

BLUE BOOK

**MARKET INTELLIGENCE
FOR COMMERCIAL REAL ESTATE**



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US Trends

The Coldwell Banker Commercial® (CBC) Blue Book offers a unique market perspective with data generated by true commercial real estate market experts – the professionals of the Coldwell Banker Commercial companies within the local markets. In total, there are over 130 domestic and international markets covered in this edition of the Blue Book. Below are the US market statistics.



OFFICE

	VACANCY	ABSORPTION	RENTAL RATES
UNITED STATES	▲	▼	▲
MIDWEST REGION	↔	▼	▲
NORTHEAST REGION	▲	▼	▲
SOUTH ATLANTIC REGION	▲	▲	▲
SOUTHWEST REGION	▲	▲	▲
WEST REGION	▲	▼	▲



RETAIL

	VACANCY	ABSORPTION	RENTAL RATES
UNITED STATES	▲	▼	▲
MIDWEST REGION	↔	▼	▲
NORTHEAST REGION	▼	▲	▲
SOUTH ATLANTIC REGION	▲	▼	▲
SOUTHWEST REGION	▲	▼	▲
WEST REGION	▼	▲	▲



MULTI-FAMILY

	VACANCY	ABSORPTION	RENTAL RATES
UNITED STATES	▲	▼	▲
MIDWEST REGION	▲	▼	▲
NORTHEAST REGION	▲	▼	▲
SOUTH ATLANTIC REGION	▲	▼	▲
SOUTHWEST REGION	▲	▼	▲
WEST REGION	▲	▼	▲



INDUSTRIAL

	VACANCY	ABSORPTION	RENTAL RATES
UNITED STATES	↔	▲	▲
MIDWEST REGION	↔	▲	▲
NORTHEAST REGION	↔	▲	▲
SOUTH ATLANTIC REGION	↔	▲	▲
SOUTHWEST REGION	↔	▲	▲
WEST REGION	↔	▲	▲

Contents

AL - Huntsville	5	NC - Charlotte	64
CA - Antelope Valley	6	NC - New Hanover County	65
CA - Chico / Oroville	7	OH - Cincinnati MSA	66
CA - Inland Empire/ Victorville	8	OH - Cleveland-Elyria MSA	67
CA - Los Angeles	9	OH - Dayton	68
CA - Los Angeles West	10	OH - Northeast	69
CA - San Diego	11	OK - Oklahoma City MSA	70
CA - San Francisco	12	OR - Deschutes County	71
CA - San Francisco North Bay Area	13	OR - Willamette Valley	72
CA - Temcula	14	PA - Philadelphia	73
CO - Denver	15	SC - Beaufort	74
CO - Grand Junction	16	SC - Charleston	75
CT - Fairfield County	17	SC - Columbia	76
FL - Brevard	18	SC - Greenville	77
FL - Broward County	19	SC - Myrtle Beach	78
FL - Charlotte County Punta Gorda MSA	20	SC - Spartanburg	79
FL - Daytona/Ormond Beach, Volusia County	21	SC - Sumter	80
FL - Florida Keys and Key West	22	TN - Knoxville / East	81
FL - Fort Myers / Cape Coral MSA	23	TX - Amarillo	82
FL - Gainesville	24	TX - Dallas	83
FL - Jacksonville	25	TX - Dallas / Fort Worth	84
FL - Lakeland-Winter Haven	26	TX - Lubbock	85
FL - Manatee County	27	TX - Rio Grande Valley	86
FL - Miami / Dade County	28	TX - San Antonio, Bexar County	87
FL - Naples-Immokalee-Marco Island MSA	29	TX - Southeast	88
FL - NW Florida - Pensacola MSA, Okaloosa/Walton MSA	30	TX - Victoria, Victoria County	89
FL - Orlando	31	UT - Salt Lake City	90
FL - Palm Beach County	32	UT - Utah County	91
FL - Pasco County	33	UT - Washington County	92
FL - Pinellas County	34	VA - Fredericksburg	93
FL - Sarasota County	35	VA - Lynchburg	94
FL - Southwest	36	VA - Northern VA, Shenandoah, Eastern Panhandle WV	95
FL - St Lucie County	37	WA - Seattle	96
FL - Tallahassee	38	DC - Washington	97
FL - Tampa	39	WI - Janesville-Beloit MSA	98
FL - Vero Beach / Sebastian MSA	40	WI - Madison Greater MSA	99
GA - Athens	41		
GA - Atlanta	42		
GA - Atlanta Greater Metro	43	International Markets	
GA - Columbus	44	Argentina - Buenos Aires	101
GA - Macon	45	Bermuda	102
GA - Savannah MSA	46	Canada - Calgary, Alberta	103
GA - Troup County	47	Canada - Edmonton	104
HI - Honolulu	48	Canada - Montreal Greater Area, Quebec	105
ID - Boise	49	Canada - Ottawa, Ontario	106
ID - Boise / Pocatello	50	Canada - Toronto Area Greater, Ontario	107
IL - Bloomington-Normal	51	Canada - Toronto East, Ontario	108
IL - Central	52	Canada - Waterloo Region, Ontario	109
IL - Chicago	53	Canada - Winnipeg, Manitoba	110
IL - Sangamon County	54	France - Paris MSA	111
KY - Shelby County	55	Guatemala	112
KY - South Central	56	Indonesia - Jakarta	113
LA - New Orleans MSA	57	Ireland	114
MA - Boston	58	Italy - Rome	115
MI - Lansing Greater Area	59	Mexico - Mexico City	116
MS - Gulf Coast (Harrison/Hancock/Jackson County)	60	Netherlands - Amsterdam	117
NJ - Northern	61	Spain	118
NY - Long Island	62	St Kitts and Nevis	119
NY - New York City	63	United Kingdom - London	120
		Uruguay - Montevideo	121

Huntsville, AL



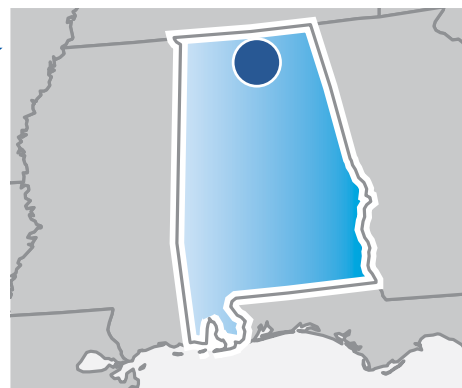
DEMOGRAPHICS

POPULATION
OF MSA // **449,720**

HOUSEHOLDS
MEDIAN INCOME // **\$58,238**

HOUSEHOLDS
IN MSA // **175,549**

UNEMPLOYMENT
RATE OF MSA // **2.9%**



MARKET HIGHLIGHTS

- Major tenants including the Toyota/Mazda auto plant will bring in 4,000 direct jobs (perhaps 16,000 jobs total) and \$1.6 billion in capital investment. In addition, the FBI plans to relocate 4,000 jobs to Huntsville.
- Tremendous job growth in general with 23,912 jobs and \$4.04 billion capital investment since 2009.
- Construction includes: MidCity (Mixed-Use), City Centre (Mixed-Use), Constellation (Mixed-Use), Merchants Square (Retail), other retail development.
- Although supply has been limited in the residential market, there have been many sales.
- In this market, there is national demand based on job growth, quality of life, and good local government.

INTERESTING FACT: Huntsville built the Saturn V rocket that went to the moon, and is now building governmentally and privately advanced space launch vehicles.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Antelope Valley, CA



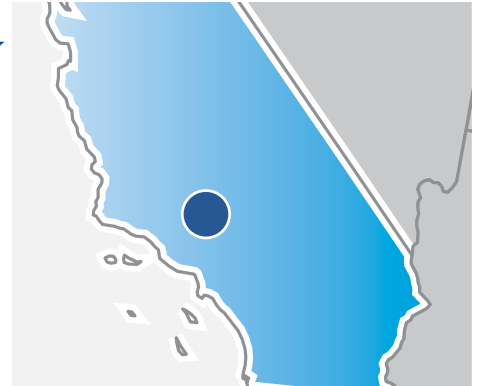
DEMOGRAPHICS

POPULATION
OF MSA // **341,825**

HOUSEHOLDS
MEDIAN INCOME // **\$70,058**

HOUSEHOLDS
IN MSA // **103,320**

UNEMPLOYMENT
RATE OF MSA // **3.9%**



MARKET HIGHLIGHTS

- BYD, one of the top electric vehicle manufacturers in the world, completed construction on an additional 450,000 SF of assembly/production space.
- Northrop Grumman broke ground on a new 340,000 SF manufacturing facility to accommodate production of the new B-21 Bomber.
- Antelope Valley Community College completed construction on 50,720 SF satellite campus in Palmdale.

INTERESTING FACT: The Antelope Valley is rich in aviation history and home to the first licensed inland space port in the US, "Mojave Air and Space Port"! It is also home to Edwards Air Force Base (formerly Muroc AFB) and AF Plant 42, which includes major aerospace manufacturing facilities for Lockheed Martin, Northrop Grumman, & The Boeing Company.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	↔	▲	▲
RENTAL RATES	↔	↔	▲	▲

Chico / Oroville, CA



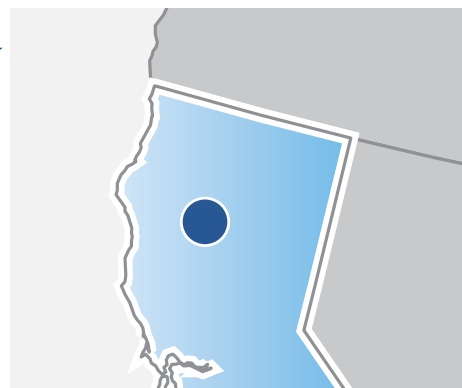
DEMOGRAPHICS

POPULATION
OF MSA // **226,864**

HOUSEHOLDS
MEDIAN INCOME // **\$45,177**

HOUSEHOLDS
IN MSA // **85,531**

UNEMPLOYMENT
RATE OF MSA // **5.1%**



MARKET HIGHLIGHTS

- Chico and Oroville are thriving. Total sales tax revenue in Chico has risen for six quarters in a row and is now well over \$5.4 Million per quarter.
- Micro-breweries and tap rooms are opening up in Chico. Park Avenue is becoming an emerging brewery and distillery district.
- Reconstruction of the Oroville Dam Spillway is pumping hundreds of millions of dollars into the local economy. A new Super Walmart is opening and Harbor Freight, Ross Dress For Less, and Smart and Final are coming soon at the old Walmart location.
- Meriam Park, a 270-acre mixed-use development, is well under way in Chico. A new Veterans Administration Medical Clinic, a Foundation building and other office buildings are under construction and near completion.
- Single-Family Residential and Multi-Family sales and development remain a hot asset class in the University Town of Chico. Several new state-of-the-art student housing projects are about to hit the market for lease. Warehouse space remains scarce with little vacancy and rising lease rates. Office and Retail absorption continues and vacancy and lease rates are strengthening.

INTERESTING FACT: Chico's Bidwell Park is the ninth-largest municipally-owned park in the United States. Sierra Nevada Brewing Company, the second-largest craft brewer in the country is based in Chico. The National Yo-Yo Museum in Chico includes the world's largest functional yo-yo.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	N/A	▼
ABSORPTION	▲	▲	N/A	▲
RENTAL RATES	▲	▲	N/A	▲

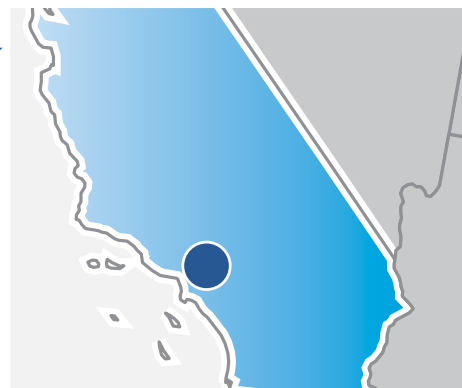
Inland Empire/ Victorville, CA



DEMOGRAPHICS

POPULATION OF MSA // **4,527,837** HOUSEHOLDS MEDIAN INCOME // **\$58,236**

HOUSEHOLDS IN MSA // **1,348,213** UNEMPLOYMENT RATE OF MSA // **4.1%**



MARKET HIGHLIGHTS

- The Retail sector experienced net absorption of 287,490 SF in 2017, including new deliveries of 327,124 SF of space. The Retail vacancy rate declined 40 basis points, ending 2017 at 9.2%. Retail will continue to expand in 2018, primarily focused in or near regional centers, with 231,067 SF currently under construction.
- The Industrial sector had net absorption of 92,021 SF. The asking lease rates increased from \$9.69/SF, ending 2016, to \$11.57/SF ending 2017. The effective vacancy rate, excluding functional and locational obsolete properties, is 4.5% with virtually no inventory under 50,000 SF. The Industrial market will continue to expand in 2018.
- The Office sector, which has been relatively stable with modest growth during the recovery, experienced an increase in vacancy, ending 2017 at 5.5%, a fifty-basis points increase over 2016. Absorption of space was negative with 29,948 SF absorbed in 2017.
- Land activity increased significantly, reporting a 31.7% increase in sales volume over 2017, and a 13.2% increase in transactions. Land transactions are expected to increase in 2018, with a focus on Industrial and Residential parcels.
- The median sales price of a resale home in the Victor Valley ended 2017 at \$235,000, a 10.5% increase over 2016. Inventory remains tight with only 2.2 months of inventory, and limited new housing starts. New housing starts increased 17.4% year over year and are anticipated to expand further in 2018.

INTERESTING FACT: The Victor Valley has consistently been one of the fastest growing communities in the United States.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▼	▲
ABSORPTION	▼	▲	▲	▼
RENTAL RATES	↔	▲	▲	▲

Los Angeles, CA



DEMOGRAPHICS

POPULATION OF MSA // **13,310,447** HOUSEHOLDS MEDIAN INCOME // **\$65,950**

HOUSEHOLDS IN MSA // **4,337,807** UNEMPLOYMENT RATE OF MSA // **3.9%**



MARKET HIGHLIGHTS

- **Industrial:** This sector has persistent demand but low supply. The metro ranks as one of leaders in rent gains in the U.S. Being a primary entry point for goods manufactured in Asia, things will remain busy. UPS leased more than 500,000 SF in Compton. Best Buy entered into a deal to take 480,000 SF at Brickyard.
- **Office:** This sector has kept its momentum, and rent growth is well above national average. Westside has been attracting tenants from media, tech, and creative industries. New supply in the form of redevelopment or conversion is expected to peak in 2018. Tech giants like Google, Facebook, and Amazon are increasing footprints, which has helped grow areas like Marina Del Rey, Venice and Culver City.
- **Downtown's Arts district** is also benefitting from the growth as many of its warehouse products are ready for conversion to office. West LA and Hollywood are also hotbeds for conversion.
- **Retail:** This sector has been growing strong with decreasing vacancies and rent growth. Large deliveries during 2017 were met with open arms in the later part of the year. Westwood posted the strongest rent growth with high-end stores, malls and luxury storefronts. Downtown's Circa and Oceanwide Plaza are seeing mixed-use developments. IKEA opened its largest store of 470,000 SF in Burbank in 2017.
- **Multi-Family:** LA is a favorite target of investors as more than 50% of residents rent their homes. Speculative development in the southern part of the metro as high-profile projects like the NFL stadium in Inglewood and the Lucas Museum of Narrative Art in Exposition Park are planned. Vacancy levels were tight in 2017 with record absorption.

INTERESTING FACT: Los Angeles was originally named "El Pueblo de Nuestra Señora la Reina de Los Angeles del Río de Porciuncula", which translates to "The town of our Lady Queen of the Angels of the Porciuncula River."



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▲
ABSORPTION	▲	▲	▲	N/A
RENTAL RATES	▲	▲	▲	▲

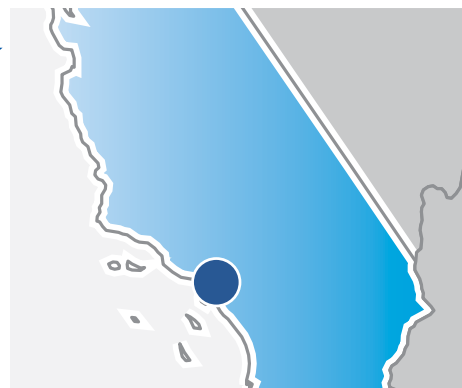
Los Angeles West, CA



DEMOGRAPHICS

POPULATION OF MSA // **13,310,447** HOUSEHOLDS MEDIAN INCOME // **\$65,950**

HOUSEHOLDS IN MSA // **4,337,807** UNEMPLOYMENT RATE OF MSA // **3.9%**



MARKET HIGHLIGHTS

- West L.A. is consistently strong as a home to entertainment and technology businesses. "Silicon Beach" remains in high demand which includes Santa Monica, Venice and Playa Vista. Major drivers include Facebook, Google, Amazon, Apple, AT&T/HBO, and Netflix. Culver City is on fire with major lease signings including Apple expansion and Amazon signing a lease for studio space.
- Vacancy has been flat over the last year and remains at 7.9% for Office and 3.7% for Retail.
- Google is in the process of converting the old Spruce Goose hangar in Playa Vista into office space.
- Mixed-use development is hot. Land prices are at all time highs. There is high demand for apartments and a major housing shortage in West L.A.
- Creative office is in high demand. Traditional "1980s" offices are less desirable.

INTERESTING FACT: This is the entertainment capital of the world. L.A. is #1 city for investment by overseas buyers.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

VACANCY	↔	↔	↔	↔
ABSORPTION	↔	↔	↔	↔
RENTAL RATES	↔	↔	↔	↔

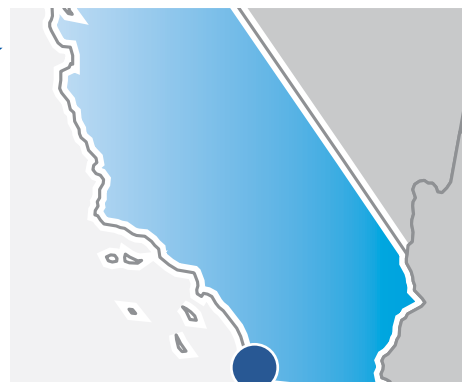
San Diego, CA



DEMOGRAPHICS

POPULATION OF MSA // **3,317,749** HOUSEHOLDS MEDIAN INCOME // **\$70,824**

HOUSEHOLDS IN MSA // **1,110,568** UNEMPLOYMENT RATE OF MSA // **3.3%**



MARKET HIGHLIGHTS

- There are roughly 2,250 new apartments opening in San Diego County this year.
- The housing market reached new price peaks in 2017, shattering records left over from the 2005 housing boom.
- A San Diego company brokering the sale of two multi-million dollar homes in the affluent community says it will accept bitcoin as payment.
- Former Chargers Stadium is now on the Ballot for San Diego State University's Mission Valley stadium project
- New office rents in UTC soar to over \$50 / SF.

INTERESTING FACT: San Diego County's economy finished strong in 2017, led by low unemployment and an uptick in residential construction.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▲	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

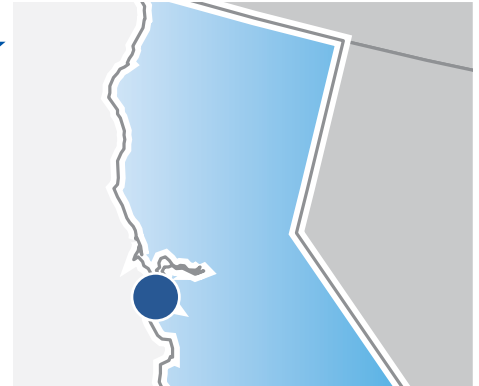
San Francisco, CA



DEMOGRAPHICS

POPULATION OF MSA // **4,679,166** HOUSEHOLDS MEDIAN INCOME // **\$96,677**

HOUSEHOLDS IN MSA // **1,691,781** UNEMPLOYMENT RATE OF MSA // **2.7%**



MARKET HIGHLIGHTS

- **Industrial:** This sector is seeing tight vacancy. Most of the warehouses are localized. Tenants include food distributors, select retailers and delivery services like USPS and FedEx. Rents are higher, which is a norm for San Francisco. Genentech is demolishing old industrial buildings to build Flex R&D properties in South San Francisco.
- **Office:** Tech Tenants who drive San Francisco's economy are also fueling strong leasing volume and positive net absorption. More than 3 million SF was delivered in the past 36 months. The vacancies in San Francisco are low. Many big tenants are moving into larger spaces and are offering existing spaces for sublease.
- **Office:** Fitbit took over the entire 310,000 SF space offered by Charles Schwab. Similarly, Salesforce, Dropbox and LinkedIn all have offered large blocks of space while moving into larger offices. Many tenants are moving to East Bay where rents are 40% lower.
- **High-end retailers** in San Francisco are moving to downtown and the rents are above the national average. The metro's Retail vacancy rate is one of the lowest in the nation, forcing tenants to move into whatever is available. Safeway moved into Fairmont Shopping Center and Living Spaces moved into 90,000 SF in Millbrae Square. With scarce land, the metro is seeing limited Retail construction.
- The Multi-Family sector continues to benefit from a strong local market as well as a tight labor market, resulting in rent growth compared to the rest of the nation. The demand for Multi-Family remains healthy, but developers may slow down on new projects from now until 2020. Major concentrations continue to be in South of Market, followed by West San Francisco and Civic Center/Downtown.

INTERESTING FACT: The color of the Golden Gate Bridge is called International Orange. It is actually a sealant but the architect loved it more than the other options, so he selected it as the official color.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

San Francisco North Bay Area, CA



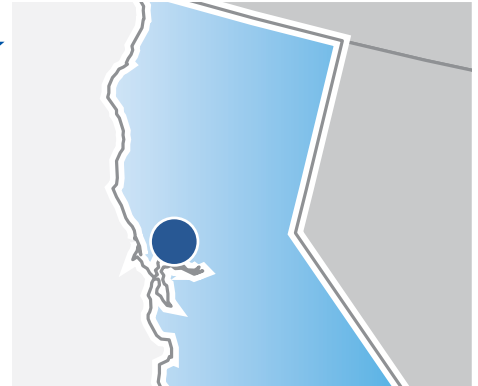
DEMOGRAPHICS

POPULATION
OF MSA // **140,295**

HOUSEHOLDS
MEDIAN INCOME // **\$75,513**

HOUSEHOLDS
IN MSA // **49,619**

UNEMPLOYMENT
RATE OF MSA // **3.6%**



MARKET HIGHLIGHTS

- Commercial properties across the board are in short supply and increasing in price. New hotel properties continue to open to fill the need for additional accommodations.
- Inventory is low and demand is increasing, in part due to recent fires. The legalization of cannabis also is increasing demand for suitable properties.
- The renovation of downtown Napa is continuing with the opening of new hotels and retail space.
- The Residential market also has been tightened by a lack of inventory, a problem that was exacerbated by the recent fires. Increased demand has kept prices steady.
- A recent change to California law aimed at increasing the availability of affordable housing should lead to an increase in second unit construction. It is estimated take several years to see the full benefits of the change.

INTERESTING FACT: The fires in the Fall of 2017 caused a temporary slowing of tourist traffic and a corresponding rise in hotel vacancies and retail revenue. As Spring arrives, the hillsides are once again green and the tourist flow is resuming. The wine and tourism industries continue to show signs of strong growth.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

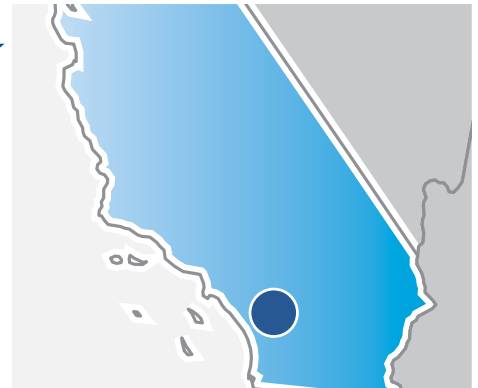
Temecula, CA



DEMOGRAPHICS

POPULATION OF MSA // **4,527,837** HOUSEHOLDS MEDIAN INCOME // **\$58,236**

HOUSEHOLDS IN MSA // **1,348,213** UNEMPLOYMENT RATE OF MSA // **4.1%**



MARKET HIGHLIGHTS

- Vacancy rates for Industrial have reached an all-time low.
- Office is finally rebounding with vacancy rates sub-10% and rising rental rates.
- Several development projects in Downtown Temecula have spurred new life and energy in the Downtown district.
- Several new Medical Office developments have been completed and are bringing many new health care providers to the market, including: UCSD, Rady Children's, and RUHS.
- Several new Retail developments are underway in growth areas.

INTERESTING FACT: The Temecula Valley Wine Country has become a \$300+ million annual industry and many are predicating 30+ additional wineries in the next few years.



OFFICE



RETAIL



MULTI-FAMILY



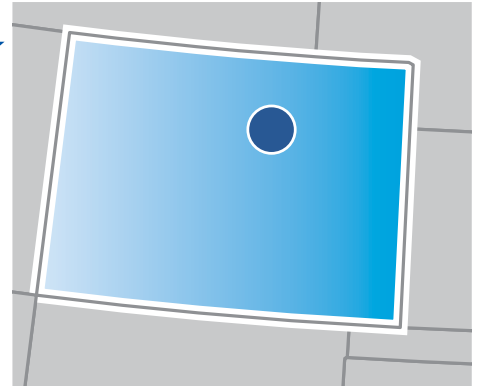
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	↔	▲
RENTAL RATES	▲	▲	▲	▲

DEMOGRAPHICS

POPULATION OF MSA // **2,853,077** HOUSEHOLDS MEDIAN INCOME // **\$71,926**

HOUSEHOLDS IN MSA // **1,091,571** UNEMPLOYMENT RATE OF MSA // **2.9%**



MARKET HIGHLIGHTS

- **Industrial:** Denver has become one of the hottest Industrial markets in the U.S. A strong local economy with growth in employment and industrial production has created explosive growth. Additionally, the rise of the marijuana industry has created additional demand. Amazon has a big presence in the metro with a footprint of 2.4 million SF. The rents in the market have reached record highs.
- **Office:** A well-diversified economy and highly educated labor has attracted players from tech, telecommunications and finance that has helped to capitalize on office space demand. The leasing activity is robust especially downtown. New construction is attracting tenants like We Work, Chipotle and DaVita Healthcare.
- **Retail:** This sector is showing continued stability with growth in population, employment and increased buying power. There is a lack of new supply that has kept vacancies at historic lows. Rents are growing 5% annually. Recent deliveries include various locations anchored by grocers including Whole Foods, Sam's Club, Sprouts, etc.
- **Multi-family:** The growth in the MF sector is tied to employment and migration. Denver has been a sought-after destination among educated millennials. Denver suburbs are seeing tight vacancies. All the markets in Aurora and Northeast Adams County are posting tight vacancy levels. However, higher ends of the market are seeing slowdowns and are turning to concessions to lure tenants.

