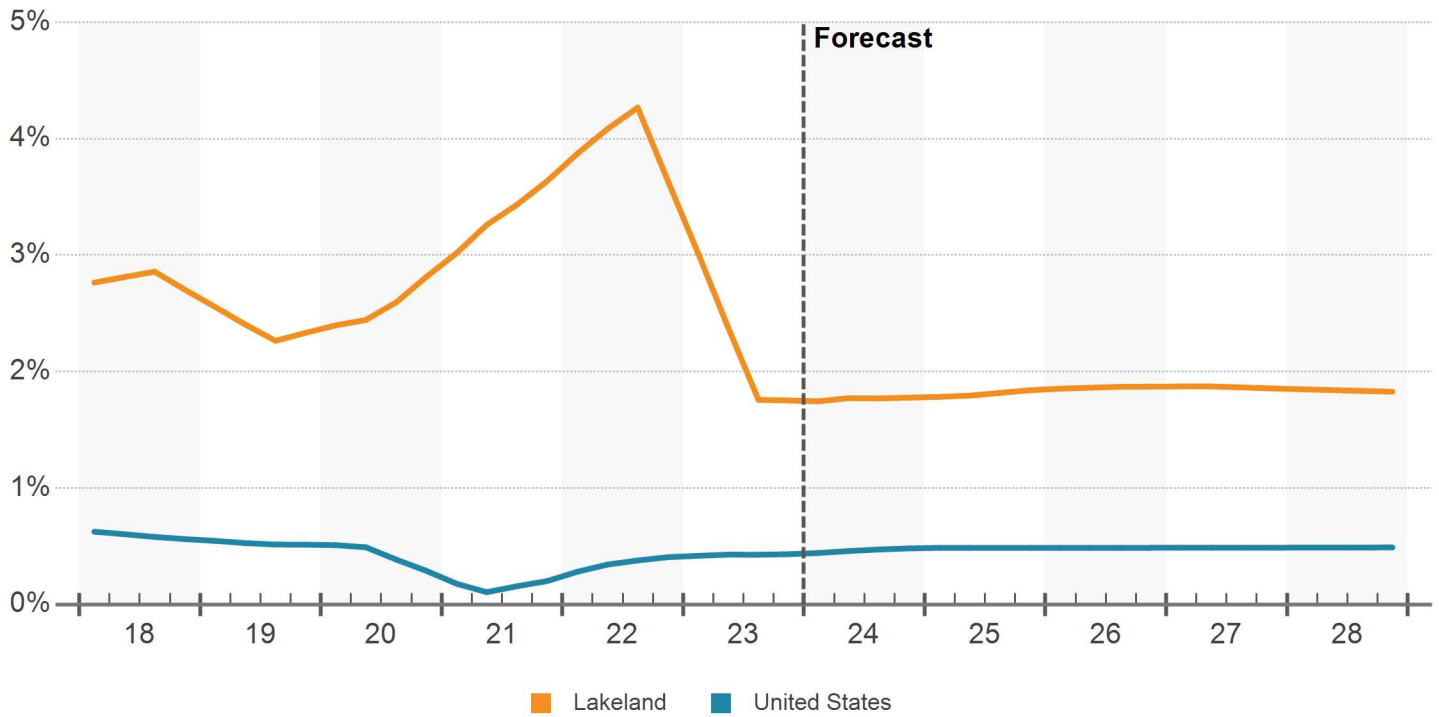
## NET EMPLOYMENT CHANGE (YOY)