INTERESTING FACT: Denver is nicknamed the "Mile High City" because it sits exactly one mile above sea level. Also, the 13th step of the capitol building in Denver is exactly one mile high above sea level.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▲	▼
ABSORPTION	▲	▲	N/A	▲
RENTAL RATES	▲	▲	▲	▲

Grand Junction, CO



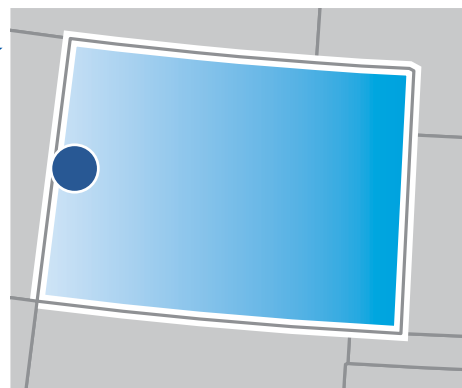
DEMOGRAPHICS

POPULATION
OF MSA // **150,083**

HOUSEHOLDS
MEDIAN INCOME // **\$48,846**

HOUSEHOLDS
IN MSA // **60,188**

UNEMPLOYMENT
RATE OF MSA // **4.3%**



MARKET HIGHLIGHTS

- Most of Western Colorado showed steady drops in vacancy rates in the Office and Industrial markets. Since January 2017, approximately 500,000 SF of Industrial warehouse has either leased or sold. The Multi-Family market heated up in the last half of the year while Retail activity has remained steady. These trends are expected to continue through 2018 and into 2019.
- For Mesa County, the total dollar volume of sales for all property types in 2017 increased 17% year-over-year ending at \$1.28 billion. Eagle County (Vail) experienced \$2.27 billion in total sales volume, the highest since pre-recession 2007. Other popular resort markets including Aspen and Steamboat Springs experienced gains as well in both commercial and residential.
- Although demand for space has increased lately, lease rates in Grand Junction have remained affordable compared to other cities. Retail spots can be rented for \$12 to \$25/SF NNN while Industrial is generally \$7 to \$12/SF NNN. Office rates can be found in the \$12-\$25+/SF full service.
- Last year the City of Grand Junction enjoyed an increase in development applications showing a 12% gain from 2016. The growth trend for new construction in the community should continue this year. The City's development of the 130-acre Las Colonias Park along the Colorado River is primed to attract new businesses for years to come.
- The abundance of natural gas on the Western Slope of Colorado has provided Mesa County and surrounding areas with good paying jobs in the oil and gas industry. Tourism is also becoming a boon for the area with easy access to world class hiking and biking trails, the Colorado National Monument, and award winning wineries. Grand Junction is also the western hub for State of Colorado services.

INTERESTING FACT: Recently the locally held "Colorado Mountain Winefest" was named best wine festival in the nation by USA Today.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	↔	▼	▼
ABSORPTION	▲	↔	▲	▲
RENTAL RATES	▲	↔	▲	↔

Fairfield County, CT



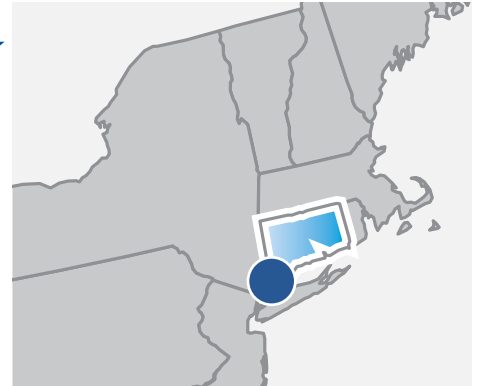
DEMOGRAPHICS

POPULATION
OF MSA // **944,177**

HOUSEHOLDS
MEDIAN INCOME // **\$90,123**

HOUSEHOLDS
IN MSA // **335,318**

UNEMPLOYMENT
RATE OF MSA // **3.8%**



MARKET HIGHLIGHTS

- Industrial Market: Fairfield County Industrial Market ended the 4th quarter 2017 with a vacancy rate of 7.0%, down from 9.3% at the end of 2016.
- Industrial Market: Tenants moving into large blocks of space in 2017 were Cooper Surgical, 80,400 SF at 50 Corporate Dr, Black & Decker, 46,500 SF at 60 Backus Ave.
- Industrial Market: Largest lease signings in 2017 were A to Z Supply, 127,000 SF, 710 Bridgeport Ave., Shelton, NBC Universal, 115,000 SF at 35 Corporate Drive, and Monroe Black & Decker, 46,500 SF at 60 Backus Ave., Danbury.
- Office Market: Fairfield County Office Market ended the 4th Qtr., 2017 with a vacancy rate of 14.1%, up from 13.3% from same time 2016. Tenants moving into large blocks of space in 2017 include Bridgewater Associates, 77,072 SF, 45 Glover Ave., Nwlk, Octagon Worldwide, 61,578 SF at 290 Harbor Dr., Stamford and PartnerRE Ltd., 59,674 SF, Stamford.
- Fairfield County Retail market experienced a slight improvement in market conditions in Q4 2017, decreasing from 3.9% to 3.6%. Tenants moving into large blocks of space in 2017 include: Nordstrom Rack, 52,735 SF and Iplic Theater, 42,058 SF at 467 West Ave and Anthropologie, 42,000 SF at 59 Post Road.

INTERESTING FACT: Fairfield County has the largest number of Fortune 500 corporate headquarters.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▼	▼
ABSORPTION	▼	▲	▲	▲
RENTAL RATES	▼	▲	▲	▲

Brevard, FL



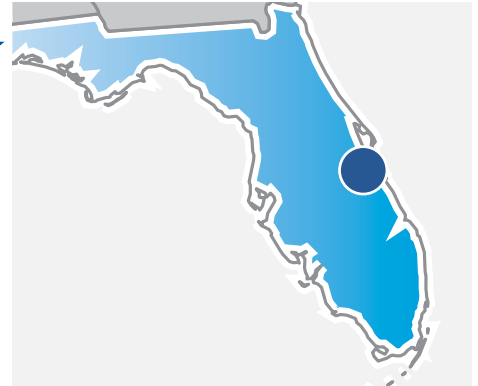
DEMOGRAPHICS

POPULATION OF MSA // **579,130**

HOUSEHOLDS MEDIAN INCOME // **\$51,184**

HOUSEHOLDS IN MSA // **226,021**

UNEMPLOYMENT RATE OF MSA // **3.7%**



MARKET HIGHLIGHTS

- Grumman is expanding with over 1M SF of new facilities and hiring over 3,000 for Stealth Bomber contract. Blue Origin moves into new 750,000 SF rocket manufacturing facility. One Web & Space X are expanding at Exploration Park at Space Center.
- Vacancies in all commercial sectors are rapidly falling due to the influx of new aerospace, aviation and hi tech jobs. Millions of SF of retail has been constructed over the past year with more planned for 2018. Over 8 new hotels are under construction.
- Port Canaveral is now the 2nd largest passenger cruise port in the world. It just approved a \$2.5B master plan for expansion, which will include several new \$100 terminals for mega ships of over 6,500 passengers.
- Thousands of new homes are being constructed to try to keep pace with the new job influx. There is less than 2 months of inventory on MLS.
- Two new major Interchanges are under construction on I-95, in south Palm Bay & Viera. New Heritage Pkwy beltway is under construction to take pressure off of I-95.

INTERESTING FACT: Brevard is home to over 17 Fortune 500 Companies including the world HQ of Harris Corp. Embaer manufactures 3 lines of private jets in Melbourne with major expansion underway. Port Canaveral is expected to be the number one cruise ship passenger Port by the end of 2018.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

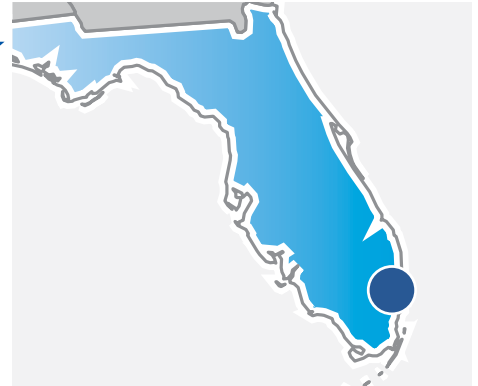
Broward County, FL



DEMOGRAPHICS

POPULATION OF MSA // **6,066,387** HOUSEHOLDS MEDIAN INCOME // **\$51,362**

HOUSEHOLDS IN MSA // **2,098,686** UNEMPLOYMENT RATE OF MSA // **3.9%**



MARKET HIGHLIGHTS

- Employment growth continues in Broward County due to gains in low-wage sectors as well as white-collar industries. In regards to new company entry into the area, KEMET Corp plans to relocate its U.S. headquarters from Greenville, South Carolina to downtown Fort Lauderdale. It will move into a 64,095 SF lease, where it will house over 150 employees.
- A drop in vacancy rates has accompanied high population growth in Broward. This is particularly true in more affordable spaces as lower-wage individuals are making up the majority of the population growth at this time.
- A major project has been proposed in Coral Spring's new downtown district. The plan is to replace an Office tower with a large-scale mixed-use building. The cost of this project will be approximately \$152.4 million. On the Office front, the Broward market has seen a good share of built-to-suit projects including American Express's newly completed 400,000 SF Sunrise Office.
- Fort Lauderdale, like all of South Florida, is benefitting from sizable population growth. The majority of resident influx are workers with low-wage jobs. This has meant a higher demand for affordable housing and lower-tier apartments.
- The leisure and hospitality industries are seeing gains in response to growing tourism in the area. Fort Lauderdale benefits from Miami's tourism spillover in addition to having its own organic draws.

INTERESTING FACT: Fort Lauderdale is home to more than 100 marinas and 50,000 registered yachts. It's also the site of the Fort Lauderdale International Boat Show, the largest in the world.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▲	▼
ABSORPTION	↔	↔	↔	↔
RENTAL RATES	▲	▲	▲	▲

Charlotte County Punta Gorda MSA, FL



DEMOGRAPHICS

POPULATION
OF MSA // **178,465**

HOUSEHOLDS
MEDIAN INCOME // **\$44,200**

HOUSEHOLDS
IN MSA // **75,147**

UNEMPLOYMENT
RATE OF MSA // **3.2%**



MARKET HIGHLIGHTS

- Multi-Family in 2016 delivered 55 units with an absorption of 45 units. Absorption in 2017 was negative with a vacancy rate of 2 to 2.5% Rents have been on the incline since 2013, with a spike in 2015 and leveling in 2016 and 2018.
- Office delivery was minimal in owner occupied space. Vacancy dropped from 8% in 2016 to 6.5% in 2017 while rental rates dropped from \$14.30 in 2016 to \$13.25 in 2018. Net absorption dropped a full percentage point to 7.5% in 2017. The Office demand in this MSA is dropping as more employees are working remotely and the larger spaces are in the past.
- Industrial is the strong product in this MSA with no new deliveries since 2015. The demand is high and supply is low. Rates have jumped almost 1% from \$4.75 PSF in 2016 to \$8.75 PSF in 2017. Currently, no new spec product is in the pipe line. This is certainly a landlord's market.
- Prime Retail absorption increased over 2016 three fold while vacancy plummeted from 4.5% to 2%. No new product has been delivered in the marketplace since 2014.
- CAP rates for the Punta Gorda MSA typically are north of 8% and provide good opportunities for the smaller family investor as the major investors tend to ignore this small marketplace and MSA.

INTERESTING FACT: Sunseeker Resorts and Allegiant Air have ventured into a 22 acre water front Resort Community development on the banks of the Charlotte Harbor. Construction is expected to start in 2018 with an opening planned for late 2019. This confidence of such a high profile development will bring new opportunities to this community and investors.



OFFICE



RETAIL



MULTI-FAMILY



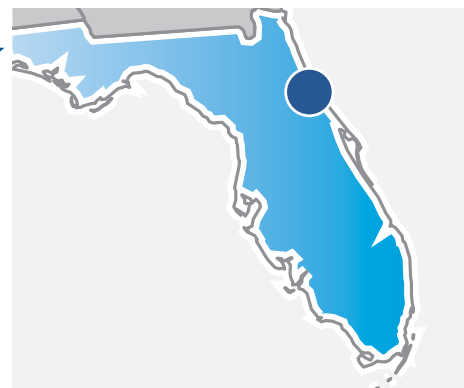
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▼	▲	▼	▼
RENTAL RATES	▼	▲	▲	▲

Daytona/Ormond Beach, Volusia County, FL



DEMOGRAPHICS



POPULATION
OF MSA // **637,674**

HOUSEHOLDS
MEDIAN INCOME // **\$46,090**

HOUSEHOLDS
IN MSA // **255,350**

UNEMPLOYMENT
RATE OF MSA // **3.8%**

MARKET HIGHLIGHTS

- The Greater Daytona Beach area has been discovered by outside developers. Latitude Margaritaville, a Jimmy Buffett, phase one 6,000 home community, is now under construction. One Daytona is up and running and has proven it will be one the states best life style centers, far different than anything that has recently been built in the state.
- Vacancy rates are at a all time low. There is a need for new product due to the fact the occupancy rates are finally come back to where new construction is needed.
- Construction permits and the construction industry is booming . The World's Famous Buckees, with a 55,000 SF store and 150 gas pumps for cars only, will be building its first location outside the state of Texas.
- Running out of housing inventory, some feel like there is only about a month of inventory. If a house is priced at market rate, one should have a contract with 2 to 3 weeks.
- What makes this market attractive is a unique location at the intersection of the two largest interstates in Florida , I-4 and I-95, Great flights out of Dayton Beach International Airport and its closeness to Orlando, Sanford, and Jacksonville Airports.

INTERESTING FACT: The Daytona International Speedway is like having 5 Super Bowls throughout the year. The World's Most Famous Beach is not only an attraction but has become the home to a New Hard Rock Resort. A one of a kind Signature Marriott will be opening at One Daytona that will have one of the largest wrap around TV screen around the bldg.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Florida Keys and Key West, FL



DEMOGRAPHICS



POPULATION
OF MSA // **79,077**

HOUSEHOLDS
MEDIAN INCOME // **\$65,717**

HOUSEHOLDS
IN MSA // **30,318**

UNEMPLOYMENT
RATE OF MSA // **3.4%**

MARKET HIGHLIGHTS

- The Florida Keys and Key West are a tourism based economy and enjoy the highest ADR and Occupancy in the US as a result of its unique location, great weather and unparalleled environment. All segments of the commercial market have fully rebounded from Hurricane Irma and The Keys are fully functioning and operational.
- Because growth is strictly limited to preserve the unique environment, new development is based on demand, so occupancies are very high.
- Most new construction is in the form of redevelopment of existing facilities. Redevelopment of over 500 hotel rooms is taking place currently which will upgrade these properties and continue to increase ADR's.
- New residential development is also strictly controlled. Only about 300 new homes can be constructed annually in the Florida Keys and Key West. There are strong initiatives underway to build more affordable housing to accommodate the workforce which was especially hit hard by hurricane Irma.
- There is a continuing and growing trend for more homes entering the vacation rental market. This trend is very positive to the retail, restaurant and even hospitality markets as these visitors eat out often and spend money in local retail stores. This trend has not shown a negative impact on hotel and motel occupancy or rates.

INTERESTING FACT: The Florida Keys and Key West are a 100 mile long string of islands connected by 42 bridges with a compelling cultural history and beautiful natural history. It is easily accessible from mainland Florida by car or scheduled airline. The Keys has the only living coral reef in the US with great watersports opportunities year round.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	▼	▼	▼
ABSORPTION	↔	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Fort Myers / Cape Coral MSA, FL



DEMOGRAPHICS

POPULATION
OF MSA // **722,336**

HOUSEHOLDS
MEDIAN INCOME // **\$52,909**

HOUSEHOLDS
IN MSA // **261,735**

UNEMPLOYMENT
RATE OF MSA // **3.6%**



MARKET HIGHLIGHTS

- The Fort Myers - Cape Coral MSA continues to improve and grow. The permanent population stands at 704,989 and is expected to top 800,000 in the next five years. The Golisano Children's Hospital of Southwest Florida opened this year and is the first full service children's hospital serving the region outside of Miami and Tampa.
- The Industrial market continues to improve and grow with a total of 31,962,793 SF and positive net absorption of 298,479 SF. The vacancy rate dropped to just 2.5%, with an average rental rate of \$7.88/SF. The MSA continues to benefit from the high rates and low vacancy in the neighboring Naples-Immokalee-Marco Island MSA, which has 0.8% vacant Industrial space with an average rent of \$12.40/SF.
- The Office market continues to do well with a total of 19,962,712 SF and 107,476 added in 2017. Average rents stand at \$13.34/SF and a vacancy rate of just 6.5%.
- The MSA's Retail market continues to improve from the downturn and now totals 46,242,898 SF with an additional 411,634 SF added in 2017 and another 212,247 SF presently under construction. Vacancy stands at just 4.9% with an average base rent of \$14.50/SF.
- The Southwest Florida International Airport (RSW) and the Florida Gulf Coast University (FGCU) continue to grow and add to the regions dynamic growth and prosperity. RSW opened in 1983 and in 2017 handled almost 9,000,000 passengers. FGCU celebrated its 20th anniversary in 2017 and now has a student population of almost 15,000. FGCU earned the nickname "Dunk City" after making the Sweet 16 in 2013.

INTERESTING FACT: Harvey Firestone, Thomas Edison and Henry Ford all had winter homes in downtown Fort Myers along the Caloosahatchee River. Today Thomas Edison's and Henry Ford's homes are popular museums and there is an annual "Festival of Lights" parade to celebrate Edison.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Gainesville, FL



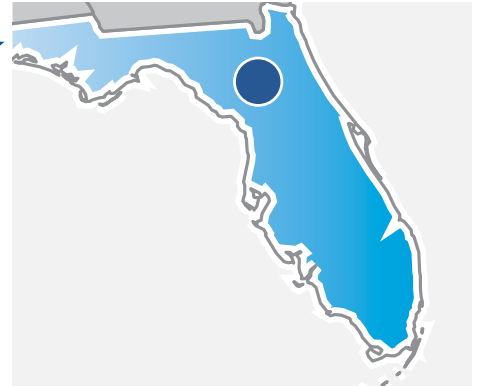
DEMOGRAPHICS

POPULATION
OF MSA // **281,796**

HOUSEHOLDS
MEDIAN INCOME // **\$45,279**

HOUSEHOLDS
IN MSA // **100,985**

UNEMPLOYMENT
RATE OF MSA // **3.2%**



MARKET HIGHLIGHTS

- The median Office lease is only 1,500 SF due to being a tertiary market. The lease rate has climbed to \$15.00/SF gross and the median time on market is 110 days. Office sales have climbed to \$123/SF with a median of only 2,000 SF per deal. The biggest issue is a tremendous lack of supply, which will continue to drive prices for nice, well located Offices upward.
- The median Industrial lease is only 2,400 SF. The lease rate has climbed to \$8.45/SF gross and the median time on market is 123 days. There were so few Industrial sales in 2017, reliable statistics for averaging aren't warranted. Typically, you can expect Industrial deals to close between \$45-65/SF. Again, there is a very low supply of spaces for lease or sale.
- The median Retail lease is 2,265 SF with a \$17.00/SF NNN lease rate. Any listing within a grocery anchored center or remotely good location is leased within 3 months and most of the time sooner. The vacancies you do see are in B location smaller strip or neighborhood centers, however even those don't last long when priced appropriately. As expected, supply in retail is also an issue.
- Multi-Family is extremely sought after in the market but there are very few opportunities that arise during any given year. There have only been 15 sales over 50 units in the trailing 24 months ending Dec '17. Meanwhile, Gainesville is a target market for thousands of investors from around the world. The median sales price was \$78,000/unit for the T12 ending December 2017.
- There is tremendous demand for student housing development land within walking distance to the University of Florida. Numerous projects are in the works with average land values in the \$7-8 million per acre price range. These deals never hit the open market.

INTERESTING FACT: Home to Top 10 University of Florida and Santa Fe College. The city features several public parks, lakes, walking trails and Ichetucknee Springs State Park. Education, tourism and transportation are the economy drivers. Gainesville has top notch healthcare provided by Shands HealthCare and North Florida Regional Medical Center.



OFFICE



RETAIL



MULTI-FAMILY



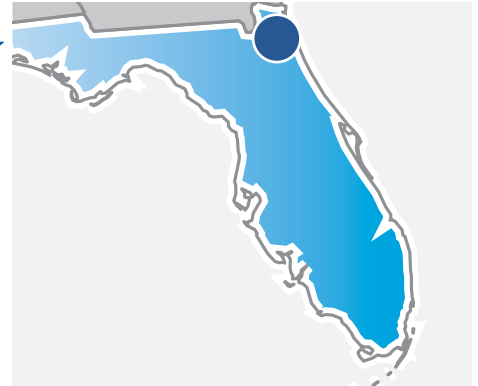
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	↔	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

DEMOGRAPHICS

POPULATION OF MSA // **1,478,212** HOUSEHOLDS MEDIAN INCOME // **\$56,840**

HOUSEHOLDS IN MSA // **551,172** UNEMPLOYMENT RATE OF MSA // **3.4%**



MARKET HIGHLIGHTS

- Amazon opened its first fulfillment center in Jacksonville providing 1,500 new jobs at 12900 Pecan Park Road. This center handles small package items. A second fulfillment center opened in late 2017 in the westside (103rd Street) with 1,000 new jobs handling large packages. Amazon also opened a 63,000 SF delivery station on Alta Road for the "last mile" delivery of packages to consumers.
- Jaxport opened its new Intermodal Container Transfer Facility (ICTF) at Dames Point serving both the Blount Island Terminal and the TraPac Container Terminal at Dames Point, providing direct transfer of containers between vessels and trains. It reduces trucks on the road and drayage costs while speeding up process / delivery. 400 TEU's will be processed by two unit trains inbound / outbound.
- JEA announced the shutdown of its northside "St John" Power Plant facility across from Blount Island. The land will eventually be repositioned / redeveloped for more industrial and office space.
- Web.com Group, Inc., a leading global provider of Internet services and online marketing solutions for small businesses, announced a new corporate headquarters that will be developed for occupancy by the spring of 2019. Located at 5379 Gate Parkway, the 18-acre site will host a 6-story, 218,700 SF office building with parking for 1,200 and an open floor plan with collaborative workspaces.
- FDOT completed the development of International Airport Road connecting it to Pecan Park Road and a north connection to I-95, improving both commercial and consumer traffic flow to the Airport and the Tradeport Complex Industrial Park. It will help spur more industrial development along this new International Airport Road and in the Tradeplex.

INTERESTING FACT: Jacksonville is the largest city in the continental United States with over 840 square miles.



OFFICE



RETAIL



MULTI-FAMILY



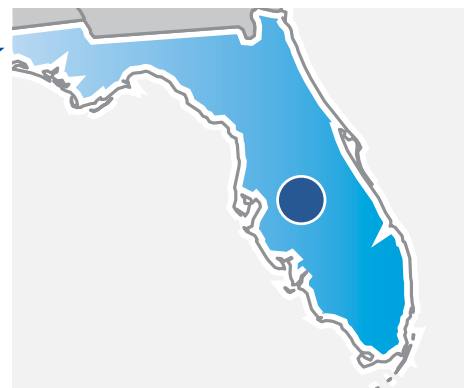
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▼	▼
ABSORPTION	▼	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Lakeland-Winter Haven, FL



DEMOGRAPHICS



POPULATION
OF MSA // **666,149**

HOUSEHOLDS
MEDIAN INCOME // **\$46,355**

HOUSEHOLDS
IN MSA // **226,429**

UNEMPLOYMENT
RATE OF MSA // **4.1%**

MARKET HIGHLIGHTS

- Continued warehouse expansion: Amazon, Walmart, Saddle Creek. Lakeland-Winter Haven is benefiting from being the “center of Florida”, over 20 million population within 5 hours.
- Population and employment growth continues. The I-4 corridor is less than 30% of the population of Florida and over 36% of the growth. The Lakeland-Winter Haven market is the middle of the I-4 corridor.
- New retail is led by the 2nd phase of the Ramco Gershenson Lakeland Park Center; totaling almost 600,000 SF.
- Residential construction is almost 5,000 units annually. Strong demand for apartments; supply is lagging demand.
- Lakeland-Winter Haven is benefiting from continued tourism impact of LEGOLAND Florida. New SunTrax, a 400 acre FL Dept of Transportation test track in conjunction with Florida Polytechnic University will fuel growth in autonomous navigation and related technology.

INTERESTING FACT: Florida Southern College is recognized as one of the leading business schools in the Nation, is located on the shores of Lake Hollingsworth, and has the largest collection of Frank Lloyd Wright architecture in the world.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Manatee County, FL



DEMOGRAPHICS

POPULATION
OF MSA // **375,888**

HOUSEHOLDS
MEDIAN INCOME // **\$51,748**

HOUSEHOLDS
IN MSA // **318,656**

UNEMPLOYMENT
RATE OF MSA // **3.2%**



MARKET HIGHLIGHTS

- Harbor Square R & E Holdings with the true Buyer of Columbia Restaurant Group purchased a 12,000 SF Retail/Office building on Longboat Key, FL for \$4,000,000 or \$333.33/SF. Columbia is a well known Tampa Bay Restaurant.
- Iriss Group Property Holdings LLC purchased a 33,501 SF class B industrial building for \$5,314,000 or \$158.62/SF. This was a tenant transaction.
- The Dilweg Companies acquired a seven property office portfolio from Osprey Management Company LLC for \$101 million, roughly \$144/SF. The portfolio consisted of five different office parks all in Tampa, with the exception of the Lakewood Ranch office park located in Bradenton.
- Single Family Homes are being built and sold at a rapid pace, predominately east of I 75 in the Lakewood Ranch and Parrish areas.
- The Sports Performance sector has 50+ companies in the Bradenton area.

INTERESTING FACT: The Bradenton area is really growing east of I 75 with infill happening closer to the beaches. The downtown Bradenton Riverwalk is creating more recreation in the downtown area, which is attracting more housing.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

VACANCY	↔	↔	↔	↔
ABSORPTION	↔	↔	↔	▲
RENTAL RATES	▼	▼	▲	▲

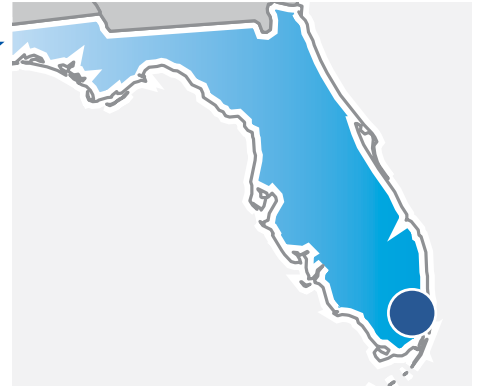
Miami / Dade County, FL



DEMOGRAPHICS

POPULATION OF MSA // **6,066,387** HOUSEHOLDS MEDIAN INCOME // **\$51,362**

HOUSEHOLDS IN MSA // **2,098,686** UNEMPLOYMENT RATE OF MSA // **3.9%**



MARKET HIGHLIGHTS

- Companies such as Google, Twitter, Facebook, Uber, Lyft and Vice have moved to Miami, along with new startups and investors hungry for opportunity. The Miami area, being a hub for international visitors, is prime for new industries interested in international ventures.
- Vacancies are rising across the board for all property types except Office. This is due to the delivery of new high-end construction projects without the necessary increase in high-paid wage earners in the area. Most recent job gains have occurred in lower-wage industries.
- Miami is seeing a large amount of Multi-Family construction as 7,000 units will deliver in 2018. The most notable project is Panorama Tower in the Brickell/Downtown Miami submarket. At 64 stories tall, it will be Florida's tallest building when it is complete. Mixed-use projects are highly popular in the Miami metro right now. Representative of this are the Miami World Center and City Place Doral.
- Luxury single-family home and condo sales have surged in recent years. According to the Miami Association of Realtors, Miami condo sales have jumped 47.6% year-over-year and luxury single-family home sales have risen 16.7%. While these high-end residences are seeing movement, new residential construction is predicted to be aimed at more affordable entry level homes.
- Like the rest of the country, Miami is experiencing the effects of many national retailers going out of business or downsizing. Macy's iconic store in Downtown Miami closed as well as smaller-box stores like The Limited and True Religion. Miami visitor and resident obsessions with health, beauty and style have fueled industries like juice bars, yoga studios, farm-to-table restaurants, etc.

INTERESTING FACT: Miami has more than 800 parks and is the only city in the United States that is bordered by two separate National Parks- Biscayne National Park and Everglades National Park.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	▲	▲
ABSORPTION	↔	↔	▼	↔
RENTAL RATES	▲	▲	▲	▲

Naples-Immokalee-Marco Island MSA, FL



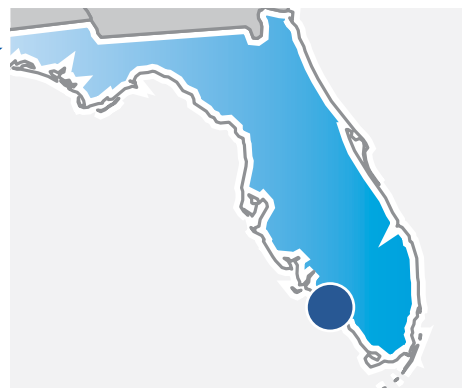
DEMOGRAPHICS

POPULATION
OF MSA // **365,136**

HOUSEHOLDS
MEDIAN INCOME // **\$61,228**

HOUSEHOLDS
IN MSA // **139,522**

UNEMPLOYMENT
RATE OF MSA // **3.6%**



MARKET HIGHLIGHTS

- All aspects of the Retail, Office and Industrial markets in the Naples/Immokalee/Marco Island MSA were strong performers in 2017, experiencing low vacancy rates, increasing rental rates and positive net absorption.
- Retail continues to be strong with Naples 5th Avenue South leading the way with base rents in the \$70/SF+ range and waiting lists for new tenants. Redevelopment of older properties is continuing with several coming out of the ground in 2017 and more planned for 2018. Retail space for the MSA totals 24,027,592 SF with a vacancy rate of 3.3% and average base rent of \$22.03/SF.
- The Industrial market for the MSA has been on fire. Industrial totals 13,126,790 SF with a vacancy rate of just 0.8% and an average rental rate of \$12.40/SF. Demand is so strong that vacant, user building are more valuable than Industrial income properties. It is not uncommon to see a 5,000 to 10,000 SF vacant building fetching more than \$150/SF with multiple offers.
- The Naples/Immokalee/Marco Island MSA's Office market also performed well in 2017. The existing inventory totals 9,420,425 SF with just 6.1% vacant. Net absorption totaled 165,964 SF with 105,791 new SF brought to the market. The average base rent for the MSA was \$20.72/SF.
- The largest leases for 2017 were 12,857 SF of Industrial to Belfour USA Group, 33,434 SF of Office to Collier Neurologic Specialists and 37,157 SF of Retail to Orchard Supply.

INTERESTING FACT: The MSA has a current permanent population of 363,858 that is expected to grow by 10% over the next 5 years. During the "Season", Thanksgiving to Easter, the MSA will add an additional 75,000 residents from the North, Canada and Europe.



OFFICE



RETAIL



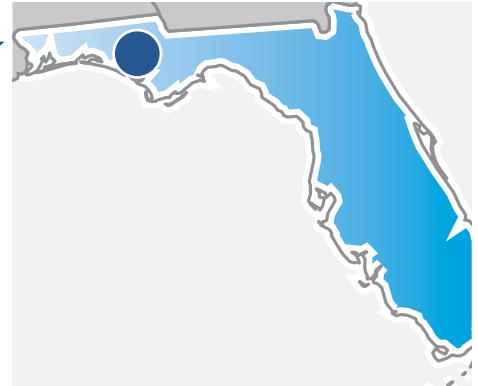
MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

DEMOGRAPHICS



POPULATION
OF MSA // **485,684**

HOUSEHOLDS
MEDIAN INCOME // **\$50,496**

HOUSEHOLDS
IN MSA // **180,519**

UNEMPLOYMENT
RATE OF MSA // **3.5%**

MARKET HIGHLIGHTS

- All market segments improved in 2017. Generally, vacancy rates remain low and rates have moved up. New construction commands premium lease rates and the rates for 2nd and 3rd generation product are basically flat.
- Major new employers continue to drive market expansion. The major players are Navy Federal Credit Union, VT MAE Aerospace, Eastern Shipbuilding, US DoD, and others are providing significant new jobs as well as creating spin off support business and construction opportunities.
- Construction throughout Northwest Florida has increased, resulting in higher costs (labor and materials). Residential demand remains elevated and new home starts are trying to keep pace. New commercial construction is being absorbed quickly creating vacancies in older Class B and Class C properties. The majority of the new commercial construction has been "build to suit" and not speculative.
- Northwest Florida is home to several major military bases and has some of the whitest sandy beaches in the world. It benefits from strong government and hospitality sectors. Tourism is a major contributor to the local economy. Eco-tourism, historic tourism, and sports tourism are targeted for growth in 2018.
- In 2010, the region suffered significantly from the BP Deepwater Horizon oil spill. The eight affected counties in NW Florida stand to receive \$1.5B in recovery funds over the next 15 years. These moneys are being earmarked for economic development projects, major infrastructure improvement projects, and education and workforce development certifications in K-12, colleges and universities.

INTERESTING FACT: Pensacola's late Mayor Vince Whibbs was fond of welcoming visitors to "the western gate to the Sunshine State, where thousands live the millions wish they could". NW Florida is primed for growth and welcome the opportunity to work with CBC offices worldwide.



OFFICE



RETAIL



MULTI-FAMILY



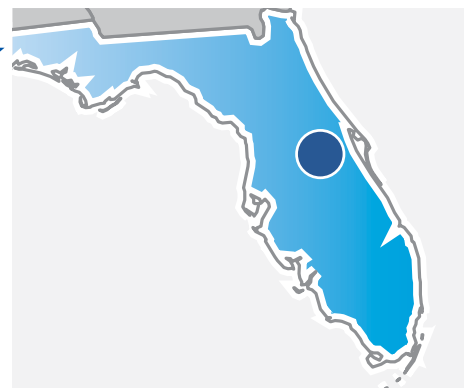
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▲	▼
ABSORPTION	▼	▲	▼	▲
RENTAL RATES	▲	▲	▲	↔

Orlando, FL



DEMOGRAPHICS



POPULATION OF MSA // **2,441,257** HOUSEHOLDS MEDIAN INCOME // **\$52,385**

HOUSEHOLDS IN MSA // **862,521** UNEMPLOYMENT RATE OF MSA // **3.3%**

MARKET HIGHLIGHTS

- Internet giant Amazon, has opened up a new distribution center in South Orlando, in addition, leading Defense Contractor Lockheed Martin also took space. This offsets the loss of Sanford Burnham Institute in Lake Nona's Medical City.
- Orlando Metro MSA continues to improve and grow in both new areas, as well as older areas. Home builders are fighting over sites with Multi-Family developers following right behind. In-fill areas are getting re-profiled with higher densities, including "town centers" to help create a sense of community. The permanent population currently stands at over 2,400,000.
- Tremendous growth in the areas of tourism with Disney's Pandora The World of Avatar at Animal Kingdom, Universal's Volcano Bay Resort and Orlando City's New Soccer Stadium.
- Vacation rentals continues to be one the main drivers in the area, including "specialty" resorts like Jimmy Buffet's Margaritaville and Lennar's Vacation Resort Residences.
- Orlando's growth continues to ride the tourism tsunami, including the local government's efforts to bring "high tech" and higher paying jobs to the Metro area.

INTERESTING FACT: Best known for Disney World and it's 30,000,000 plus visitors; an airport that services over 40,000,000 travelers; and with a total of over 68,000,000 tourist visiting the Orlando area!



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	↔	↔	↔	↔
RENTAL RATES	▲	▲	▲	▲

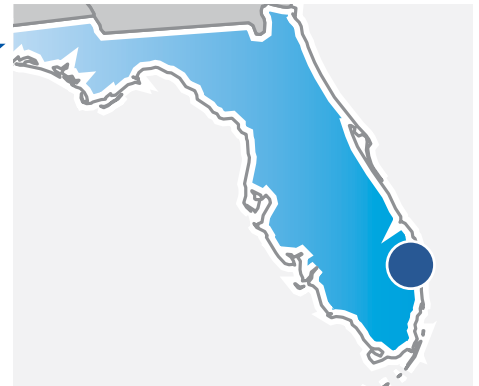
Palm Beach County, FL



DEMOGRAPHICS

POPULATION OF MSA // **6,066,387** HOUSEHOLDS MEDIAN INCOME // **\$51,362**

HOUSEHOLDS IN MSA // **2,098,686** UNEMPLOYMENT RATE OF MSA // **3.7%**



MARKET HIGHLIGHTS

- Palm Beach, like much of the state of Florida, is trying to diversify from its core of tourism and retirement and evolve into a “high-tech” and “bio-tech” home for some of the country’s latest start-ups. Conversely, several of the county’s older Malls and large vacant retailer space are trying to find new utility through either retrofitting to new uses/tenants and/or complete redevelopment.
- Due to the continued new development and construction of Retail and Multi-Family, vacancy has risen above the market’s absorption. Industrial and Office have slowed.
- Construction is projected to add 163,000 SF of commercial retail this year and about the equal for Industrial. Multifamily developers are moving away from “garden style” units and looking to develop more “high rise” projects, seeking efficiencies through density.
- As residential rentals are disappearing, prices for rentals and new homes are rising above the average incomes. With Residential prices peaking, motivated sellers are taking advantage of “new market flow” that includes International and National buyers coming into the area. As with most of South Florida, affordable housing will be at a crisis level soon, if not already.
- Some of the world’s wealthiest families’ live and play in Palm Beach County, significant wealth management companies are moving in to better serve their the wealthy residents.

INTERESTING FACT: Palm Beach County is one of the three largest counties in South Florida. It’s current population is over 1,400,000 people according to the 2015 census. Palm Beach County is winter home to notable people such as President Donald Trump and the Kennedy family.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	▲	▼
ABSORPTION	↔	↔	↔	↔
RENTAL RATES	▲	▲	▲	▲

Pasco County, FL



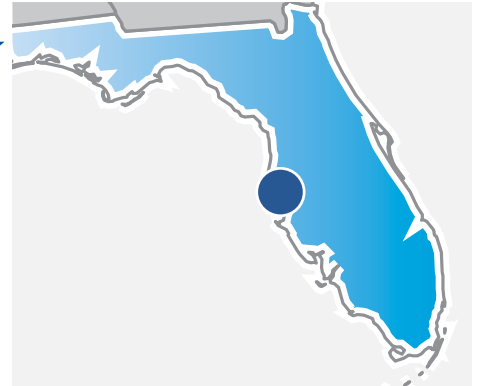
DEMOGRAPHICS

POPULATION
OF MSA // **3,032,171**

HOUSEHOLDS
MEDIAN INCOME // **\$51,115**

HOUSEHOLDS
IN MSA // **1,191,645**

UNEMPLOYMENT
RATE OF MSA // **3.4%**



MARKET HIGHLIGHTS

- The market in Pasco County saw tremendous growth in 2017. With the addition of Tampa Premium Outlets in 2016, 2017 continued to impress adding 15+ additional retailer, 5 major restaurant chains and Raymond James Financial to come. The addition of RJF is projected to stimulate the economy and will continue to attract more Fortune 500 companies in 2018.
- Although Pasco county has seen tremendous growth, the demand has kept up well and the current vacancy level still remains below its historical average.
- With the addition of the Hyatt Plaza Convention Center and more than 10 new construction Multi-Family communities, the Hyatt's \$25 million dollar project fills a void for the emerging economic growth in the area.
- With home sales up by more than 38%, Pasco County has the highest homeownership rate in the area at nearly 80%. These numbers continue to grow and continue to attract major builders emerging for 2018.
- Due to emerging growth, the dynamics of the demographics in Pasco County is now shifting. Increasing the number of families and businesses to the area. This change is sure to stimulate the market for years to come.

INTERESTING FACT: Pasco County was named after Samuel Pasco, which served as a Florida US Senator from 1887-1899. Included in the Tampa-St. Petersburg-Clearwater Tampa Bay Area, Pasco County has been recognized by many as the fastest growing county in the state.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	▲	▼
ABSORPTION	▼	▼	▲	▼
RENTAL RATES	▲	▲	▲	▲

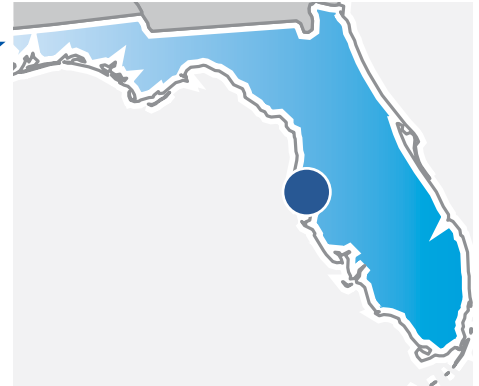
Pinellas County, FL



DEMOGRAPHICS

POPULATION OF MSA // **3,032,171** HOUSEHOLDS MEDIAN INCOME // **\$51,115**

HOUSEHOLDS IN MSA // **1,191,645** UNEMPLOYMENT RATE OF MSA // **3.1%**



MARKET HIGHLIGHTS

- The Retail sector showed great strength, with Culver's, Wawa, 7-11, Five Below and LA Fitness expanding their presence. Specialty grocers Earth Fare, Sprouts and Trader Joe's, along with Hobby Lobby and Cost Plus World Market, all entered the Pinellas County market in 2017, fueling the Retail development cycle.
- The Industrial market powered ahead through 2017. Space is at a premium with 3.5% vacancy out of more than 60 million SF of space. With a scarcity of land available for new development, expect rising lease rates and continued capital improvements to existing facilities.
- Residential development is also on a roll as the county approaches built-out status. Prices for every class of residential development are at record levels having fully recovered from "The Great Recession". Current market dynamics are much different than during the '05-'07 run-up, in that financing is being realistically underwritten and organic growth is driving development not speculation.
- The Tampa Bay Rays have identified a site in Tampa for their potential new stadium. Relocation of a MLB team is complicated and this process will unfold over a period of years; but speculation has already begun about the potential redevelopment of the 85-acre Tropicana Field site. Ultimately, this is likely to become an eastern counter-balance to the already booming Downtown St. Petersburg market.
- Florida has no State income tax, consequently the latest changes to the Federal tax code regarding deductibility of State & local taxes will make Florida an even more attractive relocation destination. Presently, approximately half of the net in-migration to Florida chooses to locate in the Tampa Bay metro (+/- 1,000 people per day). The future looks BRIGHT!

INTERESTING FACT: With 3,458 people per square mile, Pinellas County is the most densely populated county in Florida – nearly triple the density of the runner-up (Broward).



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▼	▲	▼
RENTAL RATES	▲	▲	▲	▲

Sarasota County, FL



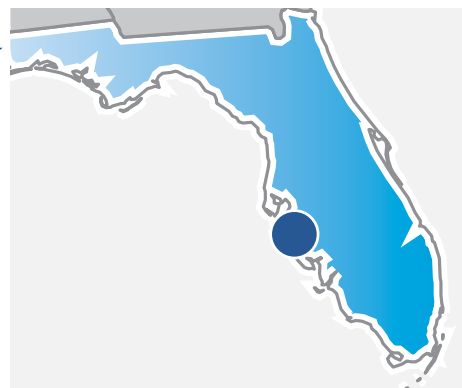
DEMOGRAPHICS

POPULATION
OF MSA // **414,899**

HOUSEHOLDS
MEDIAN INCOME // **\$58,657**

HOUSEHOLDS
IN MSA // **318,656**

UNEMPLOYMENT
RATE OF MSA // **3.2%**



MARKET HIGHLIGHTS

- Sarasota City Center 1819 Main St, Sarasota, FL was purchased by TDC Blackbird SCC LLC of Durham NC for \$36,500,000 or \$148/SF. They will be spending about \$4,000,000 in upgrades.
- 601 School Ave, Sarasota, FL was purchased by David Weekly Homes. The portfolio of 7 properties were purchased for \$8,300,000. The plans are clear the industrial zoned land and create a residential development including 135 townhouses and mixed use parcels.
- There has been an extensive amount of high rise residential construction in the Sarasota Downtown. This includes: 1,800 apartments, 1,200 townhouses and condos, and 1,000 hotel rooms.
- East of the I 75 interstate new home construction reservations have increased steadily over the last 2 years.
- The West Villages development is expected to be built out to 33,000 homes over the next 30 years. Just to the south of this development is the new Atlanta Braves Spring Training facility. The Braves are expected to play their last spring training game in this new stadium.

INTERESTING FACT: What makes the Sarasota market so special is the beautiful downtown that offers many cultural venues, fine dining, and family friendly entertainment. It has one of the top 10 beaches in the world and a wonderful laid back yet sophisticated lifestyle.



OFFICE



RETAIL



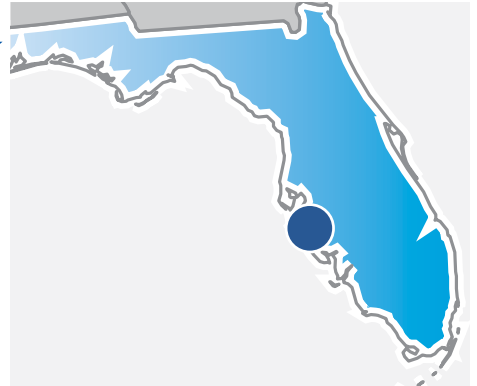
MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	▲	↔	↔
ABSORPTION	▼	▼	↔	▼
RENTAL RATES	▲	▼	▲	▲

DEMOGRAPHICS



POPULATION
OF MSA // **178,465**

HOUSEHOLDS
MEDIAN INCOME // **\$44,200**

HOUSEHOLDS
IN MSA // **75,147**

UNEMPLOYMENT
RATE OF MSA // **3.2%**

MARKET HIGHLIGHTS

- Allegiant Airlines announced a \$600,000,000 resort with hotel, upscale marina and six high rise condominiums to be built on the Peace River between Port Charlotte and Punta Gorda. The name will be the Sun Seeker Resort.
- Recreational Warehouse, a strong regional tenant leased a 22,000 SF location at the Port Charlotte Town Center. a 10 year lease with 2 five year options. Tenant Improvements were in the \$700,000 range.
- Wawa is constructing a new facility at the corner of Midway Blvd. and U S 41. The expected opening will be in the second quarter of 2018.
- Harbor Freight is constructing a new facility at 2351 Tamiami Trail in Port Charlotte. Expected opening will be in the third quarter of 2018.
- O'Reilly Automotive Inc. has completed renovations on their 16,000 SF Retail and Warehouse facility in the Port Charlotte market. Expected opening will be on the first quarter of 2018.

INTERESTING FACT: Port Charlotte and Punta Gorda are being discovered as one of Southwest Florida's last affordable commercial waterfront markets. Ft Meyers and Sarasota have priced themselves above most companies price points.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	N/A	▼
ABSORPTION	▲	▲	N/A	▲
RENTAL RATES	▲	▲	N/A	▲

St Lucie County, FL



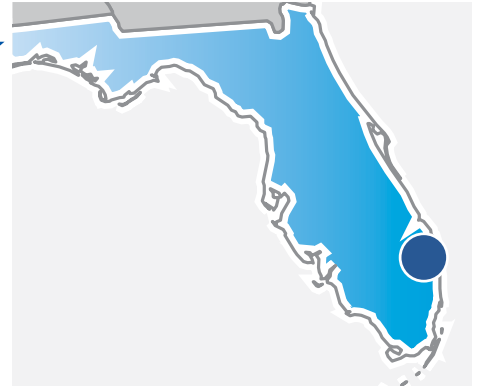
DEMOGRAPHICS

POPULATION
OF MSA // **465,208**

HOUSEHOLDS
MEDIAN INCOME // **\$48,746**

HOUSEHOLDS
IN MSA // **174,593**

UNEMPLOYMENT
RATE OF MSA // **4.1%**



MARKET HIGHLIGHTS

- Builders First Source, the largest supplier of building produces for new residential construction, repair, and remodeling in the U.S. is reopening a shuttered 45,000 SF facility, creating 40 new jobs.
- Strong Economic trends both locally and in South Florida is causing significant rebounds in all sectors of the market. Expanding businesses include ABC Medical -35 new jobs, Precast Specialties 150 new jobs, Radical Cosmetics 50 new jobs, and Tattoo Yachts 49 new jobs.
- Maverick Boat Group, a premier manufacturer of boats including Cobia, Maverick, Pathfinder and Hewes is building an expansion facility of 106,000 SF, creating 100 new jobs. City Electric Supply/Tamco, a leading worldwide electrical wholesaler and manufacturer, currently has over 200,000 SF of facilities in the county. They will be building a new 400,000 SF facility (\$38 Million).
- St. Lucie County continues to see shrinking inventory and rising home prices. Thus new building is continuing to see success throughout the county.
- National chains continue to build in both Fort Pierce and Port St. Lucie. Wawa, Aldi's, Neighborhood Walmart's are just a few that has located throughout the county in the last year.

INTERESTING FACT: Hutchinson Island in St. Lucie County is the birth place of the Navy UDT(under water demolition) and Seal Teams. In World War II, Hutchinson Island was the training site for the Navy UDT. There is a National UDT/Seal Museum on North Hutchinson Island.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Tallahassee, FL



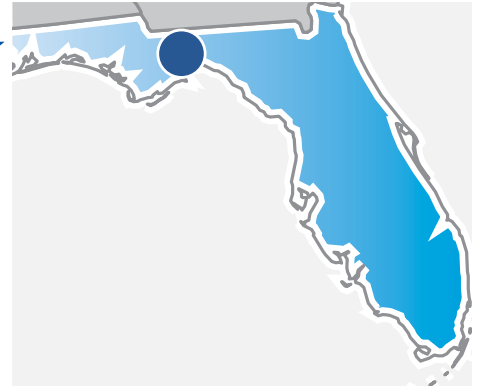
DEMOGRAPHICS

POPULATION
OF MSA // **380,110**

HOUSEHOLDS
MEDIAN INCOME // **\$50,654**

HOUSEHOLDS
IN MSA // **142,991**

UNEMPLOYMENT
RATE OF MSA // **3.4%**



MARKET HIGHLIGHTS

- One of the most significant Mixed-Use projects in Tallahassee has received CRA (Community Redevelopment Agency) approval to move forward. The Cascades Park Project is approximately 1 million SF of mixed uses including a hotel, offices, retail and residential.
- Occupancies in all asset classes remain strong as new construction has kept pace with stable demand.
- Construction of new apartments has been very strong including new student housing. New Class A Office that completed this year includes the Ballard Building, downtown at 60,000 SF.
- Residential inventory continues to be very tight. Residential was strong in 2017, with an 8% increase over 2016 and a 7% increase in median sales price. The supply of homes (less than 5 months) continues to be an issue in the price range of \$250,000 and below. New construction homes are in high demand, and constrained by the lack of available lots in higher growth areas.
- The TMH M. T. Mustian Surgery Tower is under construction. This 5-story medical office and surgical tower is 340,000 SF and scheduled to be completed Spring 2019.

INTERESTING FACT: Tallahassee is home to Florida State University's National High Magnetic Field Laboratory, which is the world's largest magnet laboratory and also the highest powered.



OFFICE



RETAIL



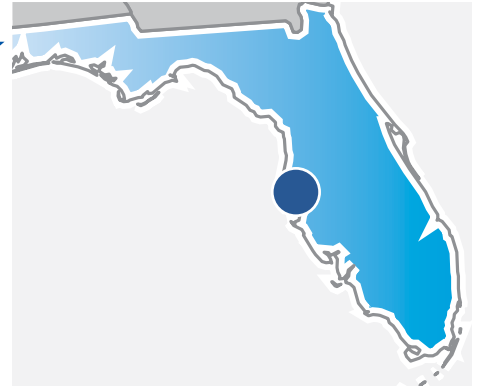
MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	↔	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	↔

DEMOGRAPHICS



POPULATION OF MSA // **3,032,171** HOUSEHOLDS MEDIAN INCOME // **\$51,115**

HOUSEHOLDS IN MSA // **1,191,645** UNEMPLOYMENT RATE OF MSA // **3.4%**

MARKET HIGHLIGHTS

- Strategic Property Partners unveiled their vision for the redevelopment of the eastern downtown Tampa market - now known as Water Street Tampa. This \$3 billion project is underway and will dramatically transform downtown - creating synergy and activity in an area with enormous untapped potential.
- The end of 2017 was notable for the announcement by the Tampa Bay Rays of its preference to relocate the team to Tampa. If this plan becomes reality, it will take 7 to 10 years to achieve and will further accelerate interest and activity in the east downtown / Channelside / Ybor City sub-market.
- Tampa continues to seek and win opportunities to host national events, having hosted the College Football National Championship in January, 2017; being announced as the Host City for Super Bowl 55, and hosting the NHL All Stars in January 2018. The Tampa Bay area has proven itself as a world class large-event destination.
- The current positive economic cycle is driving development activity in all property sectors. With significant continued population growth and the evolution of this market from a retirement community to a thriving modern top-tier metropolitan market, new retail, industrial, office and particularly residential development is a driving force.
- A relative lack of focus on mass-transit will continue to be a drag on future efficient growth and development in the Tampa Bay region. While the region has managed growth very well in some ways (water resource management, for example), there has not been a cohesive regional approach to transit. Perhaps the lone bright spot here is the continued improvements to Tampa International Airport.