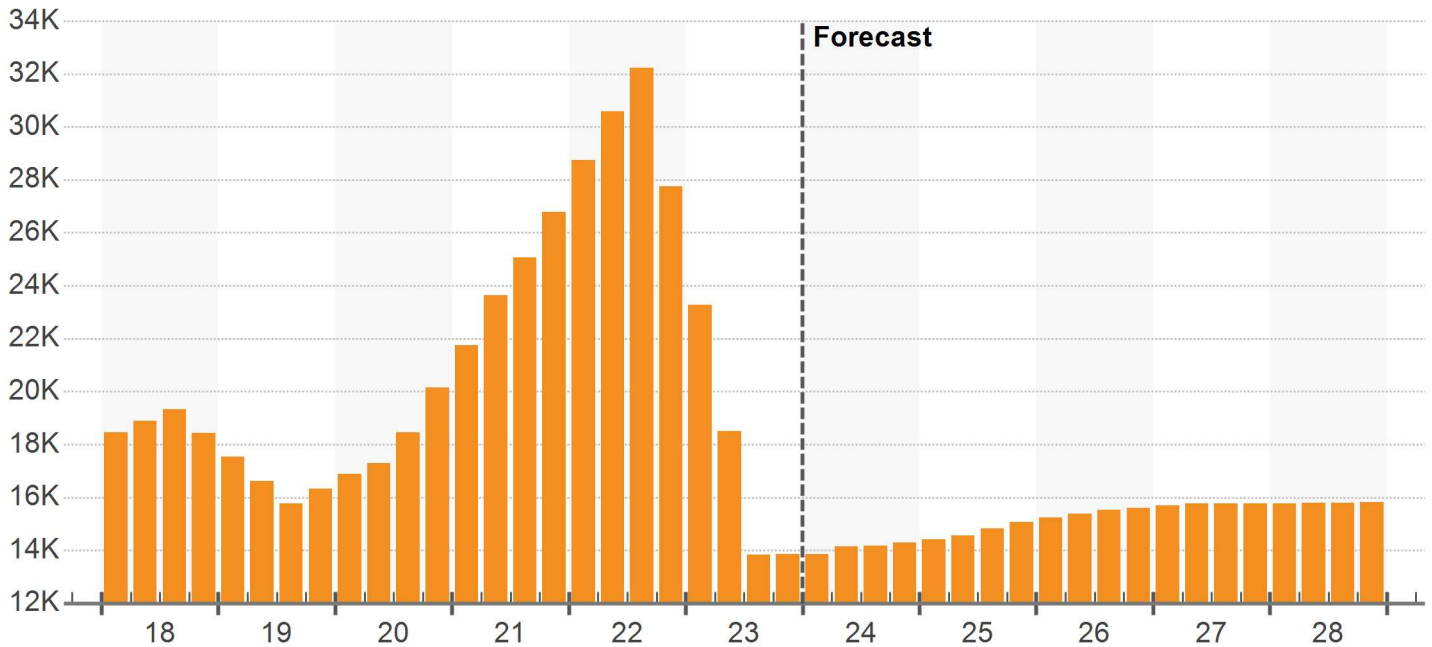
## MEDIAN HOUSEHOLD INCOME



## POPULATION GROWTH (YOY %)



## NET POPULATION CHANGE (YOY)

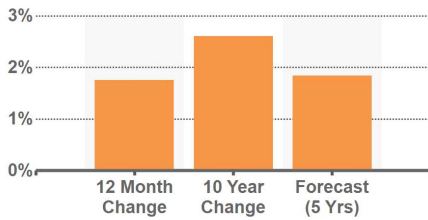


## DEMOGRAPHIC TRENDS

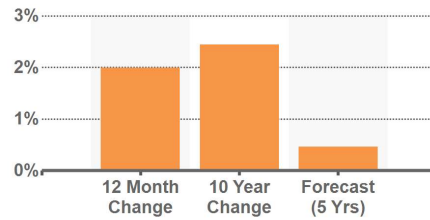
| Demographic Category    | Current Level |             | 12 Month Change |      | 10 Year Change |       | 5 Year Forecast |      |
|-------------------------|---------------|-------------|-----------------|------|----------------|-------|-----------------|------|
|                         | Metro         | US          | Metro           | US   | Metro          | US    | Metro           | US   |
| Population              | 807,629       | 335,415,969 | 1.7%            | 0.4% | 2.6%           | 0.5%  | 1.8%            | 0.5% |
| Households              | 300,190       | 130,990,344 | 1.9%            | 0.6% | 2.7%           | 0.9%  | 1.9%            | 0.6% |
| Median Household Income | \$64,447      | \$77,067    | 2.6%            | 2.3% | 4.2%           | 3.9%  | 2.3%            | 3.2% |
| Labor Force             | 350,273       | 168,857,563 | 2.0%            | 1.7% | 2.4%           | 0.8%  | 0.5%            | 0.1% |
| Unemployment            | 3.7%          | 3.8%        | 0.7%            | 0.3% | -0.4%          | -0.3% | -               | -    |

Source: Oxford Economics

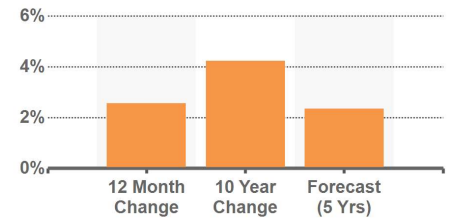
### POPULATION GROWTH



### LABOR FORCE GROWTH

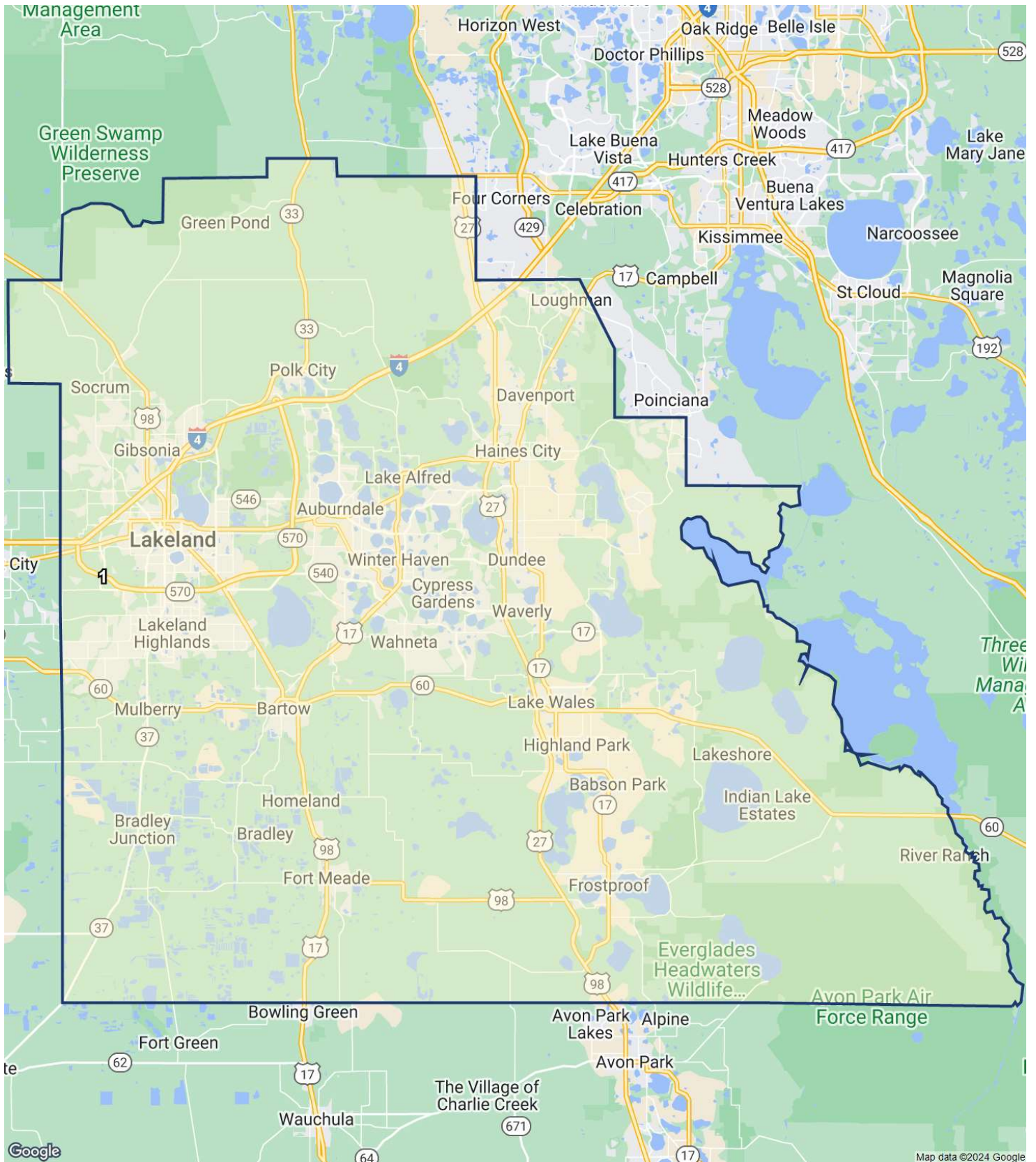


### INCOME GROWTH



Source: Oxford Economics

## LAKELAND SUBMARKETS



# Submarkets

Lakeland Office

## 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   | Polk County | 1,738     | 14,686   | 100%     | 1    | 5                   | 125      | 0.8%    | 1    | 0                  | -        | -       | -    |

## SUBMARKET RENT

| No. | Submarket   | Market Asking Rent |      | 12 Month Market Asking Rent |      | QTD Annualized Market Asking Rent |      |
|-----|-------------|--------------------|------|-----------------------------|------|-----------------------------------|------|
|     |             | Per SF             | Rank | Growth                      | Rank | Growth                            | Rank |
| 1   | Polk County | \$21.84            | 1    | 1.9%                        | 1    | 0.5%                              | 1    |

## SUBMARKET VACANCY & NET ABSORPTION

| No. | Submarket   | Vacancy |         |      | 12 Month Absorption |          |      |                 |
|-----|-------------|---------|---------|------|---------------------|----------|------|-----------------|
|     |             | SF      | Percent | Rank | SF                  | % of Inv | Rank | Construc. Ratio |
| 1   | Polk County | 641,394 | 4.4%    | 1    | 34,953              | 0.2%     | 1    | 0.9             |

# Supply & Demand Trends

Lakeland Office

## OVERALL SUPPLY & DEMAND

| Year | Inventory  |           |          | Net Absorption |          |                    |
|------|------------|-----------|----------|----------------|----------|--------------------|
|      | SF         | SF Growth | % Growth | SF             | % of Inv | Construction Ratio |
| 2028 | 14,489,750 | (2,437)   | 0%       | (18,467)       | -0.1%    | -                  |
| 2027 | 14,492,187 | (2,200)   | 0%       | (20,014)       | -0.1%    | -                  |
| 2026 | 14,494,387 | (3,271)   | 0%       | (12,419)       | -0.1%    | -                  |
| 2025 | 14,497,658 | (8,699)   | -0.1%    | (10,776)       | -0.1%    | -                  |
| 2024 | 14,506,357 | (10,067)  | -0.1%    | (36,423)       | -0.3%    | -                  |
| YTD  | 14,516,670 | 246       | 0%       | 1,037          | 0%       | 0.2                |
| 2023 | 14,516,424 | 36,398    | 0.3%     | 4,263          | 0%       | 8.5                |
| 2022 | 14,480,026 | 161,430   | 1.1%     | 255,513        | 1.8%     | 0.6                |
| 2021 | 14,318,596 | 73,900    | 0.5%     | 64,981         | 0.5%     | 1.1                |
| 2020 | 14,244,696 | 78,937    | 0.6%     | (19,327)       | -0.1%    | -                  |
| 2019 | 14,165,759 | 128,067   | 0.9%     | 128,222        | 0.9%     | 1.0                |
| 2018 | 14,037,692 | 62,072    | 0.4%     | 10,280         | 0.1%     | 6.0                |
| 2017 | 13,975,620 | 45,618    | 0.3%     | 174,513        | 1.2%     | 0.3                |
| 2016 | 13,930,002 | (47,248)  | -0.3%    | 144,451        | 1.0%     | -                  |
| 2015 | 13,977,250 | 40,700    | 0.3%     | 177,176        | 1.3%     | 0.2                |
| 2014 | 13,936,550 | 84,609    | 0.6%     | 236,613        | 1.7%     | 0.4                |
| 2013 | 13,851,941 | 23,618    | 0.2%     | 30,958         | 0.2%     | 0.8                |
| 2012 | 13,828,323 | 42,957    | 0.3%     | 21,980         | 0.2%     | 2.0                |