INTERESTING FACT: Since 1904, Tampa has held The Gasparilla Pirate Festival, celebrating the apocryphal legend of José Gaspar (also known as Gasparilla), a mythical Spanish pirate who supposedly operated in Southwest Florida in the early 1800s. Tampa is always up for a good party!



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▼	↔	▲	▼
RENTAL RATES	▲	▲	▲	▲

Vero Beach / Sebastian MSA, FL



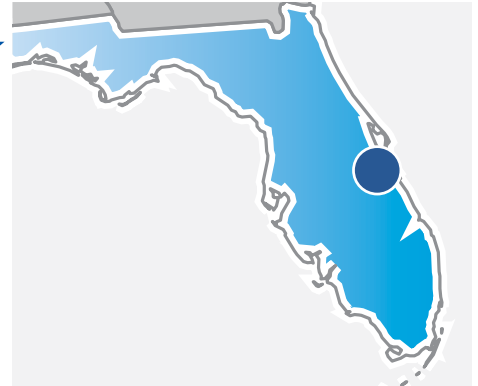
DEMOGRAPHICS

POPULATION
OF MSA // **151,563**

HOUSEHOLDS
MEDIAN INCOME // **\$49,072**

HOUSEHOLDS
IN MSA // **55,427**

UNEMPLOYMENT
RATE OF MSA // **3.7%**



MARKET HIGHLIGHTS

- Cleveland Clinic has been selected as the purchaser of Indian River Medical Center (IRMC) for a reported \$350 Million. IRMC, the areas largest employer with 1700 employees, is poised to become a leading medical center as part of the world renowned Cleveland Clinic.
- With unemployment at a 10 year low and strong in-migration to the area vacancy across all sectors, Retail, Office and Multi-Family continues to shrink. With existing businesses like Piper Aircraft and Elite Airlines expanding and new businesses moving to the area, low vacancy is creating new construction activity.
- National retail chains including Wawa, McDonald's, O'Riley's and Walmart Neighborhood Market have all opened new stores. Nemours Children Health Care, DaVita, and Steward Health are driving medical office growth. Star Suites, an extended stay boutique hotel, is scheduled for delivery in 2018.
- Sales of existing homes continue at a brisk pace with average days on market under 90, creating a tight supply. The strong activity has created a building boom for housing with national builders active in the market.
- With Florida Power & Lights purchase of the municipal utility, ready to build sites in industrial parks and at the airport offer a cost competitive solution. Well suited for growth in distribution, aviation and health care, the area is located within a 3-hour drive of 17.9 million potential customers - 90% of Florida's population.

INTERESTING FACT: Vero Beach is home to Riverside Theatre "America's largest small town professional theatre". Located on Florida's Treasure Coast, Vero Beach is known as the gateway to the tropics and home of world renown Indian River Grapefruit. Is it any wonder that Vero Beach has been rated "The Best Small Town in Florida" and in the top 12 in the nation.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▲
ABSORPTION	▲	▲	▲	▼
RENTAL RATES	▲	▲	▲	↔

Athens, GA



DEMOGRAPHICS

POPULATION
OF MSA // **206,360**

HOUSEHOLDS
MEDIAN INCOME // **\$43,165**

HOUSEHOLDS
IN MSA // **78,195**

UNEMPLOYMENT
RATE OF MSA // **4%**



MARKET HIGHLIGHTS

- The Mark, a mixed-use student living development completed construction delivering 289 apartments and 72,400 SF of Retail space. Plum Creek Timber moved out of 17,000 SF Office Space. Athens' Macy's location was one of several Macy's to close throughout the nation.
- Since 2015, over 1,400 apartment units have been developed in Athens Clarke County, resulting in over 3,350 additional bedrooms. Though Multi-family development slows, commercial development in general remains positive with an 18.5% increase of issued permits over 2016, in both Athens-Clarke and Oconee counties.
- Athens Clarke County has over 600 hotel rooms across 5 different hotel projects under development with many expected to be completed in 2018.
- Housing prices peaked in 2008 and dropped 19% through 2012. 2017 found the market slightly above pre-recession prices of 2008. Though home prices continue to rise, new home construction has slowed creating a lack of inventory in our market.
- Athens foresees continued growth opportunities with it's diverse community, thriving downtown and a cost of living 8% below the U.S. average.

INTERESTING FACT: Athens Georgia is home to the University of Georgia, the Georgia Bulldogs, the Tree That Owns Itself, R.E.M and the B-52's. It's the city Forbes listed in "The 25 Best Places To Retire" in 2017.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	↔	▲	▼
ABSORPTION	▲	↔	▼	▲
RENTAL RATES	▼	▲	↔	▲

Atlanta, GA



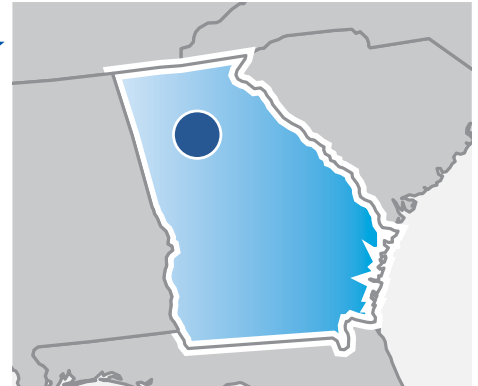
DEMOGRAPHICS

POPULATION OF MSA // **472,522**

HOUSEHOLDS MEDIAN INCOME // **\$56,535**

HOUSEHOLDS IN MSA // **200,503**

UNEMPLOYMENT RATE OF MSA // **4.1%**



MARKET HIGHLIGHTS

- The economy remains strong and vibrant throughout Atlanta Metro, with no foreseeable “bubbles.” Home to Coca-Cola, Home Depot, UPS – plus the world’s busiest airport, Atlanta remains the #1 corporate relocation city – bolstering employment, higher wages and household income while increasing demand for more units in virtually all real estate sectors, particularly Multi-Family and Office space.
- At least seven significant projects are completed, or in final stages, around metro Atlanta, including two sports complexes, Avalon in Alpharetta, and Pinewood Studios in South Fulton County (supporting the area’s ever-burgeoning movie industry).
- The Atlanta Apartment market continues to thrive as a result of these strong economic fundamentals. Rising employment has increased demand for more units, decreasing vacancy rates, and fostering higher rent rates.
- Vacancies are slowly creeping up, and landlord concessions have begun to return. There is an uptick of subleases as growing companies move their operations in order to expand. The one exception is new Class A space, still the hottest product in the city. Class B product with inefficient floorplans and insufficient amenities won’t experience the high rental rates of trophy Class A.
- Yearly absorption of 22.3 million Industrial SF surpassed last year’s record-high by 5.7 million SF. Vacancy has reached a historic low of 7.1%. Deliveries are expected to soar in 2018, with nearly 22 million SF under construction. Despite such increases, demand for industrial space is not waning.

INTERESTING FACT: Though demographically balanced, Atlanta favors Millennials, who enjoy working in the area’s “hip,” culturally diverse, and yes, dense environment, but also want to enjoy the area’s relatively cheaper housing.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▲	▼	▼
ABSORPTION	▲	↔	▲	▲
RENTAL RATES	↔	▼	▲	▲

Atlanta Greater Metro, GA



DEMOGRAPHICS

POPULATION OF MSA // **5,790,210** HOUSEHOLDS MEDIAN INCOME // **\$62,613**

HOUSEHOLDS IN MSA // **2,062,798** UNEMPLOYMENT RATE OF MSA // **4.1%**



MARKET HIGHLIGHTS

- Industrial: Approximately 15.6 million SF was delivered in 2017. UPS is constructing 1.2 million SF regional center, expected to open in fall. Amazon is building 1 million SF fulfillment center and FedEx is planning a new distribution facility near Braselton.
- Office: Vacancies have been low since 2010 and average rent growth has been 6%. Buckhead & Midtown attract big tenants but many large companies are also looking at sub-markets outside the core. Tech & IT companies are accelerating absorption.
- Retail: Average rent is 25% less than the nation as a whole, which makes the metro a hot favorite among retailers. Many of the new retail projects are mixed-use. Majority of the construction is happening around I-20. There is a new, mixed-use Project in Cobb County called "The Battery". It includes substantial retail space and the new Atlanta Braves' SunTrust Park, hotels, residences and office space.
- Apartment deliveries peaked in 2017 but a strong absorption last year has helped 2018 get off to a good start. Atlanta produces more than 40,000 college graduates per year and attracts millennials primarily due to its job growth and affordability. Downtown/Midtown is the favorite among developers, but more deliveries are expected in secondary cores such as Cumberland, Sandy Springs and Decatur.

INTERESTING FACT: Varsity, which is housed on more than two acres in Downtown Atlanta, is the world's largest drive-in restaurant. It can accommodate 600 cars outside and more than 800 people inside. Varsity makes two miles of hot dogs, 2,500 pounds of potatoes, 5,000 fried pies and 300 gallons of chili daily.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▲	▼
ABSORPTION	▲	▲	▼	▲
RENTAL RATES	▲	▼	▲	▲

Columbus, GA



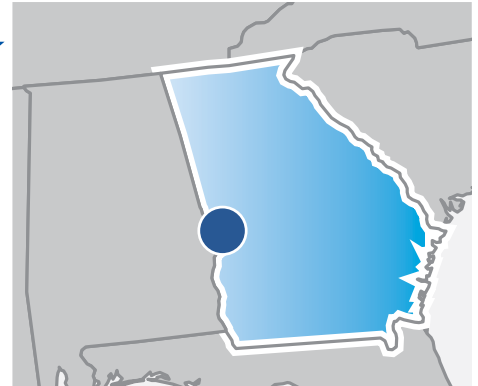
DEMOGRAPHICS

POPULATION
OF MSA // **307,816**

HOUSEHOLDS
MEDIAN INCOME // **\$43,412**

HOUSEHOLDS
IN MSA // **113,256**

UNEMPLOYMENT
RATE OF MSA // **5.1%**



MARKET HIGHLIGHTS

- Dirt Cheap opens with a 34,000 SF store at Manchester Square.
- At Home opens with a 86,000 SF store in Peachtree Mall, filling long-term vacancy left by Parisians.
- Two K-Mart stores close in the market.
- New Academy Sports is under construction in North Columbus.

INTERESTING FACT: Columbus Georgia is the home of Ft Benning - site of the Maneuver Center of Excellence incorporating both Infantry School and Armor School.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	N/A	▼
ABSORPTION	▲	▼	N/A	▲
RENTAL RATES	▼	▲	N/A	▼

Macon, GA



DEMOGRAPHICS

POPULATION
OF MSA // **226,998**

HOUSEHOLDS
MEDIAN INCOME // **\$39,973**

HOUSEHOLDS
IN MSA // **86,633**

UNEMPLOYMENT
RATE OF MSA // **4.8%**



MARKET HIGHLIGHTS

- Amazon has newest 1,500,000 SF fulfillment center under construction. FedEx ground just completed new 298,000 SF ground delivery logistics building and Yancey Brothers is opening a new 150,000 SF Caterpillar service center.
- Macon Georgia is "on-fire" with multiple new logistics projects primarily to serve the Port of Savannah and the extensive expansion there. Because Interstate 75 and Interstate 16 merge here, there are numerous logistical advantages in Macon/Bibb County GA.
- Amazon's new 1,500,000 SF fulfillment center will provide 575 new jobs locally and will sponsor numerous new vendor facilities that will support Amazon's distribution center.
- The Macon Residential market remains soft except for several new apartment developments slated for 2019 openings.
- There is a flurry of interest in the logistics and distribution market relating to the 3 million SF of new manufacturing and fulfillment centers that have been developed in Macon in the last 3 years. Numerous national and international suppliers are scrambling to locate here. The available industrial buildings are completely leased up; there is no vacancy.

INTERESTING FACT: Macon Georgia is home to The Allman Brothers Band, Stillwater, Otis Redding and others. There is a large tourist audience of fans and former band members who frequent Macon enjoying the new brew-pubs and music venues in downtown Macon.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Savannah MSA, GA



DEMOGRAPHICS

POPULATION
OF MSA // **384,024**

HOUSEHOLDS
MEDIAN INCOME // **\$56,535**

HOUSEHOLDS
IN MSA // **143,081**

UNEMPLOYMENT
RATE OF MSA // **4%**



MARKET HIGHLIGHTS

- Georgia is the #1 State to do business for the 5th year. Chatham County is ranked the 5th largest county in Georgia.
- Georgia Ports Authority (GPA) fuels growth in Savannah reaching a record 3.85 million TEU's in Fiscal Year 2017. The Savannah Harbor Expansion Project (SHEP) is on track for 2021 completion and will increase Neo-Panamax ships into the Port.
- Groundbreaking of the The Mason Mega Rail expansion will double GPA's rail traffic in and out of the Port, expecting completion 2020. This expanding rail will be service by Norfolk Southern and CSX.
- Tourism in Savannah brings more than 14 million visitors annually, visiting the Nation's largest Historic Landmark District.
- Film industry in Savannah economic impact has increased more than 13-fold since 2011. More than \$350 Million impact. This influx has created a positive impact for local and small businesses in the community.

INTERESTING FACT: Savannah is known for its book and movie "Midnight In the Garden of Good and Evil" with many prominate families portrayed in both.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Troup County, GA



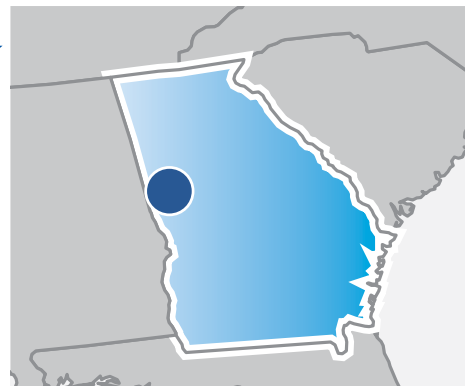
DEMOGRAPHICS

POPULATION
OF MSA // **70,005**

HOUSEHOLDS
MEDIAN INCOME // **\$42,371**

HOUSEHOLDS
IN MSA // **24,493**

UNEMPLOYMENT
RATE OF MSA // **4.4%**



MARKET HIGHLIGHTS

- There is currently \$1 Billion in new construction in the city of LaGrange, including industrial, hospitality and housing projects. Over the next five years, the community expects to create over 6,000 new jobs.
- LaGrange has begun construction on 2 state of the art community rec spaces. The Thread, will be 29 miles of interconnected trails throughout the city. The non-motorized and eco friendly pathways are slated to be complete by 2022. The 2nd is a plaza-style skate park with a mix of street and transition-style terrain designed with the help of Pro skater and Stantec design consultant Kanten Russell.
- Troup county has a 16-mile stretch of I-85 known as The Ray and offers a vision of how highways could look and function in the future, serving as a living laboratory for environmentally smart, sustainable and green transportation technology.
- Great Wolf Lodge will open a 500,000 SF multi-faceted resort in May 2018, in the heart of Troup County. LaGrange – Troup County and the entire western Georgia region are slated to benefit from the projects more than \$150 million investment, 600+ jobs and an additional half million annual visitors to the area.
- WellStar West Georgia Medical Center has been named the #1 Large Hospital in Georgia four times (2013, 2015, 2016 and 2017) by Georgia Trend magazine, recognized as one of the nation's Top 100 hospitals and ranks in the top 10 percent of all hospitals for medical excellence in cardiac care and pulmonary care.

INTERESTING FACT: The Biblical History Center is 1 of only 7 museums in the world- the only 1 in the SE- that houses a collection of artifacts from the Israel Antiquities. They have 250 artifacts from as far back as 24,000 BC, including stone age tools, pottery from the Iron Age, coins, oil lamps, and anchor and weights used by fisherman around the Sea of Galilee.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▲	▲
ABSORPTION	▲	▲	▼	▲
RENTAL RATES	▲	▲	▲	▼

Honolulu, HI



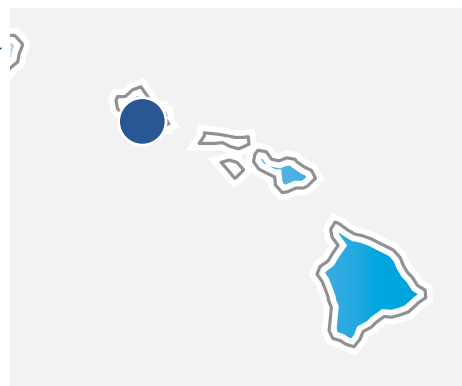
DEMOGRAPHICS

POPULATION
OF MSA // **992,605**

HOUSEHOLDS
MEDIAN INCOME // **\$80,513**

HOUSEHOLDS
IN MSA // **309,169**

UNEMPLOYMENT
RATE OF MSA // **1.7%**



MARKET HIGHLIGHTS

- Hawaii now has lowest unemployment rate in the country at 2.2%.
- In 2017, Hawaii enjoyed record tourist activity with 9.3 million visitors.
- January 1, 2018 - Hawaii's minimum wage increased from \$9.25 to \$10.10.

INTERESTING FACT: Hotels account for the largest commercial sales in 2017: Pacific Beach Hotel - \$361 million; Westin Maui Resort & Spa - \$317 million; Maunalani Bay Hotel & Bungalows - \$195 million.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▲	↔	▲
ABSORPTION	▼	▼	N/A	▼
RENTAL RATES	↔	▲	↔	↔

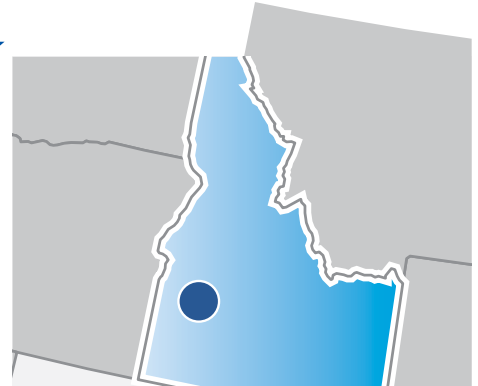
DEMOGRAPHICS

POPULATION
OF MSA // **690,214**

HOUSEHOLDS
MEDIAN INCOME // **\$55,162**

HOUSEHOLDS
IN MSA // **251,142**

UNEMPLOYMENT
RATE OF MSA // **2.8%**



MARKET HIGHLIGHTS

- Vacancy in the Boise Office dropping to 8.6% in 2017, the lowest point recorded in over a decade.
- The Boise market will continue to be an important hub for 'STEM' industries. Statewide, employment is projected to increase by 20% over the next 6 years.
- After years of growth, the Boise region is experiencing the most skilled workforce that it has ever seen, with around 330,000 individual skilled workers. Continued growth is projected with a 30% increase by 2020. (Forbes 2015)
- Boise Industrial vacancy has continued its three year decline during 2017, ending the year at 2.91%.
- Retail Leasing rates have remained strong in the Boise valley with absorption rates reaching almost 180,000 SF over the past year.

INTERESTING FACT: According to the Census Bureau, Idaho is the fastest growing state in the U.S, with 2.2% growth overall between July 2016-July 2017.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

VACANCY	N/A	N/A	N/A	N/A
ABSORPTION	N/A	N/A	N/A	N/A
RENTAL RATES	N/A	N/A	N/A	N/A

Boise / Pocatello, ID



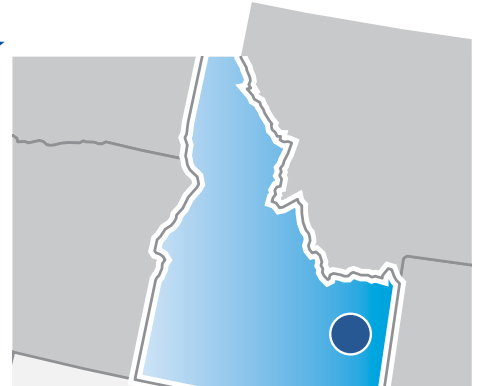
DEMOGRAPHICS

POPULATION
OF MSA // **84,377**

HOUSEHOLDS
MEDIAN INCOME // **\$48,429**

HOUSEHOLDS
IN MSA // **30,106**

UNEMPLOYMENT
RATE OF MSA // **2.8%**



MARKET HIGHLIGHTS

- The Idaho Office market closed the year with healthy and strong fundamentals. Overall, vacancy rates decreased from 9.01% at year-end in 2016 to a current rate of 8.74%. This is the lowest point recorded in the last decade. Leasing activity paralleled the year prior, with over 134,000 SF of net positive absorption recorded throughout 2017.
- Retail activity in Idaho experienced an influx of quick service restaurant activity. These tenants usually pay higher than average lease rates to locate in ideal locations surrounded by large amounts of daytime traffic. With Idaho's booming economy population growth has created more retail demands for eating establishments and discount retailers.
- The Idaho Industrial market experienced substantial increase in average asking lease rates from \$.47 at year-end 2016 to a current rate of \$.55 NNN, this is largely due to the lack of available Industrial properties in Idaho. Vacancy rates decreased from 3.98% currently. This is a five year low as tenants continue to lease up Industrial space.
- The old adage of "location, location, location" is just one reason why Idaho as a whole has been recently making headlines as a blossoming national icon. The Gem State's idyllic intersection of desert, mountains, and river oases creates an environment that offers something for everybody, while also quietly resting in close proximity to the urban centers of Seattle, Portland, and Salt Lake City.
- With the goal of becoming the most livable city in the country, Boise is a bustling metropolis that has changed dramatically in the past decade or so, rising from a "bait and bullet" town, as it was called by the New York Times, to a thriving center for art, green initiatives, and community development.

INTERESTING FACT: Pocatello, Idaho ranked in the top ten for best "Micro American Cities" in fDi Magazine listing. Data was collected from a total of 422 cities regarding different categories such as economic potential, cost effectiveness, infrastructure and business friendliness. This category included cities with populations fewer than 100,000.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	N/A	▼
ABSORPTION	▲	▼	N/A	▲
RENTAL RATES	▲	↔	N/A	▲

Bloomington-Normal, IL



DEMOGRAPHICS

POPULATION
OF MSA // **187,326**

HOUSEHOLDS
MEDIAN INCOME // **\$61,320**

HOUSEHOLDS
IN MSA // **71,716**

UNEMPLOYMENT
RATE OF MSA // **3.8%**



MARKET HIGHLIGHTS

- Stable economy and healthy unemployment are positive indicators for 2018.
- Retail market saw an increase in big box vacancy, otherwise, it was steady. Restaurants are active. Retail vacancy is 12%.
- Office sector is flat, with stable rents and stands at 15% vacancy.
- Industrial is very slow. Rents are stable or decreasing, vacancy is 20%.
- Housing market was healthy with over 2,800 units closed in 2017.

INTERESTING FACT: Much discussion about State Farm Insurance, the areas largest employer, expanding to three other major cities. Reassuring that employment will remain at 15,000 for Bloomington-Normal.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	▲	↔	↔
ABSORPTION	↔	↔	↔	↔
RENTAL RATES	↔	↔	↔	↔

Central, IL



DEMOGRAPHICS

POPULATION
OF MSA // **239,872**

HOUSEHOLDS
MEDIAN INCOME // **\$50,564**

HOUSEHOLDS
IN MSA // **94,941**

UNEMPLOYMENT
RATE OF MSA // **3.9%**



MARKET HIGHLIGHTS

- Carle Hospital continued construction of their 220-acre Carle at the Fields project in southwest Champaign. The initial phase of construction includes a \$75-million, 300,000 SF administrative building, two medical office buildings and surgery center encompassing 200,000 SF, a Hampton Inn & Suites hotel, and two mixed-use buildings with 56 luxury apartments.
- The new Carle Illinois College of Medicine received preliminary accreditation and will become the first engineering-based medical school in the country. It is the first new college created at the University of Illinois in nearly 60 years. The first cohort of 32 students will begin classes in July 2018 and will receive nearly \$200,000 each in scholarships from donors.
- The Research Park at the University of Illinois reached an all-time high 97% occupancy and completed construction of a new 60,000 SF building bringing the total size to nearly 800,000 SF. Major corporations in the Research Park include Caterpillar, Yahoo!, Deere & Company, State Farm, Capital One, ADM, AB InBev, Abbott Laboratories, Monsanto, and many others.
- Champaign County continues to prosper with continued year-over-year population growth and record enrollment at the University of Illinois (44,880 students), low unemployment (3.9%), healthy homes sales, and major corporations opening offices in the area.
- Local developers proposed a \$95-million mixed-use development in downtown Champaign that would include an expansion of Illinois Terminal, 175+ hotel rooms, 200 apartment beds, 100,000 SF of Office space, significant Retail space, and parking on 8-10 acres. The project could also include a 5,000 seat sports facility with three sheets of ice pending an ongoing feasibility study.

INTERESTING FACT: The University of Illinois at Urbana-Champaign remains the largest employer of the area with around 11,000 employees.