## 4 & 5 STAR SUPPLY & DEMAND

| Year | Inventory |           |          | Net Absorption |          |                    |
|------|-----------|-----------|----------|----------------|----------|--------------------|
|      | SF        | SF Growth | % Growth | SF             | % of Inv | Construction Ratio |
| 2028 | 1,588,999 | 12,210    | 0.8%     | 12,635         | 0.8%     | 1.0                |
| 2027 | 1,576,789 | 12,411    | 0.8%     | 12,010         | 0.8%     | 1.0                |
| 2026 | 1,564,378 | 11,350    | 0.7%     | 11,120         | 0.7%     | 1.0                |
| 2025 | 1,553,028 | 5,872     | 0.4%     | 2,886          | 0.2%     | 2.0                |
| 2024 | 1,547,156 | 7         | 0%       | (7,436)        | -0.5%    | -                  |
| YTD  | 1,547,149 | 0         | 0%       | -              | -        | -                  |
| 2023 | 1,547,149 | 100,000   | 6.9%     | 106,297        | 6.9%     | 0.9                |
| 2022 | 1,447,149 | 135,000   | 10.3%    | 135,000        | 9.3%     | 1.0                |
| 2021 | 1,312,149 | 0         | 0%       | 5,125          | 0.4%     | 0                  |
| 2020 | 1,312,149 | 20,703    | 1.6%     | 25,081         | 1.9%     | 0.8                |
| 2019 | 1,291,446 | 42,500    | 3.4%     | 25,137         | 1.9%     | 1.7                |
| 2018 | 1,248,946 | 0         | 0%       | (1,901)        | -0.2%    | -                  |
| 2017 | 1,248,946 | 30,894    | 2.5%     | 36,623         | 2.9%     | 0.8                |
| 2016 | 1,218,052 | 0         | 0%       | 101            | 0%       | 0                  |
| 2015 | 1,218,052 | 0         | 0%       | -              | -        | -                  |
| 2014 | 1,218,052 | 0         | 0%       | (502)          | 0%       | -                  |
| 2013 | 1,218,052 | 0         | 0%       | 11,198         | 0.9%     | 0                  |
| 2012 | 1,218,052 | 0         | 0%       | 3,044          | 0.2%     | 0                  |

# Supply & Demand Trends

Lakeland Office

## 3 STAR SUPPLY & DEMAND

| Year | Inventory |           |          | Net Absorption |          |                    |
|------|-----------|-----------|----------|----------------|----------|--------------------|
|      | SF        | SF Growth | % Growth | SF             | % of Inv | Construction Ratio |
| 2028 | 5,817,837 | (10)      | 0%       | (10,272)       | -0.2%    | -                  |
| 2027 | 5,817,847 | (10)      | 0%       | (10,683)       | -0.2%    | -                  |
| 2026 | 5,817,857 | (11)      | 0%       | (8,837)        | -0.2%    | -                  |
| 2025 | 5,817,868 | (10)      | 0%       | (2,560)        | 0%       | -                  |
| 2024 | 5,817,878 | 10,868    | 0.2%     | 17,552         | 0.3%     | 0.6                |
| YTD  | 5,817,885 | 10,875    | 0.2%     | 13,370         | 0.2%     | 0.8                |
| 2023 | 5,807,010 | (67,102)  | -1.1%    | (33,443)       | -0.6%    | -                  |
| 2022 | 5,874,112 | 83,500    | 1.4%     | 44,674         | 0.8%     | 1.9                |
| 2021 | 5,790,612 | 73,900    | 1.3%     | (73,547)       | -1.3%    | -                  |
| 2020 | 5,716,712 | 71,063    | 1.3%     | 60,158         | 1.1%     | 1.2                |
| 2019 | 5,645,649 | 86,767    | 1.6%     | 100,320        | 1.8%     | 0.9                |
| 2018 | 5,558,882 | 61,791    | 1.1%     | 65,002         | 1.2%     | 1.0                |
| 2017 | 5,497,091 | 14,724    | 0.3%     | 78,160         | 1.4%     | 0.2                |
| 2016 | 5,482,367 | 18,753    | 0.3%     | 51,230         | 0.9%     | 0.4                |
| 2015 | 5,463,614 | 52,504    | 1.0%     | 80,583         | 1.5%     | 0.7                |
| 2014 | 5,411,110 | 68,673    | 1.3%     | 130,855        | 2.4%     | 0.5                |
| 2013 | 5,342,437 | 29,581    | 0.6%     | 7,229          | 0.1%     | 4.1                |
| 2012 | 5,312,856 | 19,921    | 0.4%     | 43,412         | 0.8%     | 0.5                |

## 1 & 2 STAR SUPPLY & DEMAND

| Year | Inventory |           |          | Net Absorption |          |                    |
|------|-----------|-----------|----------|----------------|----------|--------------------|
|      | SF        | SF Growth | % Growth | SF             | % of Inv | Construction Ratio |
| 2028 | 7,082,914 | (14,637)  | -0.2%    | (20,830)       | -0.3%    | -                  |
| 2027 | 7,097,551 | (14,601)  | -0.2%    | (21,341)       | -0.3%    | -                  |
| 2026 | 7,112,152 | (14,610)  | -0.2%    | (14,702)       | -0.2%    | -                  |
| 2025 | 7,126,762 | (14,561)  | -0.2%    | (11,102)       | -0.2%    | -                  |
| 2024 | 7,141,323 | (20,942)  | -0.3%    | (46,539)       | -0.7%    | -                  |
| YTD  | 7,151,636 | (10,629)  | -0.1%    | (12,333)       | -0.2%    | -                  |
| 2023 | 7,162,265 | 3,500     | 0%       | (68,591)       | -1.0%    | -                  |
| 2022 | 7,158,765 | (57,070)  | -0.8%    | 75,839         | 1.1%     | -                  |
| 2021 | 7,215,835 | 0         | 0%       | 133,403        | 1.8%     | 0                  |
| 2020 | 7,215,835 | (12,829)  | -0.2%    | (104,566)      | -1.4%    | -                  |
| 2019 | 7,228,664 | (1,200)   | 0%       | 2,765          | 0%       | -                  |
| 2018 | 7,229,864 | 281       | 0%       | (52,821)       | -0.7%    | -                  |
| 2017 | 7,229,583 | 0         | 0%       | 59,730         | 0.8%     | 0                  |
| 2016 | 7,229,583 | (66,001)  | -0.9%    | 93,120         | 1.3%     | -                  |
| 2015 | 7,295,584 | (11,804)  | -0.2%    | 96,593         | 1.3%     | -                  |
| 2014 | 7,307,388 | 15,936    | 0.2%     | 106,260        | 1.5%     | 0.1                |
| 2013 | 7,291,452 | (5,963)   | -0.1%    | 12,531         | 0.2%     | -                  |
| 2012 | 7,297,415 | 23,036    | 0.3%     | (24,476)       | -0.3%    | -                  |



## OVERALL RENT & VACANCY

| Year | Market Asking Rent |       |          |              | Vacancy   |         |          |
|------|--------------------|-------|----------|--------------|-----------|---------|----------|
|      | Per SF             | Index | % Growth | Vs Hist Peak | SF        | Percent | Ppts Chg |
| 2028 | \$22.14            | 127   | 0.1%     | 1.5%         | 725,459   | 5.0%    | 0.1%     |
| 2027 | \$22.13            | 127   | 0%       | 1.4%         | 706,953   | 4.9%    | 0.1%     |
| 2026 | \$22.12            | 127   | 0.5%     | 1.4%         | 686,592   | 4.7%    | 0.1%     |
| 2025 | \$22.02            | 126   | 0.4%     | 0.9%         | 674,886   | 4.7%    | 0%       |
| 2024 | \$21.93            | 126   | 0.5%     | 0.5%         | 670,132   | 4.6%    | 0.2%     |
| YTD  | \$21.84            | 125   | 1.9%     | 0.1%         | 641,394   | 4.4%    | 0%       |
| 2023 | \$21.82            | 125   | 2.7%     | 0%           | 642,185   | 4.4%    | 0.2%     |
| 2022 | \$21.25            | 122   | 8.4%     | -2.6%        | 610,050   | 4.2%    | -0.7%    |
| 2021 | \$19.59            | 112   | 6.1%     | -10.2%       | 704,133   | 4.9%    | 0%       |
| 2020 | \$18.47            | 106   | 4.4%     | -15.4%       | 695,214   | 4.9%    | 0.7%     |
| 2019 | \$17.69            | 101   | 1.4%     | -18.9%       | 596,950   | 4.2%    | 0%       |
| 2018 | \$17.45            | 100   | 5.3%     | -20.0%       | 597,105   | 4.3%    | 0.4%     |
| 2017 | \$16.57            | 95    | -0.3%    | -24.1%       | 545,313   | 3.9%    | -0.9%    |
| 2016 | \$16.62            | 95    | 7.3%     | -23.8%       | 674,208   | 4.8%    | -1.4%    |
| 2015 | \$15.49            | 89    | 5.9%     | -29.0%       | 865,907   | 6.2%    | -1.0%    |
| 2014 | \$14.63            | 84    | 2.5%     | -33.0%       | 1,002,383 | 7.2%    | -1.1%    |
| 2013 | \$14.27            | 82    | 6.6%     | -34.6%       | 1,154,387 | 8.3%    | -0.1%    |
| 2012 | \$13.38            | 77    | 8.6%     | -38.7%       | 1,161,727 | 8.4%    | 0.1%     |

## 4 & 5 STAR RENT & VACANCY

| Year | Market Asking Rent |       |          |              | Vacancy |         |          |
|------|--------------------|-------|----------|--------------|---------|---------|----------|
|      | Per SF             | Index | % Growth | Vs Hist Peak | SF      | Percent | Ppts Chg |
| 2028 | \$23.76            | 143   | 0.8%     | 5.2%         | 14,200  | 0.9%    | 0%       |
| 2027 | \$23.57            | 142   | 0.8%     | 4.3%         | 14,660  | 0.9%    | 0%       |
| 2026 | \$23.38            | 141   | 1.3%     | 3.5%         | 14,291  | 0.9%    | 0%       |
| 2025 | \$23.09            | 139   | 1.2%     | 2.2%         | 14,097  | 0.9%    | 0.2%     |
| 2024 | \$22.81            | 137   | 1.0%     | 1.0%         | 11,143  | 0.7%    | 0.5%     |
| YTD  | \$22.58            | 136   | 0.5%     | 0%           | 3,703   | 0.2%    | 0%       |
| 2023 | \$22.59            | 136   | 0.9%     | 0%           | 3,703   | 0.2%    | -0.5%    |
| 2022 | \$22.40            | 135   | 5.8%     | -0.8%        | 10,000  | 0.7%    | -0.1%    |
| 2021 | \$21.17            | 127   | 6.0%     | -6.3%        | 10,000  | 0.8%    | -0.4%    |
| 2020 | \$19.96            | 120   | 1.1%     | -11.6%       | 15,125  | 1.2%    | -0.4%    |
| 2019 | \$19.76            | 119   | 5.3%     | -12.5%       | 19,503  | 1.5%    | 1.3%     |
| 2018 | \$18.77            | 113   | 1.3%     | -16.9%       | 2,140   | 0.2%    | 0.2%     |
| 2017 | \$18.52            | 111   | 2.3%     | -18.0%       | 239     | 0%      | -0.5%    |
| 2016 | \$18.10            | 109   | 5.8%     | -19.9%       | 5,968   | 0.5%    | 0%       |
| 2015 | \$17.11            | 103   | 5.4%     | -24.2%       | 6,069   | 0.5%    | 0%       |
| 2014 | \$16.24            | 98    | 3.9%     | -28.1%       | 6,069   | 0.5%    | 0%       |
| 2013 | \$15.63            | 94    | -0.5%    | -30.8%       | 5,567   | 0.5%    | -0.9%    |
| 2012 | \$15.71            | 94    | 0%       | -30.4%       | 16,765  | 1.4%    | -0.2%    |