OFFICE



RETAIL



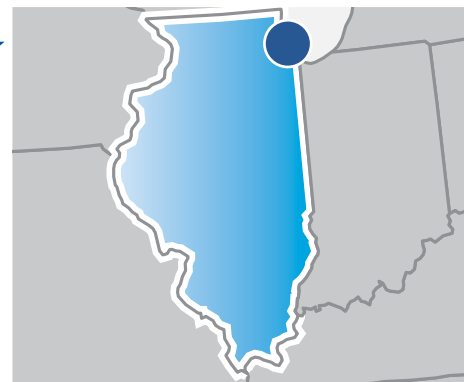
MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	↔	▼	▲
ABSORPTION	▲	↔	▲	▼
RENTAL RATES	▲	▲	▲	▲

DEMOGRAPHICS



POPULATION OF MSA // **9,512,968** HOUSEHOLDS MEDIAN INCOME // **\$66,020**

HOUSEHOLDS IN MSA // **3,491,635** UNEMPLOYMENT RATE OF MSA // **4.7%**

MARKET HIGHLIGHTS

- **Industrial:** Chicago has a healthy logistics market with strong demand. There are few vacant spaces which has helped boost rents. Its central location makes it very attractive from a distribution standpoint. MetLife recently purchased a new property with 260,000 SF area.
- **Office:** The Office market regained its footing in 2017 after a slowdown in 2016. The downtown area has seen an increase in development as more companies are moving out of the suburbs. Superior transportation infrastructure and a concentration of young professionals is attracting companies downtown.
- **Retail:** Amid many store closures, retailers still are seeing their sales numbers climb. Chicago has assets and neighborhoods that provide strong investment opportunities. Absorption has remained positive in 2017. Grocers, including Whole Foods, have signed new leases, thereby increasing footprints in Chicago.
- **Multifamily:** Downtown is seeing robust new supply that is expected to continue through 2019 with many trophy and value-added properties. Investors are looking toward the suburbs where significant investment occurred in 2017. Most of supply has been downtown, primarily in West Loop and South Loop.

INTERESTING FACT: Chicago is also known by these nicknames: The Windy City, the City of Big Shoulders, the Second City, and The City That Works.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▼	N/A	▲	▲
RENTAL RATES	▲	▼	▲	▲

Sangamon County, IL



DEMOGRAPHICS

POPULATION
OF MSA // **208,892**

HOUSEHOLDS
MEDIAN INCOME // **\$53,798**

HOUSEHOLDS
IN MSA // **87,484**

UNEMPLOYMENT
RATE OF MSA // **3.9%**



MARKET HIGHLIGHTS

- KEB, a CPA, firm relocated. Perten Instruments relocated.
- Vacancy % is remaining fairly consistent.
- Most new construction is occurring within the medical community with the exception of a large facility under construction by a company dealing in software and other technology.
- Inventory is in short supply at all levels below \$300,000. Higher priced home market is very slow.
- Market is fairly stable with no significant new construction for either residential or commercial.

INTERESTING FACT: Abraham Lincoln is from Springfield and is buried here.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	▼	▼	↔
ABSORPTION	▼	▲	▲	↔
RENTAL RATES	▼	▲	▲	↔

Shelby County, KY



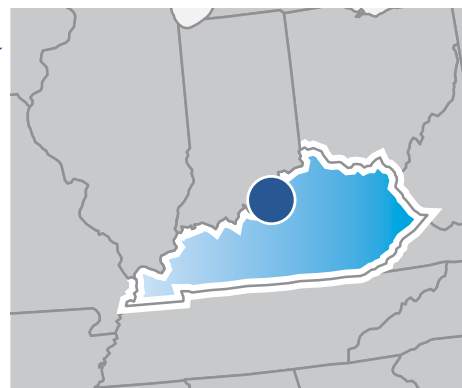
DEMOGRAPHICS

POPULATION
OF MSA // **1,283,297**

HOUSEHOLDS
MEDIAN INCOME // **\$54,546**

HOUSEHOLDS
IN MSA // **501,827**

UNEMPLOYMENT
RATE OF MSA // **3.2%**



MARKET HIGHLIGHTS

- Unemployment is under 4% and some larger manufacturing companies are having difficulty finding local employees.
- Housing is starting to get better in terms of available space. One apartment complex completed at exit 35 and another will finish this year at exit 32. Home builders are very active in subdivisions where there are available lots.
- At Exit 32, Windhurst I & II are available for development. Tractor Supply is there as well as Taco Bell, Bojangles and Burger King just completed a purchase. One parcel is under contract from a hotel.
- Expecting this trend to continue as Louisville continues to “push out” into Shelby County drawing many visitors with the Outlet Mall in Simpsonville, KY.

INTERESTING FACT: Shelby County, KY is known as the “saddlebred capital of the world” and features an annual horse show each year during the summer that draws participants and spectators from around the world. Shelbyville is part of the “golden triangle” of Kentucky in between Louisville and Lexington.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	↔	▲	↔

South Central, KY



DEMOGRAPHICS

POPULATION OF MSA // **174,560**

HOUSEHOLDS MEDIAN INCOME // **\$45,649**

HOUSEHOLDS IN MSA // **65,832**

UNEMPLOYMENT RATE OF MSA // **3.1%**



MARKET HIGHLIGHTS

- South Central Kentucky continued to attract investment in 2017. Bilstein Cold Rolled Steel LP celebrates grand opening of Bowling Green Steel Mill at the Kentucky Transpark.
- NorthPoint Development of Kansas City, MO., broke ground on a 300,000 SF building at the Kentucky Transpark. This project is expected to create 75 new jobs and bringing \$29 million in capital investment to South Central Kentucky.
- Residential, Multi-Family, Office, and Retail new construction projects are on the rise in South Central Kentucky. Construction permits are on at an all time high.
- The Average sold price for Bowling Green/Warren County finished the year up 10% over 2016.
- Carter Lumber of Kent, Ohio, announced the location of their new \$10 million Kight Home Center manufacturing facility at the Kentucky Transpark, creating 50 new jobs in South Central Kentucky. This project will have an estimated economic impact of \$114 million for the Bowling Green community over the next 10 years.

INTERESTING FACT: South Central Kentucky is home to the General Motors Corvette Plant, National Corvette Museum, Mammoth Cave, and Western Kentucky University.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	↔	▲	▲

New Orleans MSA, LA



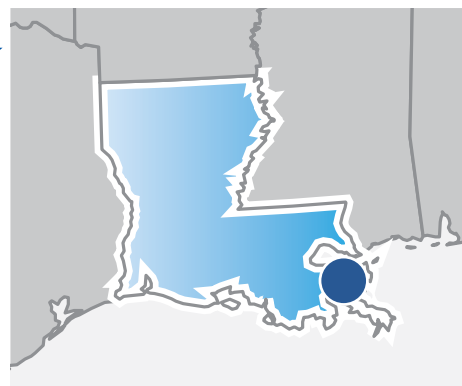
DEMOGRAPHICS

POPULATION
OF MSA // **1,268,883**

HOUSEHOLDS
MEDIAN INCOME // **\$48,804**

HOUSEHOLDS
IN MSA // **482,980**

UNEMPLOYMENT
RATE OF MSA // **3.7%**



MARKET HIGHLIGHTS

- Louis Armstrong New Orleans International Airport (MSY) has set a new all time record of total passengers in 2017. Currently #2 fastest growing airport in the country.
- The New York Times and Frommer's has named New Orleans as the #1 place to go in the world in 2018. Though it has been a long recovery from Hurricane Katrina, New Orleans is back and as vibrant as ever.
- GNO, Inc. and Louisiana Economic Development have been awarded Silver Medal from Business Facilities Magazine for the #2 deal of the year in America 2017. DXC Technology is moving its Digital Transformation Center to New Orleans creating 2,000+ jobs.
- New Orleans has been ranked #4 on Forbes 2017 list of "America's Coolest Cities."
- Greater New Orleans is #1 in the country for Healthcare job growth over the past decade, recording a 78% increase.

INTERESTING FACT: New Orleans celebrates its 300th birthday in 2018!



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	↔	▼	↔
ABSORPTION	▼	↔	▲	↔
RENTAL RATES	▼	↔	▲	↔

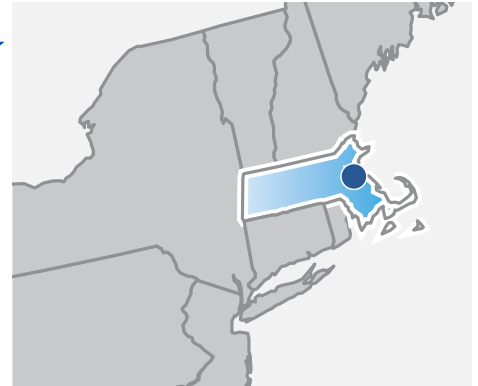
Boston, MA



DEMOGRAPHICS

POPULATION OF MSA // **4,794,447** HOUSEHOLDS MEDIAN INCOME // **\$82,380**

HOUSEHOLDS IN MSA // **1,803,269** UNEMPLOYMENT RATE OF MSA // **2.8%**



MARKET HIGHLIGHTS

- The Boston Industrial sector has seen demand for logistics space and this has kept vacancies low. Amazon occupies over 1.5 million space in Roxbury, Dedham, Everett, Stoughton & Fall River. Additionally, Home Depot, Displays2Go, Xerox have also leased large chunks of space creating tight vacancies. The legalization of marijuana may change the fundamentals for light Industrial sector in 2018.
- The Office market continues to show strong growth with demand keeping pace with new supply. Rent growth would be healthy in coming years and is best in suburban markets like Waltham and Burlington. Most of the demand is focused in urban core and close to Route 128.
- Office: Many out of state firms like GE, Amazon, WeWork have taken spaces in Cambridge and the CBD. New construction is coming out of the ground near Seaport and Cambridge, with tech tenants leasing spaces. The area is also getting a new train station, which makes it attractive for the tech industry.
- Retail sector is seeing new development with rising rents. Vacancies remain tight even though there has been development from Burlington to Westwood. Grocers like Wegmans and Target have been expanding footprints in the Boston Metro. Boston, East Cambridge, Central Waltham and Quincy Center will boost the productivity of retailers due to apartment and office construction.
- Multifamily: Boston is seeing a new wave in apartment development. Supply has been heavy in Downtown Boston, with significant development near North Station / Government Center and Cambridge. With all the new construction, there has been immense competition, leading to stagnant rents.

INTERESTING FACT: The first chocolate factory in the United States was founded in 1780 in Boston. It was located in the Lower Mills section of Dorchester, and was open until 1965.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▲	▲
ABSORPTION	▲	▲	▲	▼
RENTAL RATES	▲	▼	N/A	▲

Lansing Greater Area, MI



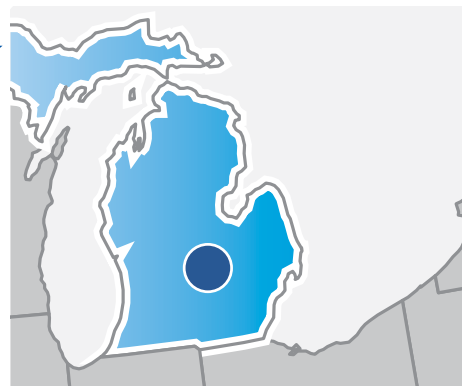
DEMOGRAPHICS

POPULATION
OF MSA // **475,099**

HOUSEHOLDS
MEDIAN INCOME // **\$53,296**

HOUSEHOLDS
IN MSA // **185,389**

UNEMPLOYMENT
RATE OF MSA // **3.9%**



MARKET HIGHLIGHTS

- Costco, Chick-Fil-A, Apple Store all opened in the area.
- Vacancy has been falling overall. Multifamily and Industrial have the lowest vacancy, while Office & Retail still hover in double-digit vacancy rates.
- New construction has mainly been in the residential market and it has been in strong demand.
- The residential market has continued to grow in 2017.
- There has been continued growth in the local commercial real estate market in 2017. Vacancy rates are falling for many sectors of the commercial market.

INTERESTING FACT: This area is home to state capital of MI, two GM automotive plants, home to Michigan State University, and several large insurance companies are based here- Jackson National, Delta Dental, Auto Owners, and Michigan Millers.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Gulf Coast (Harrison/Hancock/Jackson County), MS



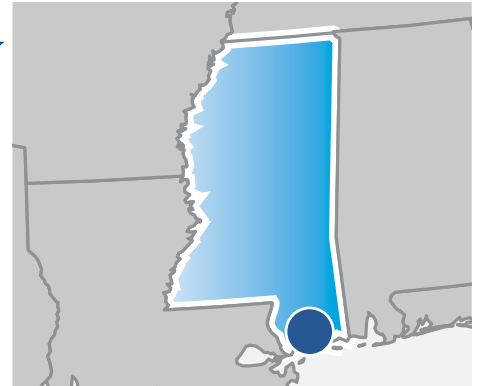
DEMOGRAPHICS

POPULATION
OF MSA // **391,266**

HOUSEHOLDS
MEDIAN INCOME // **\$46,434**

HOUSEHOLDS
IN MSA // **146,020**

UNEMPLOYMENT
RATE OF MSA // **4.7%**



MARKET HIGHLIGHTS

- This market has seen a rise in major corporate leases.
- Falling vacancy rate due to price and availability.
- New construction is on the rise due to big box and inventory availability.
- New construction is on the rise with nationally recognized organizations, and national builders are building in the area, and prices/SF are rising.
- A large change in the market is the influx of cash post-Katrina and post-BP and overall economic stability.

INTERESTING FACT: SmartAsset.com named Gulfport #1 for the most affordable beach town in America for 2018. Gulfport is centrally located between New Orleans, LA, and Mobile, AL on the I-10 corridor. There is world-class gaming, military installations, international port & shipyards and locals keep hometown roots.



OFFICE



RETAIL



MULTI-FAMILY



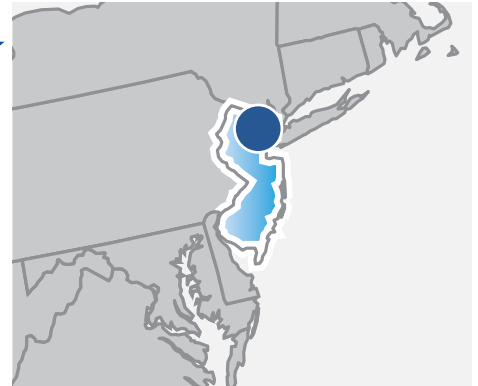
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	↔

DEMOGRAPHICS

POPULATION OF MSA // **20,153,634** HOUSEHOLDS MEDIAN INCOME // **\$71,897**

HOUSEHOLDS IN MSA // **7,118,024** UNEMPLOYMENT RATE OF MSA // **4%**



MARKET HIGHLIGHTS

- Office: This sector's specialists will have to focus on other industries as the pharmaceutical industry is consolidating and leaving large blocks of space in the region. Rent gains have shown some stability since 2016. There is not much speculative development but things may be changing. UPS moved into a 200,000 SF build-to-suit in Parsippany in August.
- The Industrial sector is seeing a rebound with strong leasing and tight vacancies. The metro is a well-positioned transportation hub that will benefit from the Panama Canal expansion and the raising of the Bayonne Bridge. Rent growth has been strong and absorption levels have brought down vacancy rates.
- Industrial: There have been spec deliveries like Bridge Development Partner's 263,000 SF distribution facility. Prologis is developing two spec facilities in Elizabeth, which encompasses more than 680,000 SF.
- Retail: This sector has been doing great, thanks to higher education and high-income jobs. Strong absorption levels have kept vacancies tight. However, rent growth gains have been less than the national average. CVS, ShopRite, Walmart and Burlington Coat Factory have all added new locations recently. The construction supply has been slim. Small spec buildings have sprung up in submarkets.
- Multifamily: Robust job growth in New York City has made Northern New Jersey a popular choice among Millennials looking for quality and affordable living with an easy commute. A construction boom continues in Union and Essex Counties. Developers are leveraging upon Newark's infrastructure. AvalonBay and Capodagil Property have been active developers delivering urban and suburban communities in 2018.

INTERESTING FACT: New Jersey has a spoon museum which features 5,400 spoons from every state and almost every country.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▼	▼	▲	▼

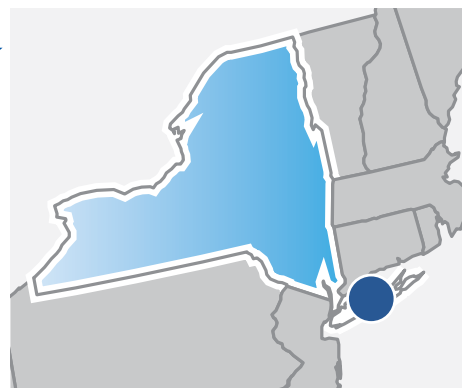
Long Island, NY



DEMOGRAPHICS

POPULATION OF MSA // **20,153,634** HOUSEHOLDS MEDIAN INCOME // **\$71,897**

HOUSEHOLDS IN MSA // **7,118,024** UNEMPLOYMENT RATE OF MSA // **4%**



MARKET HIGHLIGHTS

- Overall, Long Island Industrial vacancy rate ends year at 2.9%. Down from 3.2% at end of 3rd quarter.
- The largest lease signings occurring in 2017 included: 140,000 SF lease signed by Amazon Fresh at 80 Grumman Rd W in the Nassau market; the 104,000 SF deal signed by Stony Brook University at 500 Commack Rd in the Western Suffolk Co. market; and the 90,000 SF lease signed by Pall Corporation at 25 Harbor Park Dr in the Nassau Co. market.
- Average quoted rental rate for Industrial space was \$11.30 PSF at 2017 year end.
- Overall, Long Island Office vacancy rate ends year at 7.1%. Rate holds steady from the end of Q3.
- 64,660 SF lease signed by Ruskin Moscou Faltischek, P.C. at RXR Plaza in the Nassau market; the 63,135 SF deal signed by Dreyfus Service Corporation at RXR Plaza in the Nassau Co. market; and the 33,596 SF lease signed by People's Bank at 100 Motor Pky in the Suffolk Co. market.

INTERESTING FACT: In 2013, 8 of 7/11's top locations by sales were all located in Suffolk County. This is no surprise considering you can't drive more than 2 miles before hitting any number of 7/11's.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	↔	▼
ABSORPTION	▲	▼	▼	▲
RENTAL RATES	▲	▼	▲	▲

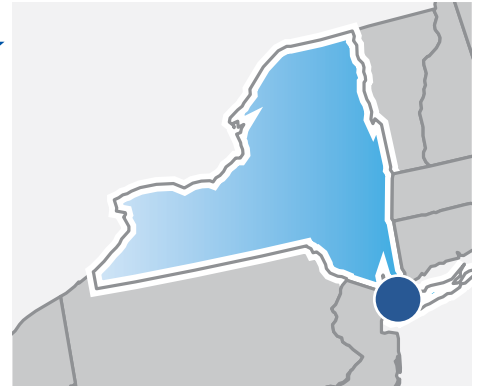
New York City, NY



DEMOGRAPHICS

POPULATION OF MSA // **20,153,634** HOUSEHOLDS MEDIAN INCOME // **\$71,897**

HOUSEHOLDS IN MSA // **7,118,024** UNEMPLOYMENT RATE OF MSA // **4%**



MARKET HIGHLIGHTS

- The largest transaction of the quarter was Ernst & Young's 604,205 SF lease at One Manhattan West. Other notable Office lease signings in 2017: Shiseido – 230,042 SF at 390 Madison Avenue; MasterCard – 212,500 SF at 150 Fifth Avenue; Bryan Cave LLP – 126,084 SF at 1290 Ave of the Americas; and MongoDB, Inc. – 106,230 SF at 1633 Broadway.
- While NYC's Office market vacancy rate has remained relatively stable over the past year, the vacancy rate for the NYC Retail market continues to rise due to inflated rents from previous quarters, which are decreasing as well, due to the changing retail environment.
- With Hudson Yards and other West Side projects leading the way, the NYC Office market will see record highs in Class A Office supply in the next year or two.
- 2017 ended with total sales activity and volume down from 2016. Total dollar volume in NYC and the boroughs were approx. \$32B, which is about a 40% decline from 2016. The 2016 presidential election and uncertainty of tax changes contributed to this slowdown, putting both sellers and buyers on hold. Now, a year into the new presidency and new tax policy, positive movement in the market is expected.
- With the new influx of premium Class A Office supply hitting the market, major companies will be leaving their older Class A and B spaces, creating a decline in those buildings' rents, and a need for landlords to entice tenants with greater concessions.

INTERESTING FACT: Hudson Yards is the largest private real estate development in the history of the United States and the largest development in New York City since Rockefeller Center. The site will include more than 18M SF of state-of-the-art commercial, retail and residential space. The development of Hudson Yards will create more than 23,000 construction jobs.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▲	N/A	N/A
ABSORPTION	▼	▼	N/A	N/A
RENTAL RATES	▲	▼	N/A	N/A

Charlotte, NC



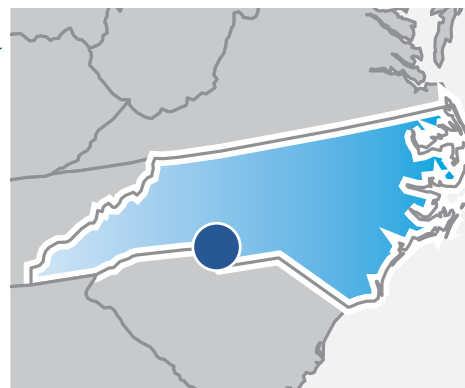
DEMOGRAPHICS

POPULATION
OF MSA // **2,474,314**

HOUSEHOLDS
MEDIAN INCOME // **\$59,979**

HOUSEHOLDS
IN MSA // **917,897**

UNEMPLOYMENT
RATE OF MSA // **4.2%**



MARKET HIGHLIGHTS

- Carolinas Healthcare System has rebranded to Atrium Health as it prepares for nationwide expansion.
- Low vacancies in the region are a result of population and job growth.
- New Multi-Family development continues to come on line at a rapid pace, particularly in the urban areas, while rents and absorption continue to rise.
- Residential inventory remains low and prices continue to rise. “High End” market remain at all time high in terms of price and demand.
- Population and job growth are fueling higher prices and low vacancies.

INTERESTING FACT: Banking remains strong in Charlotte but is no longer the only big employer as healthcare, energy and technology are rapidly growing sectors and major employers in the region.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▲	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

New Hanover County, NC



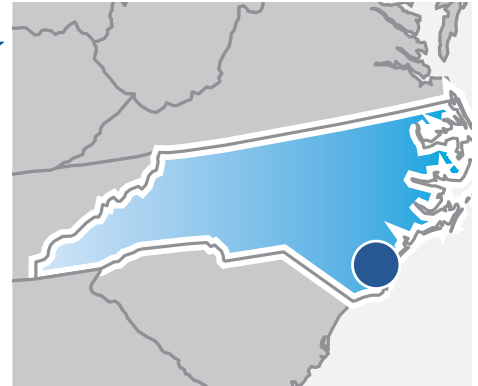
DEMOGRAPHICS

POPULATION
OF MSA // **282,573**

HOUSEHOLDS
MEDIAN INCOME // **\$50,155**

HOUSEHOLDS
IN MSA // **114,024**

UNEMPLOYMENT
RATE OF MSA // **4.3%**



MARKET HIGHLIGHTS

- I-140 was completed this past fall connecting Pender, New Hanover and Brunswick counties with quick access to I-40, US 17 and US 74-76
- The North Carolina State Ports expands and adds two new cranes for loading and unloading ships.
- New Hanover County extended water and sewer up US 421, bringing greater opportunity for Industrial growth.
- City of Wilmington takes the top floor of The Harrelson Building in downtown Wilmington.

INTERESTING FACT: Wilmington is home to the USS North Carolina battleship. The battleship serves as strong tourist attraction along with our historical riverfront and beaches. The area is also growing in popularity through our numerous triathlons and marathons.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Cincinnati MSA, OH



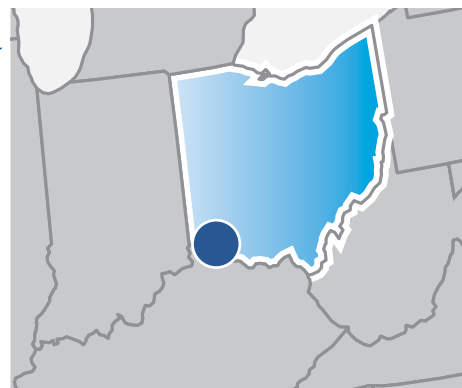
DEMOGRAPHICS

POPULATION OF MSA // **2,161,441**

HOUSEHOLDS MEDIAN INCOME // **\$60,260**

HOUSEHOLDS IN MSA // **841,382**

UNEMPLOYMENT RATE OF MSA // **3.8%**



MARKET HIGHLIGHTS

- A transformational 98-acre mixed-use development in Blue Ash known as Summit Park will break ground in 2018. The \$100+ million 1st phase will consist of two 100 to 150-room hotels, mixed-use buildings with up to 250 apartments with 1st floor retail, and a senior living facility, creating an economic impact of \$110.5 million in direct and \$14.9 million in indirect spending.
- The largest sale of the year in Greater Cincinnati was the \$190 million sale of Rookwood Commons & Rookwood Pavilion. The property has more than 600,000 SF of gross leasable area that is 97% leased. Whole Foods, REI, P.F. Chang's and Nordstrom Rack are a few of the 73 retailers and restaurants in the development.
- FC Cincinnati, a minor league soccer team started in 2015, has caught the eye of MLS. 2017 ended with FCC making its final pitch to become an expansion franchise. MLS is expected to vote on two expansion franchises joining the league as early as 2019. Should Cincinnati make the cut, a privately funded \$200+ million stadium would be constructed.
- Jetsetter.com ranked Cincinnati as the top US city that is "hipper than you think." The ranking lists "unexpectedly hip towns worth downsizing for" that give metropolises like Los Angeles and New York City a run for their money. "The city has also seen a great cultural revival in the past couple of years, with buzzy storefronts, boutique hotels, standout restaurants and hip bars popping up".
- The MLK Interchange, in Uptown near the University of Cincinnati, was completed as the first new interchange in Cincinnati's urban core since the early 1970s, bringing more than 7,000 permanent jobs to the immediate area. The corridor will have about 44 acres of land that could support 2 million SF of development. Multiple projects and proposals are already in the works.