## 3 STAR RENT & VACANCY

| Year | Market Asking Rent |       |          |              | Vacancy |         |          |
|------|--------------------|-------|----------|--------------|---------|---------|----------|
|      | Per SF             | Index | % Growth | Vs Hist Peak | SF      | Percent | Ppts Chg |
| 2028 | \$24.13            | 136   | -0.2%    | 0.4%         | 386,807 | 6.6%    | 0.2%     |
| 2027 | \$24.16            | 136   | -0.2%    | 0.5%         | 376,545 | 6.5%    | 0.2%     |
| 2026 | \$24.21            | 136   | 0.2%     | 0.7%         | 365,872 | 6.3%    | 0.2%     |
| 2025 | \$24.15            | 136   | 0.1%     | 0.5%         | 357,046 | 6.1%    | 0%       |
| 2024 | \$24.12            | 136   | 0.3%     | 0.3%         | 354,496 | 6.1%    | -0.1%    |
| YTD  | \$24.07            | 135   | 2.7%     | 0.1%         | 358,682 | 6.2%    | -0.1%    |
| 2023 | \$24.04            | 135   | 4.1%     | 0%           | 361,177 | 6.2%    | -0.5%    |
| 2022 | \$23.10            | 130   | 7.0%     | -3.9%        | 394,836 | 6.7%    | 0.6%     |
| 2021 | \$21.59            | 122   | 6.2%     | -10.2%       | 356,010 | 6.1%    | 2.5%     |
| 2020 | \$20.34            | 114   | 1.5%     | -15.4%       | 208,563 | 3.6%    | 0.1%     |
| 2019 | \$20.03            | 113   | 5.5%     | -16.7%       | 197,658 | 3.5%    | -0.3%    |
| 2018 | \$18.97            | 107   | 8.7%     | -21.1%       | 211,211 | 3.8%    | -0.1%    |
| 2017 | \$17.45            | 98    | -3.0%    | -27.4%       | 214,422 | 3.9%    | -1.2%    |
| 2016 | \$17.98            | 101   | 11.8%    | -25.2%       | 277,858 | 5.1%    | -0.6%    |
| 2015 | \$16.09            | 91    | 0.4%     | -33.1%       | 310,335 | 5.7%    | -0.6%    |
| 2014 | \$16.02            | 90    | 4.8%     | -33.4%       | 338,414 | 6.3%    | -1.2%    |
| 2013 | \$15.29            | 86    | 5.4%     | -36.4%       | 400,596 | 7.5%    | 0.4%     |
| 2012 | \$14.51            | 82    | 11.0%    | -39.7%       | 378,244 | 7.1%    | -0.5%    |

## 1 & 2 STAR RENT & VACANCY

| Year | Market Asking Rent |       |          |              | Vacancy |         |          |
|------|--------------------|-------|----------|--------------|---------|---------|----------|
|      | Per SF             | Index | % Growth | Vs Hist Peak | SF      | Percent | Ppts Chg |
| 2028 | \$20.17            | 116   | 0.1%     | 1.7%         | 324,452 | 4.6%    | 0.1%     |
| 2027 | \$20.16            | 116   | 0.1%     | 1.6%         | 315,748 | 4.4%    | 0.1%     |
| 2026 | \$20.14            | 116   | 0.5%     | 1.5%         | 306,429 | 4.3%    | 0%       |
| 2025 | \$20.05            | 116   | 0.4%     | 1.0%         | 303,743 | 4.3%    | 0%       |
| 2024 | \$19.96            | 115   | 0.6%     | 0.6%         | 304,493 | 4.3%    | 0.4%     |
| YTD  | \$19.87            | 115   | 1.4%     | 0.1%         | 279,009 | 3.9%    | 0%       |
| 2023 | \$19.85            | 114   | 1.8%     | 0%           | 277,305 | 3.9%    | 1.0%     |
| 2022 | \$19.49            | 112   | 10.6%    | -1.8%        | 205,214 | 2.9%    | -1.8%    |
| 2021 | \$17.63            | 102   | 6.0%     | -11.2%       | 338,123 | 4.7%    | -1.8%    |
| 2020 | \$16.62            | 96    | 8.3%     | -16.3%       | 471,526 | 6.5%    | 1.3%     |
| 2019 | \$15.35            | 89    | -3.6%    | -22.7%       | 379,789 | 5.3%    | -0.1%    |
| 2018 | \$15.92            | 92    | 3.2%     | -19.8%       | 383,754 | 5.3%    | 0.7%     |
| 2017 | \$15.43            | 89    | 1.6%     | -22.3%       | 330,652 | 4.6%    | -0.8%    |
| 2016 | \$15.19            | 88    | 3.7%     | -23.5%       | 390,382 | 5.4%    | -2.1%    |
| 2015 | \$14.65            | 85    | 11.5%    | -26.2%       | 549,503 | 7.5%    | -1.5%    |
| 2014 | \$13.15            | 76    | 0%       | -33.8%       | 657,900 | 9.0%    | -1.3%    |
| 2013 | \$13.14            | 76    | 9.9%     | -33.8%       | 748,224 | 10.3%   | -0.2%    |
| 2012 | \$11.96            | 69    | 9.0%     | -39.7%       | 766,718 | 10.5%   | 0.6%     |