INTERESTING FACT: When it was completed in 1867, the Roebling Suspension Bridge in Cincinnati was the longest of its kind worldwide and was the prototype for the Brooklyn Bridge.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▲	▼	▼
ABSORPTION	▼	▼	↔	▲
RENTAL RATES	▲	▼	▲	▲

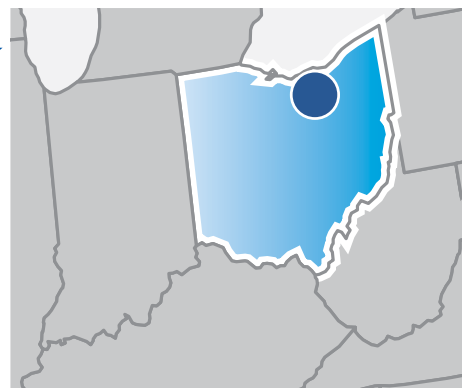
Cleveland-Elyria MSA, OH



DEMOGRAPHICS

POPULATION OF MSA // **2,055,612** HOUSEHOLDS MEDIAN INCOME // **\$52,131**

HOUSEHOLDS IN MSA // **851,882** UNEMPLOYMENT RATE OF MSA // **4.7%**



MARKET HIGHLIGHTS

- Two Cleveland based Corporations - DDR Corp and Forest City Realty Trust - continue to scale back on retail investment and re-focus their businesses. DDR is holding onto only Class A mall projects and joint ventures, while Forest City has significantly scaled back retail investment in order to take advantage of other property types.
- Limited Multi-Family development options has spurred continued redevelopment of downtown office buildings into apartment projects and attracting millennials and empty-nesters to Cleveland's CBD.
- Retail development has been characterized by redevelopment of empty big box stores with many being redeveloped into Medical, Logistics and Entertainment uses. New development has focused on free-standing outlots for restaurants in major and secondary locations.
- Industrial development was highlighted by the opening of a 248,000 SF Amazon Fulfillment Center in Twinsburg, OH and the redevelopment of Randall Park Mall purchased for a new 855,000 SF Amazon Distribution Center slated for 2018. Also this year is the opening of Dealer Tire's new Midtown Cleveland HQ and ABB beginning construction of its new HQ in Highland Heights.
- Velocity of Office leasing has slowed down while some product has been taken out of inventory due to redevelopment. Yet, the Class A Vacancy Rate has dropped from 17.9% to 13.5%.

INTERESTING FACT: Progressive Field, home of the Cleveland Indians, and Quicken Loans Arena, home of the Cleveland Cavaliers, were both built in 1992. Twenty Five years later, The Pro completed a major renovation with enhanced dining and entertainment features throughout the park, while The Q received approval for a 2018 renovation.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	▼	▼
ABSORPTION	▲	▼	▲	▲
RENTAL RATES	↔	▼	▲	▲

Dayton, OH



DEMOGRAPHICS

POPULATION
OF MSA // **800,683**

HOUSEHOLDS
MEDIAN INCOME // **\$51,427**

HOUSEHOLDS
IN MSA // **328,352**

UNEMPLOYMENT
RATE OF MSA // **4.2%**



MARKET HIGHLIGHTS

- CareSource began construction of a new \$40 M - 6 story building downtown. Fast build. Steel frame up in a couple of months. Building is to be finished early next year.
- Industrial segment is booming, less than 5% vacant in the market. It is difficult to find space. 7.5% vacant in Retail and 20% vacant in Office.
- Dayton Children's Hospital finishing up on a \$168M tower.
- The residential market broke all records on a number of sales and average sales price. The market has some of the lowest real estate prices in the country.
- Unemployment is under 5%. New companies are coming to town and current employers expanding.

INTERESTING FACT: Dayton, Ohio - The birthplace of Aviation with the Wright Brothers, Wright Patterson Airforce Base, National Cash Register was founded here also. It is also known for: US Airforce Museum, University of Dayton, Wright State University and Sinclair College.



OFFICE



RETAIL



MULTI-FAMILY



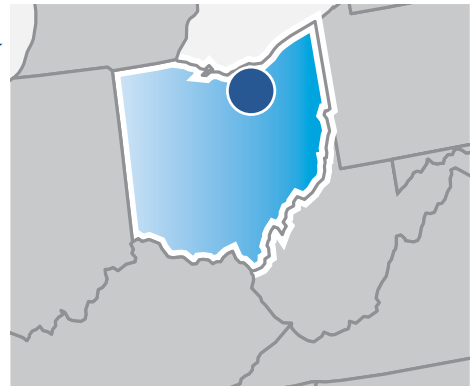
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	↔	↔	▲	↔

Northeast, OH



DEMOGRAPHICS



POPULATION OF MSA // **2,055,612** HOUSEHOLDS MEDIAN INCOME // **\$52,131**

HOUSEHOLDS IN MSA // **851,882** UNEMPLOYMENT RATE OF MSA // **4.7%**

MARKET HIGHLIGHTS

- The Millennia Companies bought the Key Center complex for \$267.5 million in late January 2017. The 57-story skyscraper situated on downtown Cleveland's Public Square, includes 1.3-million SF Office space, a 400-room Marriott hotel and nearly 1,000 parking spaces in an underground garage totaling 193,000 SF projects occupancy at the office tower to tip over 95 percent.
- Vacancy in Cleveland's general purpose, multi-tenant Office market was 21.5% in Q4 of 2017 according to First Glance data from REIS. This high vacancy rate indicates that the Cleveland Office market is fundamentally weak. With technology thriving, many professionals can work out of any space, carrying with them their phone or laptop.
- TOP GOLF - The proposed 16-acre, \$30 million Topgolf entertainment center in Independence will employ a total of more than 400 workers and have a payroll of about \$5 million yearly. The site is owned by Hub Valley Realty, an affiliate of Independence-based real estate developer Dalad Group.
- With the recent Cav's Championship and Tribe's World Series, Cleveland has found itself in the national spotlight. Home prices are expected to climb. More houses could be for sale toward the end of the year, giving home buyers a greater selection to choose from - however, currently many suburbs are experiencing a 'Seller's Market' with low inventory and high demand.
- A summary of key real estate supply and demand metrics reveals that during the fourth quarter the Cleveland Office market recorded positive net absorption, rising effective rents, and downward movement in the market's vacancy rate.

INTERESTING FACT: The first shopping mall opened in Cleveland! The Cleveland Arcade, opened in 1890, is widely considered the first indoor shopping complex in America. Even better; its beautiful Victorian architecture and iconic skylight is still standing today.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	N/A	▼
ABSORPTION	N/A	N/A	N/A	
RENTAL RATES	▲	▲	N/A	▲

Oklahoma City MSA, OK



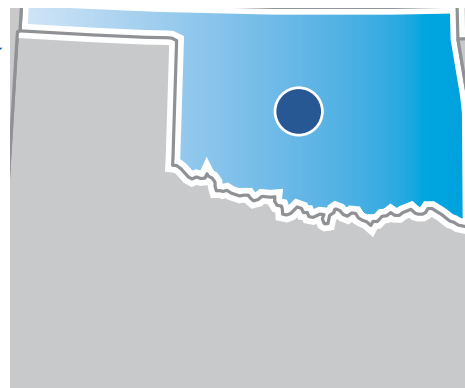
DEMOGRAPHICS

POPULATION
OF MSA // **1,373,211**

HOUSEHOLDS
MEDIAN INCOME // **\$55,065**

HOUSEHOLDS
IN MSA // **510,666**

UNEMPLOYMENT
RATE OF MSA // **3.4%**



MARKET HIGHLIGHTS

- Costco has announced a new location in Oklahoma City. Penn Square owner Simon Properties filed for a 19,460 SF, \$3.5 million building permit application which clearly states 'Container Store' at 5644 N. Penn. The 19,460 SF represents a slight reduction in size from the 23,000 SF that was proposed during the planning process.
- The energy sector has increased the need for industrial facilities in the western part of the metro area to the point there is virtually zero product available. In the rest of the metro, the industrial vacancy hovers around 6%-10% depending on the type of product.
- The only new construction appears to represent build-to-suits and preleased facilities. In the energy sector there are several mergers and acquisitions that will leave some office facilities with increased vacancy. The health care industry seems to continue with new construction.
- The bulk of the new residential development seems to be in the \$250,000 to \$350,000 range for "starter homes". The million dollar plus homes languish needing much more time to find buyers.
- The vacancy in established buildings has remained relatively low, but new retail space at higher rent rates has been slower to absorb. Restaurants have emerged as the anchors for the urban districts and as retailers continue to find their niche with Amazon breathing down their necks, local shops have experienced growing pains.

INTERESTING FACT: With the MAPS city development program that's been in place for the past 10 years, Oklahoma City has developed a white water rapids facility and also has the best flat water rowing venue in the country.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▲	N/A	▼
ABSORPTION	▼	▼	N/A	▲
RENTAL RATES	↔	▲	N/A	▲

Deschutes County, OR



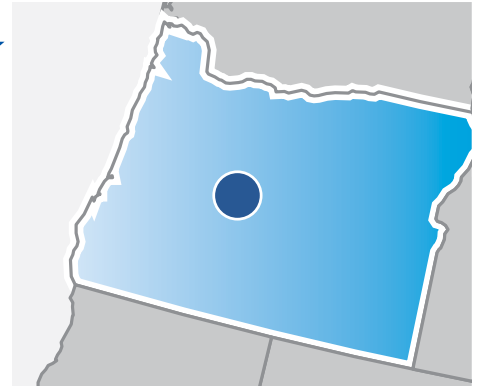
DEMOGRAPHICS

POPULATION
OF MSA // **181,307**

HOUSEHOLDS
MEDIAN INCOME // **\$61,870**

HOUSEHOLDS
IN MSA // **71,262**

UNEMPLOYMENT
RATE OF MSA // **4.2%**



MARKET HIGHLIGHTS

- Milken Institute research for 2017 confirms Bend-Redmond MSA #1 in Best Performing Small Cities study. Among 9 key indicators, economic performance driven by diverse high-tech industries was primary in establishing ranking.
- Oregon State - Cascades campus, established in 2010, continues growth in enrollment. State has committed funding for additional education and student housing new construction.
- Vacancy rates in Bend market continue to decline in all segments. Year end 2017 Office at 3.6%, Retail 2.8%, Industrial 3.3%.
- Residential housing demand continues to grow in all segments. Significant investment is underway in Multi-Family.
- Industrial vacancy rates in Bend-Redmond Regional Airport submarket finished 2017 at 3.5%. Down from 2010 level of +25.0%.

INTERESTING FACT: Traditional economy based on wood-products industry has evolved to diverse growth which is driven by high-tech industry investment, year-round four season recreation attractions (ski in the morning - golf in the afternoon) and oasis for active retirement lifestyle.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	↔	▼
ABSORPTION	▼	▼	▲	▲
RENTAL RATES	↔	↔	▲	↔

Willamette Valley, OR



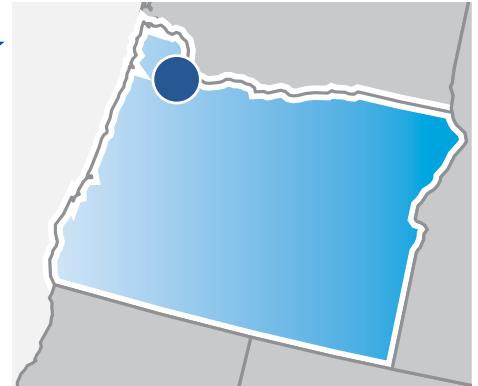
DEMOGRAPHICS

POPULATION
OF MSA // **418,139**

HOUSEHOLDS
MEDIAN INCOME // **\$55,903**

HOUSEHOLDS
IN MSA // **146,078**

UNEMPLOYMENT
RATE OF MSA // **3.6%**



MARKET HIGHLIGHTS

- The legalization of marijuana has created an infill of secondary retail space used for retail dispensaries.
- Amazon has begun building a warehouse packing/shipping distribution center of approx. 1 million SF. This is also expected to create around 1,000 new jobs.
- Local breweries continue to be popular in downtown spaces, both with onsite and offsite brewing.
- The Industrial market continues to be in high demand for purchasers/investors. Industrial rates continue to increase due to the lack of supply in the market.
- The Portland metro area has been on fire and has forced opportunities south into the Willamette Valley. Most of the small cities throughout the valley have regained stability that was lost during the recession.

INTERESTING FACT: Oregon's state nut is the hazelnut, also known as a filbert.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	↔
ABSORPTION	▲	▲	▲	▼
RENTAL RATES	↔	▲	▲	▲

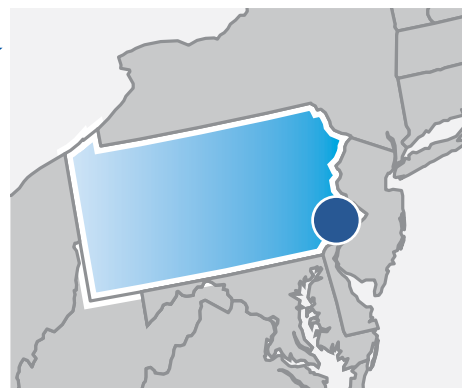
Philadelphia, PA



DEMOGRAPHICS

POPULATION OF MSA // **6,070,500** HOUSEHOLDS MEDIAN INCOME // **\$65,996**

HOUSEHOLDS IN MSA // **2,241,237** UNEMPLOYMENT RATE OF MSA // **4.2%**



MARKET HIGHLIGHTS

- Philadelphia is seeing much more attention from technology companies and creative office from other cities due to the talent pool of recent graduates from 5 large universities and lower rental rates than nearby cities.
- There is a strong and widespread interest in the major Philadelphia health systems to capture market share. Further, there have been out of town providers and institutions seeking a foothold in Philadelphia.
- With Apartment rental rates on the rise, value-add Multi-Family properties are the most sought after product with city incentives including tax abatements and credits for renovations and new buildings.

INTERESTING FACT: Finally, a Superbowl victory for the Philadelphia Eagles.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	↔	▲	▲	▲
RENTAL RATES	▼	▲	▲	▲

Beaufort, SC



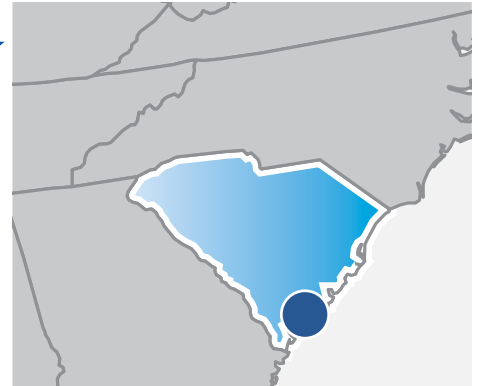
DEMOGRAPHICS

POPULATION
OF MSA // **211,614**

HOUSEHOLDS
MEDIAN INCOME // **\$63,756**

HOUSEHOLDS
IN MSA // **76,772**

UNEMPLOYMENT
RATE OF MSA // **4%**



MARKET HIGHLIGHTS

- Assisted living and Multi-Family are still growing
- Downtown Retail is strong.
- Permitting is very slow and cumbersome.
- Luxury housing market is picking up.
- This market has seen the replacement of old hotels with new mid-priced hotel construction.

INTERESTING FACT: Beaufort is a small historic coastal town in South Carolina. Downtown is a national historic landmark district, with newer construction growing out. The tourist destination of Hilton Head is in the county and contributes greatly to the tax base.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	▼	N/A
ABSORPTION	▲	▼	▲	N/A
RENTAL RATES	↔	▼	▲	N/A

Charleston, SC



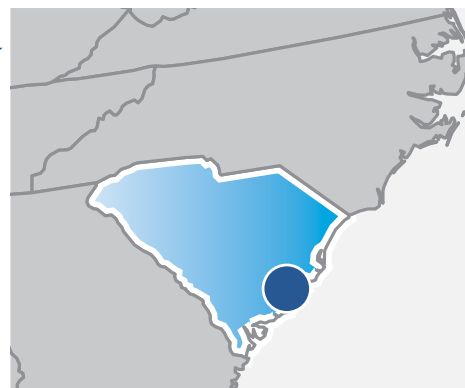
DEMOGRAPHICS

POPULATION
OF MSA // **761,155**

HOUSEHOLDS
MEDIAN INCOME // **\$57,659**

HOUSEHOLDS
IN MSA // **287,362**

UNEMPLOYMENT
RATE OF MSA // **3.5%**



MARKET HIGHLIGHTS

- Sprinter Van is doubling their plant for worldwide production. Boeing certifies 787-10 that is 100% built in Charleston. Volvo is building a new plant for S60 and SX90 SUV. The Port of Charleston is expanding. Medical University doubles in size.
- Development boom causes recent construction loss.
- Spec industrial buildings are being added to inventory.
- High demand for single and multi-family homes is creating limited available raw land. Supply is still growing.
- Huge growth above the national average. Inflation is taking affect.

INTERESTING FACT: #2 city to visit.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Columbia, SC



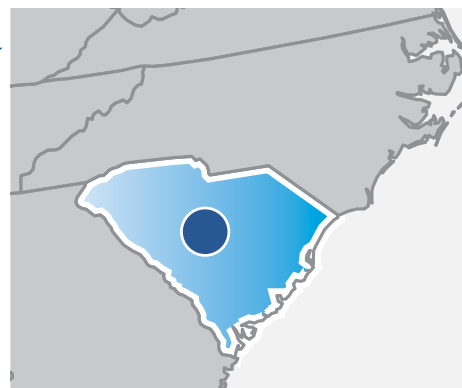
DEMOGRAPHICS

POPULATION
OF MSA // **816,450**

HOUSEHOLDS
MEDIAN INCOME // **\$52,247**

HOUSEHOLDS
IN MSA // **309,016**

UNEMPLOYMENT
RATE OF MSA // **4.2%**



MARKET HIGHLIGHTS

- South Carolina has the lowest corporate income tax rate in the southeast, at 5%, and the cost of living is lower than the national average. Within the past five years, large corporations such as Aflac, Verizon, and Amazon have expanded in the market, adding close to 3,000 jobs.
- A range of economic drivers, such as low business and living costs, generous state and local tax incentives, and a central location attract businesses to the area. Net absorption has trended positive, though currently outpaced slightly by recent deliveries.
- The China Jushi project, located on Pineview Drive in Columbia will add more than 750,000 SF to the Southeast Columbia submarket, and is expected to deliver in 2018. China Jushi is a manufacturer of fiberglass products, and plans to create 400 new jobs.
- 2017 residential deliveries slowed and fewer than 150 units came to market in the last year. However, construction appears set to return, as more than 1,100 units were under construction in Columbia in early 2018. Student housing demand has been on the rise as enrollment at the University of South Carolina is growing by close to 1,000 students each year.
- BullStreet is a 20-year, 181-acre project to transform the historic S.C. State Hospital site into a vibrant, mixed-use neighborhood district in downtown Columbia, SC. Hughes Development Corporation is serving as the project's master developer, working with the Midlands community to build a one-of-a-kind new neighborhood – a city within a city.

INTERESTING FACT: Riverbanks Zoo and Garden is the southeast's premiere destination for family fun, adventure, education, and wild animals; is the home to over 2,000 animals from around the world and is recognized as one of the top 4 zoos in the country. In addition, the Botanical Gardens is recognized by HGTV as one of the best manmade gardens in the world.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▲	▼	▼
ABSORPTION	↔	▲	▼	▲
RENTAL RATES	▲	▲	▲	▲

Greenville, SC



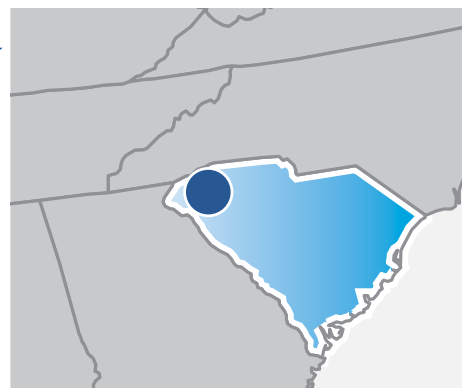
DEMOGRAPHICS

POPULATION
OF MSA // **884,975**

HOUSEHOLDS
MEDIAN INCOME // **\$50,644**

HOUSEHOLDS
IN MSA // **335,497**

UNEMPLOYMENT
RATE OF MSA // **3.8%**



MARKET HIGHLIGHTS

- Lockheed Martin plans to move production of the F-16 fighter from Fort Worth, TX to Greenville. The move could create between 200-250 new jobs.
- Caristrap International, a manufacturer of strapping systems, has announced it is locating its headquarters in Greenville County. Caristrap International is investing \$5.5 million and locating its headquarters inside an existing 32,000 SF building at 45 Brookfield Oaks Drive, an investment expected to create 100 new jobs.
- Moore's Food Resources plans to locate into a 132,000 SF building in Augusta Grove Industrial Park in Greenville. Moore plans to invest \$15 million into the new facility with a planned 50,000 SF expansion in three years, while hiring 182 new employees.
- The Dallas-based company, Top Golf, has resurrected its plans to enter the Greenville market. They plan to construct one of its signature driving ranges on a 77-acre property near the intersection of Pelham and Garlington roads, anchoring a new mixed-use development that is slated for occupancy in 2019.
- Greenville Health System and Palmetto Health finalize partnership to form new, not-for-profit, locally governed health company that will work to address important health issues affecting South Carolinians.

INTERESTING FACT: The Camperdown Project in the heart of Downtown Greenville broke ground. The massive project includes new offices for the Greenville News, a 150-room hotel, a 240-unit apartment complex, and a 12-story office and condo building overlooking the Reedy River.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▼
RENTAL RATES	▲	▲	▲	▲

Myrtle Beach, SC



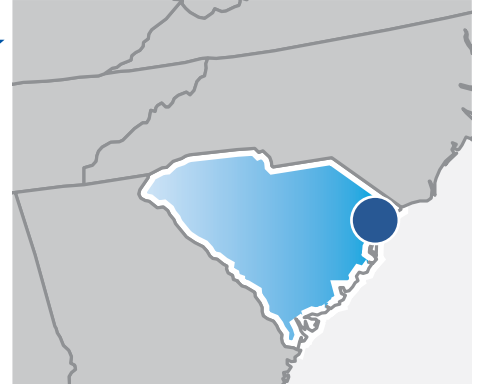
DEMOGRAPHICS

POPULATION
OF MSA // **449,295**

HOUSEHOLDS
MEDIAN INCOME // **\$46,787**

HOUSEHOLDS
IN MSA // **179,893**

UNEMPLOYMENT
RATE OF MSA // **5.8%**



MARKET HIGHLIGHTS

- Openings in this market include: Publix grocery, four new Walmart neighborhood market stores and three new Aldi stores. A new motor coach waterway RV park also opened.
- Vacancy is falling due to lack of new construction and slow pace of permitting.
- Thousands of new single family home sites have opened as well as 2 new 60 bed+ hospitals.
- Construction cost are higher and labor is tight.
- This area has 60 miles of great beaches.

INTERESTING FACT: Dustin Johnson, the number 1 golfer in the world, played his college golf at Coastal Carolina University.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	▼	▼
ABSORPTION	▲	▼	▲	▲
RENTAL RATES	▲	▼	▲	▲

Spartanburg, SC



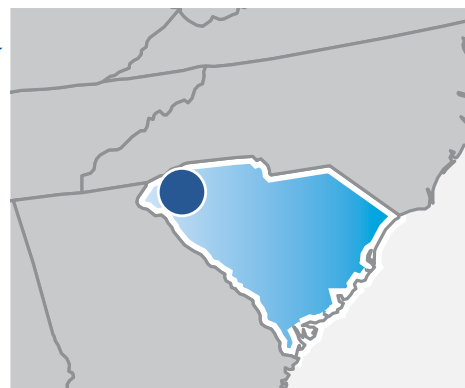
DEMOGRAPHICS

POPULATION
OF MSA // **329,136**

HOUSEHOLDS
MEDIAN INCOME // **\$46,554**

HOUSEHOLDS
IN MSA // **125,096**

UNEMPLOYMENT
RATE OF MSA // **3.8%**



MARKET HIGHLIGHTS

- Spartanburg County lands 21 new economic development projects totaling more than \$885 Million in capital investment and creating 1,789 new jobs.
- Operated by OTO Development and owned by the Johnson family, AC Spartanburg by Marriott opens a 10 story, 114 room hotel creating 35 new jobs in downtown Spartanburg.
- City announces largest residential development in history, \$30 million 200 unit apartment community behind Spartanburg's Marriott.
- Wofford College opens the new basketball arena honoring Carolina Panthers owner and alumni Jerry Richardson. The arena is 110,000 SF with 3,400 seats. Wofford played to sold out crowds opening with USC and Ga Tech and opens the 2018 season with 2017 NCAA champion UNC. Wofford opens the Rosalind S Richardson Center for the Arts, home for academic programs in theatre and visual arts and art history.
- Work continues on the renovations of the Montgomery Bldg. Built in 1925, the historic office building will now be home to boutique retail and dining on the ground floor, offices on the 2nd and 8 floors of high end apartments.

INTERESTING FACT: A treaty with the Cherokee Indian nation in 1753 opened up the area for settlers. The county formed in 1785 and got its name from the Spartan Regiment, a local militia unit that fought in the Revolutionary War.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▲
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	↔	▲

Sumter, SC



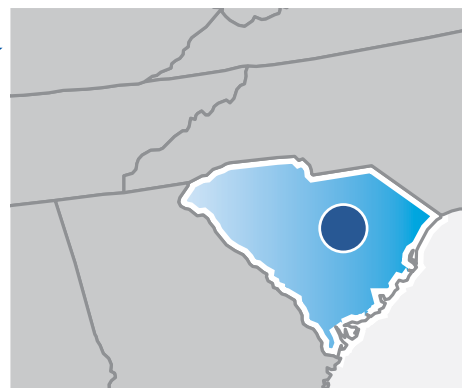
DEMOGRAPHICS

POPULATION
OF MSA // **107,396**

HOUSEHOLDS
MEDIAN INCOME // **\$40,614**

HOUSEHOLDS
IN MSA // **41,439**

UNEMPLOYMENT
RATE OF MSA // **5.2%**



MARKET HIGHLIGHTS

- Continental Tire expansion brings project investment to over \$500 million. Annual production capacity to reach over 8 million by 2021.
- Downtown Sumter is continuing to go through a revitalization period. Hyatt Place, Sumter's first hotel Downtown, is set to open at the beginning of April. Another new edition, F45 Training will provide residents with a fitness center focused on 45-minute interval training workout. The gym will open early Spring 2018.
- Sumter Economic Development Board built a new \$2 million dollar office in the heart of Downtown Sumter.
- Retail continues to be strong. Several big announcements are expected during the 1st quarter of this year.
- Residential market continues to grow with Industrial expansion and the announcement of the MQ-9 Reaper Unit coming to Shaw Air Force Base.

INTERESTING FACT: Sumter is named after General Thomas Sumter, who is most known for his service to his country during the American Revolutionary War.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	↔	▲	▲	▲

Knoxville / East, TN



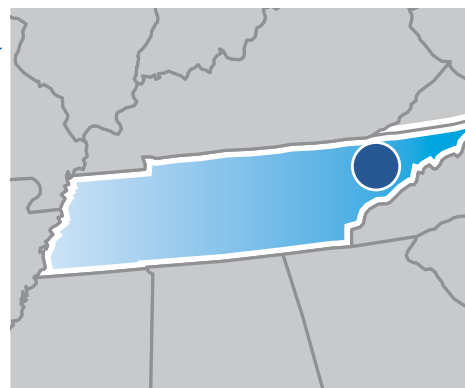
DEMOGRAPHICS

POPULATION
OF MSA // **869,076**

HOUSEHOLDS
MEDIAN INCOME // **\$49,862**

HOUSEHOLDS
IN MSA // **344,803**

UNEMPLOYMENT
RATE OF MSA // **2.9%**



MARKET HIGHLIGHTS

- Discovery Communications is buying Knoxville-based Scripps Networks Interactive. The \$14.6 billion purchase is expected to close in early 2018. Discovery Communications will move its national operations headquarters to Knoxville.
- With a strong and growing economy along with record low unemployment rates, vacancy rates in most sectors continue to decline.
- Construction in and around the University of Tennessee Knoxville campus continues with construction projects totaling over one billion dollars.
- The residential market continues to remain strong with demand seemingly outstripping supply. This is causing values for raw land suitable for single family subdivisions to rise.
- Good demand continues in all sectors. There is a shortage of good industrial properties which may spur more industrial development in the near future.