## 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 |
| 2028 | -                          | -        | -        | -           | -            | -            | \$149.37                  | 150         | 9.4%     |
| 2027 | -                          | -        | -        | -           | -            | -            | \$145.79                  | 146         | 9.6%     |
| 2026 | -                          | -        | -        | -           | -            | -            | \$141.91                  | 142         | 9.9%     |
| 2025 | -                          | -        | -        | -           | -            | -            | \$138.23                  | 138         | 10.1%    |
| 2024 | -                          | -        | -        | -           | -            | -            | \$140.13                  | 140         | 10.0%    |
| YTD  | 8                          | \$1.8M   | 0.5%     | \$599,472   | \$97.61      | -            | \$149.88                  | 150         | 9.3%     |
| 2023 | 101                        | \$130.4M | 8.6%     | \$1,433,341 | \$106.89     | 7.0%         | \$148.91                  | 149         | 9.3%     |
| 2022 | 118                        | \$105M   | 5.0%     | \$1,019,541 | \$167.37     | 7.3%         | \$153.80                  | 154         | 8.8%     |
| 2021 | 146                        | \$87.1M  | 7.0%     | \$732,191   | \$97.12      | 8.0%         | \$150.82                  | 151         | 8.4%     |
| 2020 | 89                         | \$41.4M  | 4.2%     | \$647,158   | \$83.37      | 7.5%         | \$137.03                  | 137         | 8.8%     |
| 2019 | 100                        | \$39.1M  | 3.7%     | \$558,245   | \$114.14     | 8.4%         | \$127.66                  | 128         | 9.1%     |
| 2018 | 131                        | \$50.4M  | 5.3%     | \$593,089   | \$97.11      | 8.9%         | \$126.07                  | 126         | 8.8%     |
| 2017 | 70                         | \$86.6M  | 6.7%     | \$1,804,374 | \$105.62     | 8.6%         | \$121.77                  | 122         | 8.6%     |
| 2016 | 77                         | \$61.7M  | 4.5%     | \$978,864   | \$107.09     | 7.4%         | \$123.85                  | 124         | 8.2%     |
| 2015 | 62                         | \$34.7M  | 2.4%     | \$789,331   | \$142.35     | 9.5%         | \$115.60                  | 116         | 8.3%     |
| 2014 | 55                         | \$20M    | 2.7%     | \$570,812   | \$85.41      | 7.6%         | \$106.57                  | 107         | 8.5%     |
| 2013 | 68                         | \$49.1M  | 6.9%     | \$1,023,651 | \$61         | 6.4%         | \$100.06                  | 100         | 8.8%     |

(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 |
| 2028 | -                          | -       | -        | -            | -            | -            | \$197.56                  | 155         | 9.0%     |
| 2027 | -                          | -       | -        | -            | -            | -            | \$191.32                  | 150         | 9.2%     |
| 2026 | -                          | -       | -        | -            | -            | -            | \$184.75                  | 145         | 9.5%     |
| 2025 | -                          | -       | -        | -            | -            | -            | \$178.51                  | 140         | 9.7%     |
| 2024 | -                          | -       | -        | -            | -            | -            | \$179.51                  | 141         | 9.5%     |
| YTD  | -                          | -       | -        | -            | -            | -            | \$191.03                  | 150         | 8.9%     |
| 2023 | -                          | -       | -        | -            | -            | -            | \$190.27                  | 149         | 8.9%     |
| 2022 | 1                          | \$13.6M | 4.1%     | \$13,600,000 | \$226.67     | -            | \$200.02                  | 157         | 8.4%     |
| 2021 | -                          | -       | -        | -            | -            | -            | \$198.46                  | 156         | 7.9%     |
| 2020 | 3                          | \$0     | 0.6%     | -            | -            | -            | \$181.14                  | 142         | 8.3%     |
| 2019 | -                          | -       | -        | -            | -            | -            | \$171.44                  | 135         | 8.5%     |
| 2018 | -                          | -       | -        | -            | -            | -            | \$168.08                  | 132         | 8.3%     |
| 2017 | 1                          | \$2.5M  | 1.0%     | \$2,450,000  | \$204.17     | 9.7%         | \$161.75                  | 127         | 8.1%     |
| 2016 | 1                          | \$19.5M | 14.9%    | \$19,476,600 | \$107.18     | 8.0%         | \$161.86                  | 127         | 7.8%     |
| 2015 | -                          | -       | -        | -            | -            | -            | \$155.29                  | 122         | 7.8%     |
| 2014 | -                          | -       | -        | -            | -            | -            | \$146.23                  | 115         | 7.9%     |
| 2013 | 1                          | \$7.2M  | 6.2%     | \$7,221,200  | \$96.28      | -            | \$138.09                  | 108         | 8.1%     |

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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.