INTERESTING FACT: In 1982, Knoxville hosted the Worlds Fair with a theme "Energy Turns the World".



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	↔	▲	▲	▲

Amarillo, TX



DEMOGRAPHICS

POPULATION
OF MSA // **263,491**

HOUSEHOLDS
MEDIAN INCOME // **\$54,478**

HOUSEHOLDS
IN MSA // **95,619**

UNEMPLOYMENT
RATE OF MSA // **2.5%**



MARKET HIGHLIGHTS

- Downtown redevelopment activity is strong with the recent opening of the Convention Center Embassy Suites and the Municipal Parking Garage, which offers retail lease space. Construction of the \$45.5 million stadium has begun and will bring AA baseball, through the Elmore Sports group, to Amarillo in 2019.
- Nation and Regional Retail space demand continues to be challenged by a lack of available existing Class A space, especially along the Soncy segment of Loop 335.
- 2017 was the fourth straight year for the Amarillo MSA housing market to exceed 3,000 closed sales and the third highest number of closed sales in the past ten years. Buyers remain most challenged by the lack of available MLS inventory which was at 3.79 months of inventory at the end of 2017.
- Bell Helicopter Textron, Inc. is now doing test flights of their V-280 Valor in Amarillo and is pursuing a contract with the military that would result in a substantial expansion of their Amarillo facilities. Bell Helicopter currently has 1,251 employees.
- The Pantex Administrative Support Complex is under construction and will be a 343,000 SF facility. CNS Pantex currently has 3,150 employees.

INTERESTING FACT: There are more than 100 companies creating 54,141 jobs in the Amarillo Metro area. Median household incomes for Amarillo is 16% higher than the nation, and 12% higher than Texas.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▲	▼
ABSORPTION	▼	▲	▼	▲
RENTAL RATES	↔	▲	▼	▲

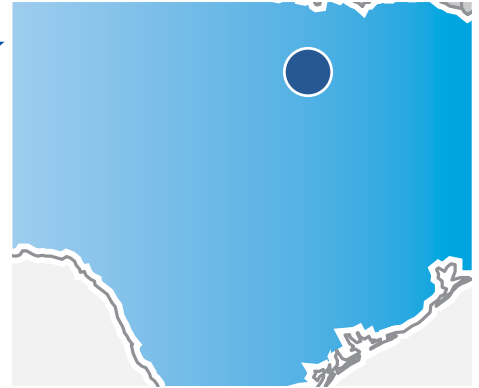
Dallas, TX



DEMOGRAPHICS

POPULATION OF MSA // **7,232,599** HOUSEHOLDS MEDIAN INCOME // **\$63,812**

HOUSEHOLDS IN MSA // **2,538,547** UNEMPLOYMENT RATE OF MSA // **3.1%**



MARKET HIGHLIGHTS

- Industrial: DFW is a distribution hub and fundamentals for this market look strong. There has been significant demand for spec projects and that has kept vacancies tight. Many national retailers, logistics providers, and consumer-packaged goods firms have expanded footprints including, Amazon, FedEx, Mission Foods, Chewy Inc. and Campbell Soup.
- Office sector has been showing healthy trends for years. Vacancies are below average and demand is expected to outperform in the coming years. Rents have been showing healthy trends in Plano, Frisco and other submarkets with newer, high-quality space.
- Toyota, Liberty Mutual and JP Morgan Chase have moved to Legacy West in Plano. Also, FedEx and Fannie Mae have moved to offices in the northern suburbs, easing more than 250,000 SF.
- Retail: DFW is seeing strong growth thanks to the metro's robust economy. Inventory is expected to expand especially around Hwy 121. Supply is ramping up but absorption is keeping up with the new supply. Many grocers including HEB, Kroger, Trader Joe's and Whole Foods have expanded to meet both urban and suburban demand.
- Multi-Family: Thanks to strong job growth, more and more people are migrating to the area and this has helped the Apartment market. There has been record supply but strong absorption rates have kept the rent rates above the metro's historical average. Downtown and older Dallas suburbs are seeing rent growth above average.

INTERESTING FACT: Highland Park Village Shopping Center developed in 1931 is the first planned shopping center in America. It was declared a national historic landmark in 2000.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▲	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

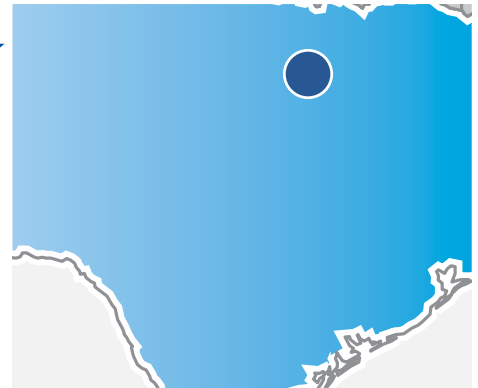
Dallas / Fort Worth, TX



DEMOGRAPHICS

POPULATION OF MSA // **7,232,599** HOUSEHOLDS MEDIAN INCOME // **\$63,812**

HOUSEHOLDS IN MSA // **2,538,547** UNEMPLOYMENT RATE OF MSA // **3.1%**



MARKET HIGHLIGHTS

- The DFW Office inventory grew by almost 10 million SF of new construction in 2017, and while several suburban build-to-suits were included, the speculative deliveries did exert upward pressure on vacancy, as roughly 60 percent of 2017's multi-tenant deliveries were available at the time of completion.
- With just under seven million SF of new Retail product delivered in 2017 and with 4.2 million SF of net absorption during the year, the vacancy rate was virtually unchanged from the close of 2016, ending the year at 4.7 percent.
- Industrial properties continued to outperform all other sectors in 2017, amassing an amazing 21,000,000 SF of net absorption by the close of the year — this following a year of like net absorption in 2016.
- DR Horton, the nation's biggest homebuilder, relocated its headquarters from Fort Worth to a new 200,000 SF Office building in Arlington.

INTERESTING FACT: The first convenience store, 7-eleven, got its start in Dallas and the corporation is headquartered there today.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	↔	N/A	▼
ABSORPTION	▲	▲	N/A	▲
RENTAL RATES	▲	▲	N/A	▲

Lubbock, TX



DEMOGRAPHICS

POPULATION
OF MSA // **313,910**

HOUSEHOLDS
MEDIAN INCOME // **\$48,671**

HOUSEHOLDS
IN MSA // **116,122**

UNEMPLOYMENT
RATE OF MSA // **2.7%**



MARKET HIGHLIGHTS

- With an estimated population of 253,000, Lubbock is the largest city on the South Plains of West Texas and the 11th largest city in Texas.
- Fueled by new construction, employment growth, and a strong real estate market, the Lubbock Economic Index (a broad measurement of the city's economy) reached record heights throughout 2017 and early 2018, according to Lubbock National Bank.
- Texas Tech University in Lubbock announced another new enrollment record in 2017, with more than 37,000 students enrolled. Texas Tech is expected to reach 40,000 students by 2020.
- A new \$150 million, 200,000 SF performing arts center is under construction in downtown Lubbock. The Buddy Holly Hall of Performing Arts and Sciences is scheduled for completion in 2020.
- Lubbock was recognized by CNBC and Growella.com as one of the best cities in the U.S. for young adults to live in. CNBC praised Lubbock's short commuting times, low cost of living, and sizable young adult population.

INTERESTING FACT: WalletHub recognized Lubbock as one of the top 15 best large cities in the U.S. to start a business in 2017.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	↔	↔	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	↔	↔	▲

Rio Grande Valley, TX



DEMOGRAPHICS

POPULATION
OF MSA // **849,843**

HOUSEHOLDS
MEDIAN INCOME // **\$36,176**

HOUSEHOLDS
IN MSA // **234,716**

UNEMPLOYMENT
RATE OF MSA // **6.7%**



MARKET HIGHLIGHTS

- Topgolf® announces Pharr, TX, near McAllen, TX in the Rio Grande Valley, as its 11th location planned in Texas. Topgolf has begun construction on the 55,000 SF venue for a completion in late 2018.
- Industrial vacancies are lower than they have been in years, due in part to job creation, business expansions and business relocation.
- New Retail construction continues to dominate the market as new concepts continue to get rolled out across The Rio Grande Valley.
- Low inventory of existing residential properties leads to a competitive resale market, paving the way for new construction.
- Single and Multi-Family development continues as the market tries to keep up with rapidly growing Medical Systems and The University of Texas at Rio Grande Valley.

INTERESTING FACT: The Rio Grande Valley is it is one of the least expensive places to live in the country and has a population of around 1.5 million people.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	↔	▼
ABSORPTION	▼	▲	↔	▲
RENTAL RATES	↔	↔	↔	↔

San Antonio, Bexar County, TX



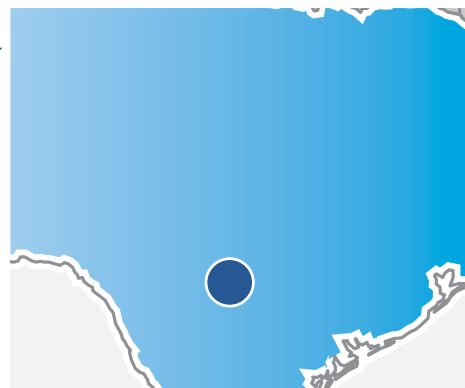
DEMOGRAPHICS

POPULATION
OF MSA // **2,429,609**

HOUSEHOLDS
MEDIAN INCOME // **\$56,105**

HOUSEHOLDS
IN MSA // **796,140**

UNEMPLOYMENT
RATE OF MSA // **3%**



MARKET HIGHLIGHTS

- Tech and cybersecurity corporations are finding San Antonio an ideal location to attract talent, do business, and achieve a high quality of life. Multiple firms have secured their corporate offices here.
- Healthcare is increasing dramatically with more specialists, research, and medical care providers. Services for children are on the rise as doctors open offices throughout San Antonio and surrounding areas.
- A new, large development for retailers is under construction on the north side for high end users, restaurants, entertainment and residential multi-family use. Most new centers are anchored with a large tenant and relatively fewer small adjacent space.
- Housing in San Antonio has risen in value 18.4% in one year and continues to climb as residents flock to this city for job opportunities, education, and other resources.
- Downtown is under construction for a multi-story bank building that will include over 460,000 SF, a major expansion of the RiverWalk, and the renovation of Lone Star Brewery into a site for retail, entertainment and a new workplace office environment.

INTERESTING FACT: The Alamo. It's one of the most interesting museums in the world and attracts visitors from all nations. San Antonio RiverWalk is well known for its lively atmosphere, great music, outstanding cuisine and multi-cultural background.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▼	▲	▲
RENTAL RATES	▲	▲	▲	↔

Southeast, TX



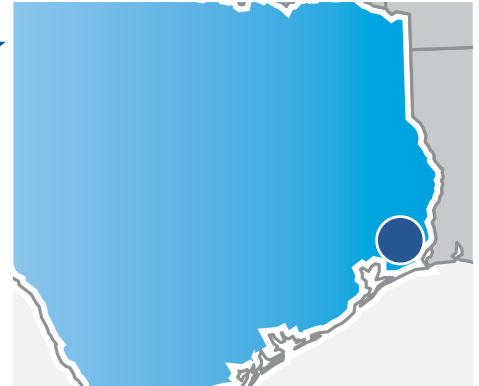
DEMOGRAPHICS

POPULATION
OF MSA // **409,901**

HOUSEHOLDS
MEDIAN INCOME // **\$49,364**

HOUSEHOLDS
IN MSA // **152,244**

UNEMPLOYMENT
RATE OF MSA // **6.7%**



MARKET HIGHLIGHTS

- Hurricane Harvey recovery is bringing millions to the area for rehab, rebuilding, and overall infrastructure repair/replacement as well as debris removal.
- Two LNG plans are now under construction, with specialty construction trades being utilized. These workers are filling all hotels, spending money for dining and essentials. Sales tax revenue is up 22% for the county over the same months in 2017.
- University of Texas Medical Branch has greatly expanded their footprint with specialty health care and has moved into long term leases in stand alone buildings with good access. Steward Healthcare purchased 2 hospital campuses and is expanding their services in the area.
- Retail has lost 2 major big box retailers, but the space is being replaced with different retailers that are new to the market. New retail has been limited to smaller developments that are geared toward service tenants.
- The statewide Workforce Development organization has expanded into renovated space, as well as build to suit new construction, for major increases in space to help coordinate training and placement to fit the demands of this area.

INTERESTING FACT: Energy got its start in this county. In 1901, the Spindletop Gusher blew in, affecting change in the US as well as world markets. The origin of Texaco, Gulf Oil, and ExxonMobil can be traced directly to Spindletop.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	↔	▼	↔
ABSORPTION	↔	↔	▲	↔
RENTAL RATES	↔	↔	▲	▲

Victoria, Victoria County, TX



DEMOGRAPHICS

POPULATION
OF MSA // **100,227**

HOUSEHOLDS
MEDIAN INCOME // **\$55,228**

HOUSEHOLDS
IN MSA // **35,180**

UNEMPLOYMENT
RATE OF MSA // **3.9%**



MARKET HIGHLIGHTS

- Hurricane Harvey hit Victoria causing major damage to roofs, signs and fences. The hurricane displaced many families in and around Victoria. Multiple apartment communities vacated the entire complexes due to water damage. Several complexes have not started rebuilding.
- Aldi Grocery opened its first store in the market. Planet Fitness has announced a new store opening.
- Industrial market is flat but beginning show signs of improvement as the price of oil stabilizes above \$50 a barrel.
- University of Houston-Victoria purchased Town Plaza Mall. The university acquired 132,000 SF on 10 acres of land located about a mile from campus. Relocating to Town Plaza will be: The UHV Small Business Development Center. The SBDC also plans to start a business incubator there. Regional Center for Economic Development. A classroom, kinesiology lab and physics lab.
- City of Victoria took over the operation of Riverside Golf Course and recently reopened after renovating the greens and damage caused by Hurricane Harvey.

INTERESTING FACT: Victoria is also known as the Crossroads Area because of its proximity to Houston, Austin, San Antonio and Corpus Christi. Victoria is centrally located within two hours of these Metropolitan areas.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	▲	▲	▲
ABSORPTION	↔	▼	▲	▼
RENTAL RATES	↔	↔	↔	▼

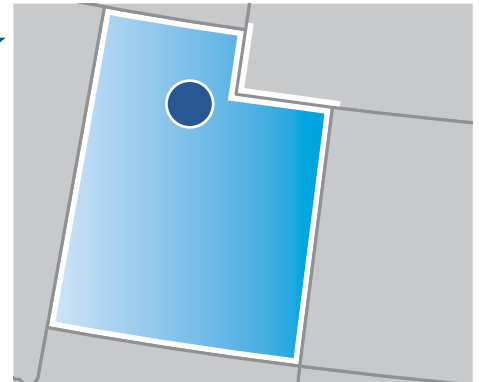
Salt Lake City, UT



DEMOGRAPHICS

POPULATION OF MSA // **1,186,187** HOUSEHOLDS MEDIAN INCOME // **\$68,196**

HOUSEHOLDS IN MSA // **386,481** UNEMPLOYMENT RATE OF MSA // **2.7%**



MARKET HIGHLIGHTS

- Roughly 1.07 million SF of Office space is currently under construction, including the Mountain America Credit Union building, at 327,000 SF. More than 80 percent of Office construction is located in the suburban markets.
- Industrial construction activity reached record high levels of just over 5 million SF of new industrial space recorded at year end 2017. Continued development of spec and owner/user big-box product has been a trend in the last few years with significant amounts of the new construction located near the Salt Lake City airport.
- Due to Utah's booming economy and hurried population growth throughout the state, an increase in midsize box activity occurred compared to many markets across the nation. The continued demand for quality retail space caused construction to increase, with 744,813 SF of retail space under construction in Salt Lake County at the end of 2017.
- Tenants will continue to seek out record amounts of Class A product ideally located along the I-15 corridor to capture employees from all counties along the Wasatch Front. Finding qualified employees in Utah is challenging thanks to a record 17-year low unemployment rate of 4.1% in December.
- The Utah economy continues its strong performance and will be one of the top performing economies in the nation next year. Immigration will be a key factor for Utah's labor market, ensuring continued economic growth over the next few years.

INTERESTING FACT: Salt Lake among 'Top 15 Cities Where Millennials are Moving' by Time magazine. SLC named '#1 City Where Young People Want to Be' by realtor.com. Salt Lake City ranked '#1 Among Cities Poised to Become Tomorrow's Tech Meccas' by Forbes Magazine.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▼	▲	▲	▲
RENTAL RATES	▲	▼	▲	▼

Utah County, UT



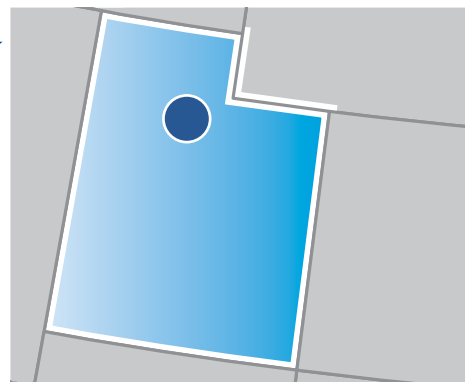
DEMOGRAPHICS

POPULATION
OF MSA // **602,543**

HOUSEHOLDS
MEDIAN INCOME // **\$69,288**

HOUSEHOLDS
IN MSA // **160,979**

UNEMPLOYMENT
RATE OF MSA // **2.5%**



MARKET HIGHLIGHTS

- Developers continue to see Utah County as a promising location for economic strength and continued business growth. Over 1,260,000 SF of new office space is currently under construction — mostly in the North quadrant — and slated for completion by midyear 2018. The Utah County market is expected to perform well in 2018 with steady demand and the completion of new construction.
- In the Retail market, strong absorption in grocery and quick-service restaurants remained a significant trend. Increased consumer demands in Utah County was met by completion of over 766,000 SF during 2017. Significant new developments include, The Plaza at Mill Town in Vineyard, The Ridge Shopping Center in Lehi, Canyon Creek in Spanish Fork, and The Springs in Saratoga Springs.
- Utah County's employment expansion increased in every major industry. Positive growth was recorded between June 2016 and June 2017, allowing for job expansion marks in the 33rd consecutive month growing over 4% in Utah County. The ongoing strength in the labor market continued to fuel economic growth and allowed for an increase in consumer spending.
- Utah County Industrial market continued to experience an increased need for quality Industrial space even with 767,658 SF of new product reaching completion in 2017. A few large projects were underway as of year-end 2017, but not enough to create a healthy vacancy rate for tenants looking for quality Industrial space. There was 1,182,524 SF of Industrial space under construction.
- The North quadrant of Utah County continues to be the ideal location for growth as residential unit construction and other commercial ventures continue to thrive in this sector. Reasonable prices for land parcels suitable for industrial development continues to be scarce.

INTERESTING FACT: Utah has been recognized by Forbes best places for business. Utah ranked #3 for Best Economy by WalletHub.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▼	▼
ABSORPTION	▼	▲	▲	▼
RENTAL RATES	▼	▲	▲	▲

Washington County, UT



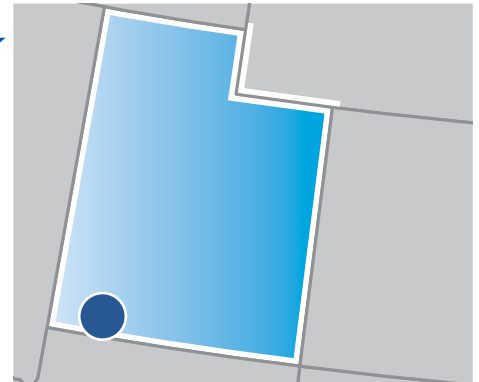
DEMOGRAPHICS

POPULATION
OF MSA // **160,245**

HOUSEHOLDS
MEDIAN INCOME // **\$55,056**

HOUSEHOLDS
IN MSA // **51,774**

UNEMPLOYMENT
RATE OF MSA // **3.1%**



MARKET HIGHLIGHTS

- The Industrial market continues to lead the commercial sectors in Washington County with vacancy below 2% and lease rates on a steady climb.
- The following companies announced and started major expansions in Washington County: Intermountain Healthcare Hospital Expansion - 400,000 SF; Litehouse Foods Expansion - 180,000 SF; Martin Milk Service - 100,000 SF; Czarnowski Display Services - 80,000 SF; Ram Company Expansion - 71,000 SF.
- Washington County saw significant growth in the Retail sector last year, with the opening of several grocery anchored centers. Continued Retail growth is expected with several major projects either announced or currently under construction.
- Across all sectors, vacancy is down and lease rates are up. This trend should continue into the next year.
- Viracon, a leading single-source architectural glass fabricator recently announced the closure of their 230,000 SF manufacturing building in the Fort Pierce Industrial Park. Even with their vacancy, the Industrial market is as strong as ever!

INTERESTING FACT: The St. George area is a sports mecca, hosting many first-class events, including: The St. George Marathon – the 5th largest in the U.S.; The Huntsman World Senior Games welcomes over 10,000 athletes from around the world; The IRONMAN 70.3 U.S. Pro Championships brings 2,500 athletes, and nearly 100 of the sports top professionals.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

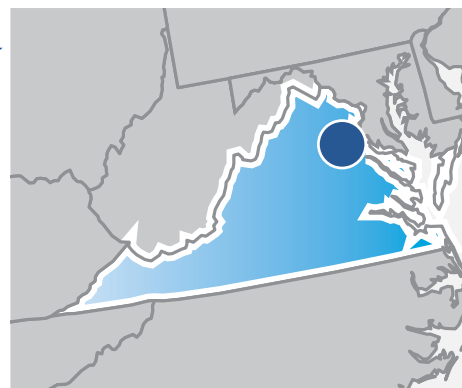
Fredericksburg, VA



DEMOGRAPHICS

POPULATION OF MSA // **6,133,552** HOUSEHOLDS MEDIAN INCOME // **\$95,843**

HOUSEHOLDS IN MSA // **2,191,806** UNEMPLOYMENT RATE OF MSA // **3.3%**



MARKET HIGHLIGHTS

- Lidl has opened 2 new stores in the market with a third on the way in addition to their 1 Million SF distribution facility, furthering the grocery wars locally.
- Vacancy levels have rebounded since the Great Recession and include some recent historical best measurements in Retail and Industrial.
- In-fill developments and Multi-Family projects are driving the new construction activity in addition to build to suit projects. Downtown in particular is thriving with new projects.
- Residential - It's a sellers market once again with inventory and days on market at recent lows along with a shrinking gap between the ask and the bid pricing. There is also a flurry of residential developments in different stages of completion.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

Lynchburg, VA



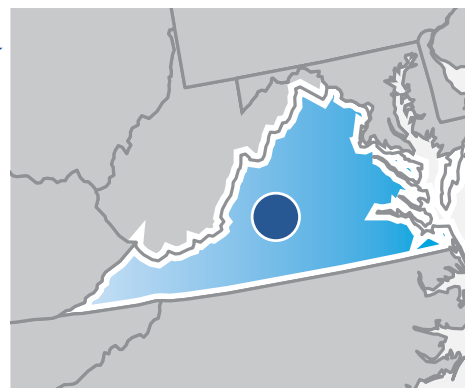
DEMOGRAPHICS

POPULATION
OF MSA // **261,167**

HOUSEHOLDS
MEDIAN INCOME // **\$48,530**

HOUSEHOLDS
IN MSA // **97,679**

UNEMPLOYMENT
RATE OF MSA // **3.8%**



MARKET HIGHLIGHTS

- K-Mart has closed their doors in the Lynchburg market but Hobby Lobby has tentatively agreed to lease the majority of the empty box. They will join Northern Tool and Liberty Mountain Medical Group.
- Residential new construction continues to be hot in Forest, VA, a submarket of Lynchburg, which has seen the most residential growth over the past 10 years. High-end apartments continue to be on the rise geared towards young professionals and Liberty University grads.
- There continues to be a surge of adaptive reuse projects occurring in downtown Lynchburg with a new boutique hotel almost completed within the heart of the City.

INTERESTING FACT: Lynchburg is the largest city in the United States to not have an interstate pass through it. Liberty University, the largest Christian university (110,000 students), is located in Lynchburg, VA.



OFFICE



RETAIL



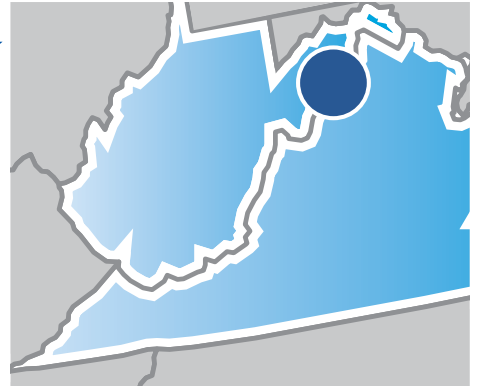
MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	▼	▼
ABSORPTION	▲	▼	↔	▲
RENTAL RATES	▲	↔	↔	▲

DEMOGRAPHICS



POPULATION OF MSA // **138,878**

HOUSEHOLDS MEDIAN INCOME // **\$60,962**

HOUSEHOLDS IN MSA // **52,538**

UNEMPLOYMENT RATE OF MSA // **4%**

MARKET HIGHLIGHTS

- P&G is building a major east coast facility in Martinsburg WV to open in late 2018. In addition, Navy Federal Credit Union expands call center and FBI data storage center starts construction in Winchester VA.
- Vacancy rates fall as demand increases for all product types excluding Retail, which is flat.
- Multi-Family, Industrial and Office all have new projects under construction in the area.
- Residential market is in high demand with a lack of current inventory being supplemented by multiple large new construction projects.
- Overall, demand continues with strong fundamental growth.