## 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 |
| 2028 | -                          | -       | -        | -           | -            | -            | \$166.83                  | 152         | 9.2%     |
| 2027 | -                          | -       | -        | -           | -            | -            | \$163.18                  | 149         | 9.4%     |
| 2026 | -                          | -       | -        | -           | -            | -            | \$159.16                  | 145         | 9.7%     |
| 2025 | -                          | -       | -        | -           | -            | -            | \$155.38                  | 142         | 9.9%     |
| 2024 | -                          | -       | -        | -           | -            | -            | \$157.99                  | 144         | 9.8%     |
| YTD  | 2                          | \$1M    | 0.1%     | \$508,000   | \$130.32     | -            | \$169.54                  | 155         | 9.1%     |
| 2023 | 23                         | \$78.9M | 8.9%     | \$3,584,949 | \$154.88     | 6.4%         | \$168.32                  | 154         | 9.1%     |
| 2022 | 35                         | \$40M   | 4.6%     | \$1,378,288 | \$185.13     | 7.0%         | \$172.29                  | 157         | 8.7%     |
| 2021 | 45                         | \$38.1M | 5.0%     | \$1,271,610 | \$152.25     | 8.0%         | \$168.66                  | 154         | 8.2%     |
| 2020 | 29                         | \$28M   | 4.1%     | \$1,219,075 | \$140.13     | 8.1%         | \$153.21                  | 140         | 8.6%     |
| 2019 | 36                         | \$24.8M | 4.7%     | \$885,663   | \$134.51     | 8.5%         | \$143.58                  | 131         | 8.9%     |
| 2018 | 37                         | \$18.9M | 4.2%     | \$726,703   | \$101.60     | 9.7%         | \$140.43                  | 128         | 8.7%     |
| 2017 | 23                         | \$73.8M | 12.6%    | \$3,882,057 | \$111.19     | 8.0%         | \$134.97                  | 123         | 8.5%     |
| 2016 | 22                         | \$24.1M | 4.2%     | \$1,269,712 | \$112.85     | 7.8%         | \$137.81                  | 126         | 8.1%     |
| 2015 | 20                         | \$10.4M | 1.6%     | \$800,539   | \$132.59     | 9.5%         | \$127.44                  | 116         | 8.2%     |
| 2014 | 8                          | \$8.7M  | 1.8%     | \$1,740,000 | \$158.42     | 7.4%         | \$118.93                  | 109         | 8.3%     |
| 2013 | 19                         | \$28.2M | 10.5%    | \$2,566,098 | \$52.95      | 6.4%         | \$111.08                  | 101         | 8.6%     |

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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.

## 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 |
| 2028 | -                          | -        | -        | -         | -            | -            | \$124.74                  | 145         | 9.7%     |
| 2027 | -                          | -        | -        | -         | -            | -            | \$121.78                  | 142         | 9.9%     |
| 2026 | -                          | -        | -        | -         | -            | -            | \$118.60                  | 138         | 10.2%    |
| 2025 | -                          | -        | -        | -         | -            | -            | \$115.56                  | 134         | 10.4%    |
| 2024 | -                          | -        | -        | -         | -            | -            | \$117.06                  | 136         | 10.2%    |
| YTD  | 6                          | \$782.4K | 0.8%     | \$782,417 | \$73.61      | -            | \$124.98                  | 145         | 9.6%     |
| 2023 | 78                         | \$51.6M  | 10.2%    | \$747,321 | \$72.52      | 7.6%         | \$124.17                  | 144         | 9.6%     |
| 2022 | 82                         | \$51.4M  | 5.4%     | \$704,690 | \$146.33     | 7.6%         | \$128.76                  | 150         | 9.1%     |
| 2021 | 101                        | \$49M    | 9.8%     | \$550,364 | \$75.76      | 8.1%         | \$125.99                  | 146         | 8.6%     |
| 2020 | 57                         | \$13.4M  | 4.9%     | \$326,326 | \$45.09      | 7.0%         | \$114.32                  | 133         | 9.0%     |
| 2019 | 64                         | \$14.3M  | 3.6%     | \$339,967 | \$90.38      | 8.3%         | \$105.23                  | 122         | 9.4%     |
| 2018 | 94                         | \$31.5M  | 7.1%     | \$534,208 | \$94.61      | 8.5%         | \$105.30                  | 122         | 9.1%     |
| 2017 | 46                         | \$10.4M  | 3.1%     | \$371,459 | \$71.89      | -            | \$102.37                  | 119         | 8.8%     |
| 2016 | 54                         | \$18.1M  | 3.0%     | \$420,170 | \$100.17     | 6.5%         | \$104.27                  | 121         | 8.4%     |
| 2015 | 42                         | \$24.3M  | 3.3%     | \$784,630 | \$146.97     | 9.5%         | \$97.38                   | 113         | 8.5%     |
| 2014 | 47                         | \$11.3M  | 3.7%     | \$375,947 | \$63.01      | 7.7%         | \$87.92                   | 102         | 8.8%     |
| 2013 | 48                         | \$13.7M  | 4.3%     | \$380,193 | \$69.36      | -            | \$82.86                   | 96          | 9.0%     |

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