INTERESTING FACT: Located just outside of Washington DC and Baltimore, this area benefits from both being a suburb of these cities as well as having a strong independent local growth.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	▼	▼
ABSORPTION	↔	▼	▲	▲
RENTAL RATES	↔	↔	▲	▲

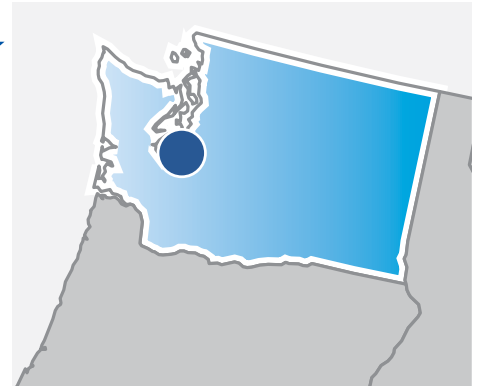
Seattle, WA



DEMOGRAPHICS

POPULATION OF MSA // **3,798,902** HOUSEHOLDS MEDIAN INCOME // **\$78,612**

HOUSEHOLDS IN MSA // **1,464,941** UNEMPLOYMENT RATE OF MSA // **4.1%**



MARKET HIGHLIGHTS

- The Seattle / Puget Sound market has seen tremendous growth. The tech industry has blossomed and is now a stabilizing force along with other key industries such as Aerospace, Agriculture, Forest Products, Life Science and Information and Communications Technology. These diverse industries make the Seattle / Puget Sound market a very stable place to invest.
- Multi-Family is still very strong but starting to see some signs of slowing down. New units coming to the market are out numbering new households so landlords will start offering incentives to attract renters.
- The Office market is seeing an increase in the vacancy rate. Employment will not outpace the amount of new space coming to the market. In 2010, vacancy is expected to be 11%.
- Retail growth is expected to outpace the number of households coming into the market. Retail vacancy rates will be in the 8% range at the end of 2019.
- Key Employers: Amazon, Boeing, Microsoft, Joint Base Lewis McChord and University of Washington.

INTERESTING FACT: If you can deal with a little rain, it is one of the greatest places to live in the US. Situated next to the Puget Sound and only a hour drive to Mt. Rainier it is a unique area that can't be duplicated.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	↔	▲	▼
ABSORPTION	▼	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

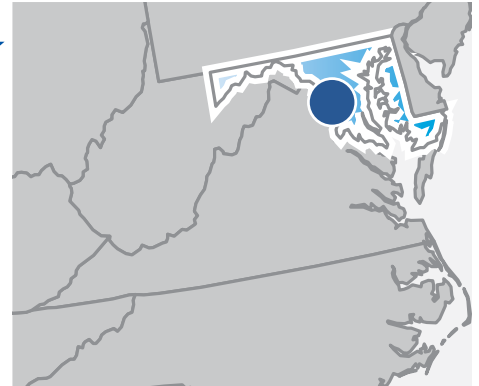
Washington, DC



DEMOGRAPHICS

POPULATION OF MSA // **6,133,552** HOUSEHOLDS MEDIAN INCOME // **\$95,843**

HOUSEHOLDS IN MSA // **2,191,806** UNEMPLOYMENT RATE OF MSA // **3.3%**



MARKET HIGHLIGHTS

- DC metro Apartment demand has been strong, on an average delivering 13,000 new units per year. However, rent gains are affected with new offerings being less affordable. Vacancy rates are tight as absorption levels are well above average. The younger generation (late 20s to early 30s) all look for 4&5 star properties with proximity to public transport.
- DC Metro Office market has been going strong as many blue-chip companies have relocated or expanded here. DC is one of the 20 finalists for Amazon's HQ2. In spite of this, DC metro has been seeing lots of vacancies giving Tenants power to negotiate which has weighed on rent gains.
- Office: Most of the development is concentrated in premier sub markets like East End, Tysons Corner and the CBD. Most of the deliverables in 2017 exceeding 100,000 SF were spec development and are nearly 95% available in 2018.
- Retail has been a consistent performer in DC market. The vacancy rates have declined thanks to strong demand in 2016 and low supply rate. The tight market has helped rent gains but it is showing signs of slowing down. Grocers and traditional retailers like ALDI, Target, Walmart etc. are expanding. Approx. 2.8 million SF of retail space is expected to be delivered in 2018.
- Industrial: DC logistics market has improved as vacancies are near historical lows and strong absorption levels. The growth has been approx. 4% in the past year. The bulk of logistics market is around Dulles Airport and Prince George County, but deliveries remain elevated for 2018. Some of the bigger spec spaces remain vacant even after deliveries in 16 Q3.

INTERESTING FACT: During World War I, President Woodrow Wilson kept a flock of sheep to graze on the White House lawn. The flock saved manpower by cutting the grass and earned money for Red Cross through auctioning their wool.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▼	▼
ABSORPTION	▼	▼	▲	▲
RENTAL RATES	▲	▲	▲	▲

Janesville-Beloit MSA, WI



DEMOGRAPHICS

POPULATION
OF MSA // **161,620**

HOUSEHOLDS
MEDIAN INCOME // **\$50,729**

HOUSEHOLDS
IN MSA // **63,222**

UNEMPLOYMENT
RATE OF MSA // **2.8%**



MARKET HIGHLIGHTS

- State Collection Service absorbed 42,000 SF of space at the Eclipse Center, a highly-successful example of adaptive reuse from its past as the Beloit Mall.
- Janesville's downtown revitalization is heating up with the creation of the city's first Business Improvement District, the construction of the town square project, a pledged \$3 million in private donations, and the announcement of a proposed hotel that would be the first new commercial development in the downtown in more than 10 years.
- Rock County's unemployment rate fell to 2.8%, the lowest level on record for the county and a stark difference from a high of 13.6% during the Great Recession.
- Multi-Family vacancy rate in Janesville dropped to 1% with no new construction currently in the pipeline.
- 4-million SF former General Motors plant sold to a noted industrial redevelopment company after sitting vacant and on standby since 2008.

INTERESTING FACT: The first Wisconsin State Fair was held in Janesville in 1851



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▲
ABSORPTION	▲	▲	▲	▼
RENTAL RATES	▲	↔	▲	▲

Madison Greater MSA, WI



DEMOGRAPHICS

POPULATION
OF MSA // **648,929**

HOUSEHOLDS
MEDIAN INCOME // **\$68,497**

HOUSEHOLDS
IN MSA // **265,172**

UNEMPLOYMENT
RATE OF MSA // **1.9%**



MARKET HIGHLIGHTS

- The local real estate market continues its stable and growing trajectory, mainly due to the tech sector, University of Wisconsin and state of Wisconsin Capitol and administration.
- The Madison area has a tremendous healthcare system, including 5 local hospitals and many clinics. Further, healthcare software giant, EPIC and its nearly 10,000 employees, are here in the Madison area.
- The recession related low supply of residential growth is starting to ease with completion of several apartment communities and creation of neighborhoods for single family homes and other low density. There's still big demand for single family lots and work force housing.
- Madison is becoming known as the "Silicon Valley of the Midwest", with a major university providing an environment of research and technology advancement. The expansion of this tech is expanding the need of office and lab space.
- So many events year around have created a need for overnight stay and the hotel industry is growing to meet those needs. The Madison Area continues to invite and attract Iron Man, Marathons, and many other events such as a second-to-none weekly Farmers Market at the Capitol Square, that bring thousands of people and millions of tourism dollars every year.

INTERESTING FACT: One constant about the Madison Area, it's always being listed as a "Top 10 of (fill in the blank)" US cities. Whether for tech jobs, careers for women, diversity, schools, philanthropy, best football tailgate, etc., count on finding Madison on the list where people want to live, work and play.



OFFICE



RETAIL

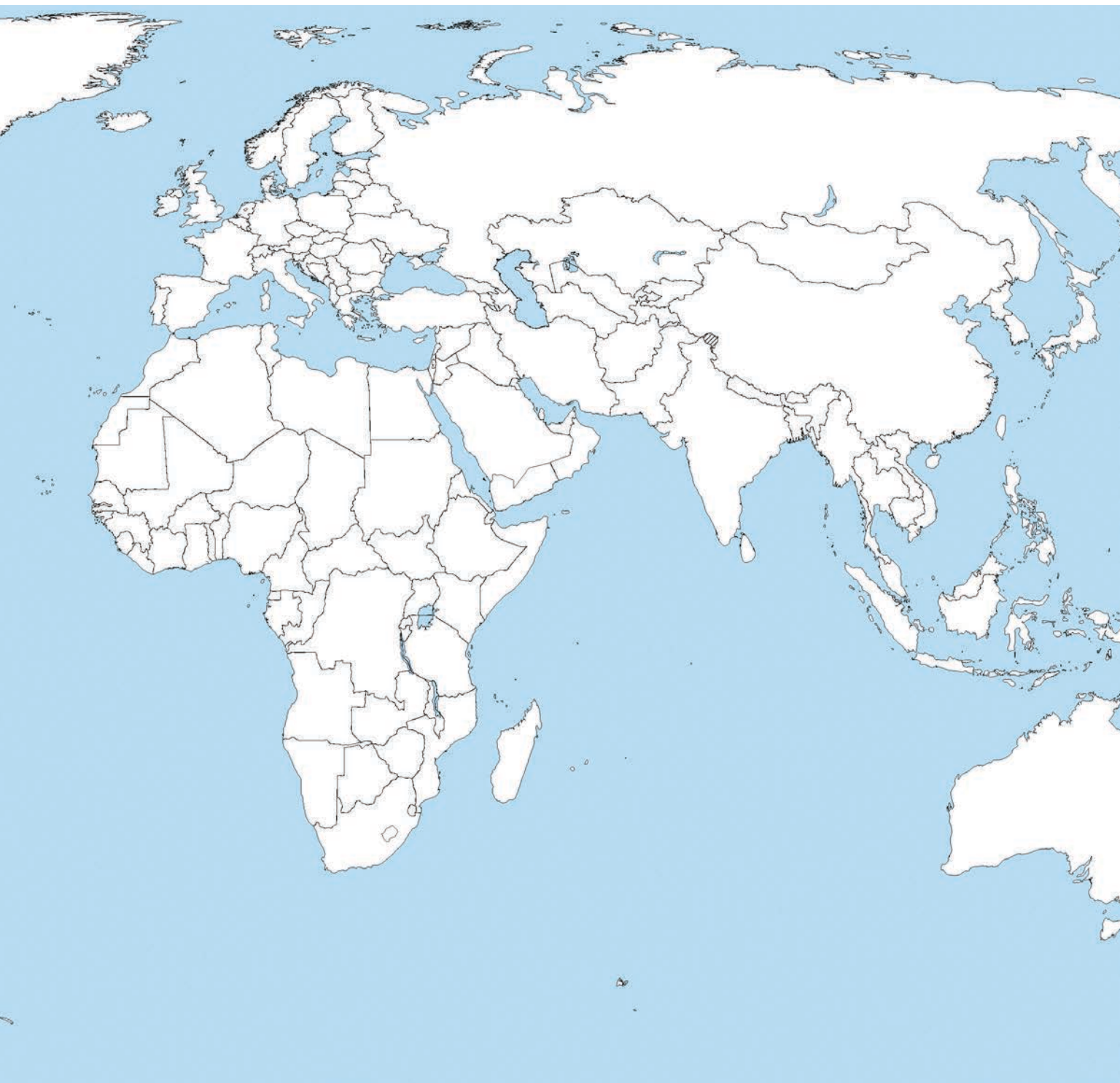


MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	↔	↔	↔
ABSORPTION	▲	↔	▲	▲
RENTAL RATES	↔	↔	▲	↔



Buenos Aires, Argentina



DEMOGRAPHICS

POPULATION OF MSA // **16,000,000** HOUSEHOLDS MEDIAN INCOME // **\$2,000 USD**

HOUSEHOLDS IN MSA // **5,200,000** UNEMPLOYMENT RATE OF MSA // **8.3%**



MARKET HIGHLIGHTS

- Argentina's market is consolidating because of the change in the economy, due to new government policies.
- Developers trust this new government and relaunched their projects.
- Vacancy is going down because the companies are investing in new projects and new companies are arriving to the country.
- Argentina is recovering from a big recession. Inflation is going down, the market is recovering and investors are looking for new opportunities in Real Estate.

INTERESTING FACT: It is an amazing opportunity to invest in Argentina's market because of their potential development. Vacancy is going down. There isn't too much available square meters to rent or buy in the metropolitan area, so it is a big opportunity to develop new A+ office buildings.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	↔	↔
ABSORPTION	↔	↔	▲	▲
RENTAL RATES	▲	▲	↔	▲

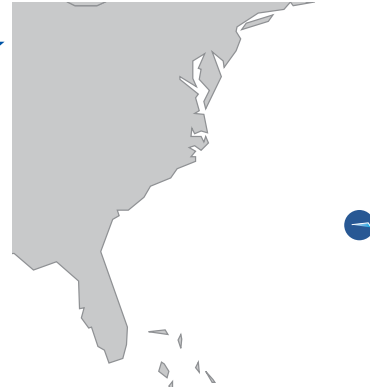
DEMOGRAPHICS

POPULATION OF MSA // **63,779**

HOUSEHOLDS MEDIAN INCOME // **\$106,389**
Bermuda

HOUSEHOLDS IN MSA // **34,110**

UNEMPLOYMENT RATE OF MSA // **6.9%**



MARKET HIGHLIGHTS

- Government policy changes have been implemented to encourage international companies to setup in Bermuda.
- Bermuda has the capacity to accommodate growth in Office and Residential sectors at the most competitive rates.
- The majority of leasing interest is internal, but the island is seeing an encouraging increase in external interest from new industries such as biotech and ILS startups.
- The government of Bermuda has launched a blockchain task force to foster cryptocurrency commerce.
- There is no corporation tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance taxes in Bermuda for international companies.

INTERESTING FACT: Bermuda -the Isle of Devils, as it was called, was a strategic location when ships would sail between England, Spain, and France, and the Caribbean and the New World (North America). Bermuda was famous for capturing merchant ships that made the mistake of sailing into the local waters. Privateering died out in the early 1800s.



OFFICE



RETAIL



MULTI-FAMILY



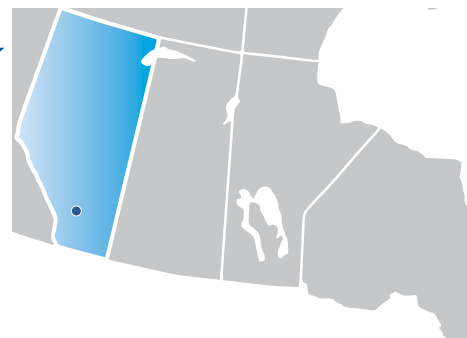
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	↔	N/A	▼
ABSORPTION	↔	↔	N/A	▼
RENTAL RATES	↔	↔	N/A	▼

Calgary, Alberta, Canada



DEMOGRAPHICS



POPULATION
OF MSA // **1,246,337**

HOUSEHOLDS
MEDIAN INCOME // **\$80,100
CAD**

HOUSEHOLDS
IN MSA // **586,269**

UNEMPLOYMENT
RATE OF MSA // **7.8%**

MARKET HIGHLIGHTS

- 2017 was a record year for commercial real estate in Canada as high levels of consumer confidence drove sales skyward. Many economists are predicting equally good sales in 2018 and Calgary, along with Ottawa and Montreal are expected to see a huge surge in commercial growth.
- Calgary's downtown Office vacancy glut shrinks for 1st time since downturn began - Calgary's downtown Office space got a little less empty in the last quarter of 2017 for the first time since the sector was gutted by the oil patch downturn. The vacancy rate dropped by 30 basis points to 27.4% in the three months to the end of September 2017, the first dip since 2014 before the downturn hit.
- Massive Calgary "Taza" development valued at \$4.5 Billion - A massive commercial real estate development planned on the Tsuut'ina Nation, bordering Calgary city limits. The project will be developed in three phases that will include retail, hospitality and entertainment venues, an innovation and research campus, office space, health and community facilities, and parklands.
- Calgary and Edmonton saw strong year-over-year increases in total dollar value of commercial property sales during the first half of 2017. The total dollar value of commercial real estate sales in Calgary in the first half of the year was \$1.43 billion, an increase of 55% over the \$932 million total in the first half of 2016.

INTERESTING FACT: Calgary is a dynamic and lively city located on the banks of Bow River, very close to the majestic Rocky Mountains. Calgary is the home of the NHL's Calgary Flames. Calgary Stampede – The Greatest Outdoor Show on Earth, is a 10 day annual event in July, which attracts over one million visitors from all over the world.



OFFICE



RETAIL



MULTI-FAMILY



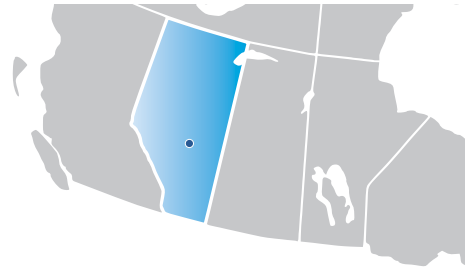
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▼	▼
ABSORPTION	▲	▼	▲	▲
RENTAL RATES	▼	▼	▲	▼

Edmonton, Alberta, Canada



DEMOGRAPHICS



POPULATION
OF MSA // **1,321,426**

HOUSEHOLDS
MEDIAN INCOME // **\$94,447
CAD**

HOUSEHOLDS
IN MSA // **502,145**

UNEMPLOYMENT
RATE OF MSA // **7.8%**

MARKET HIGHLIGHTS

- Sears Canada moved out for good, while Aurora Cannabis Inc brings in high reputation of the world's largest licensed cannabis facility to the city.
- Vacancy rates remained elevated as the demand of the rental market (due to net increase migration from outside Canada and net increase job growth) is offset by the supply.
- As the Oil and Gas sector improves and construction infrastructure, such as the LRT Valley Line transportation project, are built, the local economy will eventually spike and create more jobs in Edmonton.
- JW Marriott Edmonton Ice District & Residences, 55 floors of luxury hotel, conference center and residential condos with a costs of \$500 Million, is expected to be completed 2018. This project will further increase density in Edmonton downtown core and increase the value of neighboring real estate properties.
- New industries such as legal cannabis, artificial intelligence research and green technology are establishing in Edmonton. This industries provide a much more diversified economy to the region which has relied heavily on the Oil and Gas sector in the past.

INTERESTING FACT: Edmontonians are known for our resilience and entrepreneurial spirit. One of the recent theme that has emerged is, "Take a Risk. It's the Most Edmonton Thing You Can Do". This theme captures the essence by showing the world that we are open for business and we firmly believe the world wants what we're making here.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▲	▲
ABSORPTION	▼	↔	▼	▼
RENTAL RATES	▼	▲	▼	▼

Montreal Greater Area Quebec, Canada



DEMOGRAPHICS

POPULATION OF MSA // **4,100,000**

HOUSEHOLDS MEDIAN INCOME // **\$33,040 CAD**

HOUSEHOLDS IN MSA // **1,823,000**

UNEMPLOYMENT RATE OF MSA // **6.1%**



MARKET HIGHLIGHTS

- The Montreal economy is firing on all cylinders and local GDP forecast to grow 3% in 2017 and 2.5% in 2018. 3 major infrastructure projects to be delivered by 2020 include: REM light rail network (C\$5.9B); New Champlain bridge (C\$4B) and the New Turcot Yard interchange (C\$1.54B). These infrastructure investments combined with the economic growth and business stability augur well for Montreal.
- Downtown vacancy is 9.5%-reaching 12.4% when including midtown and suburb figures. Developers continue to convert old industrial properties into new office space attractive to techies in Mile End and Mile-EX. In 2017, the market set a new record for positive net absorption of over 1.93 M ft2. Asking rents were up 4.8 % for Class A and up \$1 per ft2 in class B.
- Manulife just moved in to a new 26-storey LEED office tower and National Bank is breaking ground on a new 36-storey head office. Major multi-use TOD (Transit Orientated Development) projects are underway: Humaniti in Old Montreal, SOLAR on the South Shore and Place Montmorency in Laval. There's now a shortage of large spaces available in downtown Montreal which will lead to new development.
- Young Montrealers crave living in the core of the city where they can truly enjoy the benefits of the live/work/play lifestyle: new condo projects are starting to incorporate amenities to appeal to a new generation, including car-sharing facilities & services to accept deliveries. This puts pressure on owners of older buildings to compete and there is a growing divergence between new and old.
- After years of flat office rental rates, Montreal's downtown core could soon be a landlord's market and there is a trend in tenant expansions. Owners of older, Class B and C commercial properties currently find themselves in a bit of a bind. There is a need to refit and redevelop these older properties to suit modern needs. There should be new construction of new Class A LEED buildings.

INTERESTING FACT: Architecture & cobbled streets in Old Montreal with its Old Port. Montreal is Canada's largest inland port on



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	↔	▼	▼
ABSORPTION	▲	↔	▲	▲
RENTAL RATES	▲	▲	▲	▲

Ottawa, Ontario, Canada



DEMOGRAPHICS

POPULATION
OF MSA // **1,450,000**

HOUSEHOLDS
MEDIAN INCOME // **\$112,070
CAD**

HOUSEHOLDS
IN MSA // **603,000**

UNEMPLOYMENT
RATE OF MSA // **6.6%**



MARKET HIGHLIGHTS

- Ottawa ranked #4 Canadian Market for commercial investment interests and opportunities. Largest sale transaction in Ottawa history completed in Fall 2017: C\$480M acquisition of Constitution Square; also Dream REIT sold 4-bldg, downtown portfolio for C\$120M.
- Bank of Canada raised key interest rate twice in 2017 to 1%. GDP closed 2017 at 3.0%, indicating strong national economy. Investment market is active but there is potential for decompressed CAP rates resulting in higher equity investment requirements.
- Ottawa's economy and market is on the upswing with 2.3% growth in 2017; expected 1.9% annual growth 2018 to 2021. Main factors are Canada's 150th birthday celebrations all year (2017); new \$2.1B (Ph1) LRT operational in 2018 with Ph2 LRT expansion targeted for 2023 completion and new commercial development sites target along LRT network.
- Major mixed-use development projects break ground or approved in fringe of Downtown: Zibi's world-class waterfront sustainable community; and Lebreton Flats 21 acre redevelopment project (including new Ottawa Senators NHL Arena).
- Downtown Class A vacancy rate (10.4%); Downtown Class B (14%); East Suburban Class A (31%). Significant inducements offered in East Suburbs and Downtown Class B/C office buildings to attract prospect tenants. High tech firms are active in these markets for new locations.

INTERESTING FACT: Federal Government of Canada is largest employer (25%) and occupies 60% of Class A/B Office space in National Capital Region, providing stability in overall employment, business and lifestyle. High Tech industry continues steady growth and Ottawa is attracting new firms from other markets.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▼	▲	▼
ABSORPTION	▼	▲	▼	▲
RENTAL RATES	▼	▲	▼	▲

Toronto Area Greater, Ontario, Canada



DEMOGRAPHICS

POPULATION
OF MSA // **6,254,000**

HOUSEHOLDS
MEDIAN INCOME // **\$78,280
CAD**

HOUSEHOLDS
IN MSA // **1,767,145**

UNEMPLOYMENT
RATE OF MSA // **5.5%**



MARKET HIGHLIGHTS

- The GTA's Industrial market shows signs of continued demand.
- Robust demand across most sectors with relatively lesser speculative construction.
- Industrial vacancy rate across the GTA is less than 3%. Office vacancy less than 7%.
- Residential market has declined in the last month due primarily to government interference.
- The GTA has an Industrial inventory of approximately 800,000,000 SF. On the office side the inventory is approximately 160,000,000 SF.

INTERESTING FACT: This area is home to: Toronto Maple Leafs, Toronto Blue Jays, Toronto Raptors.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	▼	▼
ABSORPTION	▲	▼	▼	▲
RENTAL RATES	↔	↔	▲	▲

Toronto East, Durham Region, Northumberland, Kawartha Lakes, Ontario, Canada



DEMOGRAPHICS



POPULATION
OF MSA // **645,862**

HOUSEHOLDS
MEDIAN INCOME // **\$92,080
CAD**

HOUSEHOLDS
IN MSA // **227,965**

UNEMPLOYMENT
RATE OF MSA // **5.5%**

MARKET HIGHLIGHTS

- Departure of Target retail stores and most recently the departure of Sears Canada stores has left significant, large footprint vacancies in the Retail sector.
- Industrial space, as well as Serviced Industrial Land, is in short supply.
- New Residential construction continues at a brisk pace. There is very little "Shovel Ready" land available.
- The Market is on the east side of the city of Toronto and has been growing due to increased access. There are three new highways currently under construction opening up the eastern Toronto Area.

INTERESTING FACT: The Region includes the City of Oshawa, which has been an Automotive production city since the very early 1900s. General Motors has one of its largest factories worldwide, located in Oshawa.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	▼	▼	▼
ABSORPTION	↔	▲	▲	▲
RENTAL RATES	↔	↔	▲	▲

Waterloo Region, Ontario, Canada



DEMOGRAPHICS

POPULATION
OF MSA // **583,500**

HOUSEHOLDS
MEDIAN INCOME // **\$86,930
CAD**

HOUSEHOLDS
IN MSA // **214,300**

UNEMPLOYMENT
RATE OF MSA // **5%**



MARKET HIGHLIGHTS

- Since Ion (the new Light Rail Transit system) was approved in 2009, the region has issued \$2.4 billion in building permits within the LRT corridor. Trains have now begun on-track testing for Ion, connecting north Waterloo to south Kitchener along a 19km route. There will be 13 stops along this route, which is scheduled to be operational by Spring 2018.
- By the end of February 2019, the City of Kitchener expects to issue building permits worth \$1.2 billion for 20 new developments in the city core with a mixture of high-density residential buildings and office buildings, both with ground-floor retail. Development incentives for new construction and restoration will expire in February 2019, driving the rush to have permits issued before then.
- Auburn Developments has purchased the 27.6 acre former Schneiders meat processing plant in Kitchener. The site will be redeveloped into a new mixed-use neighbourhood that will pay tribute to the history of the Schneiders operation. The 92-year-old packing plant closed in February 2015. This property is also located along the LRT route.
- During the next 18 to 24 months, the Region expects to issue building permits for 6,500 new apartments, of which 3,500 will be in downtown Kitchener.
- Waterloo Region is one of the fastest growing and prosperous areas in Ontario. It is the fourth largest urban area in Ontario and the 10th largest in Canada.

INTERESTING FACT: More than 400 high-tech firms operate in Waterloo Region. This includes Google's largest Canadian office, Facebook, Shopify, Descartes Systems, Open Text, Maplesoft, Dalsa, MKS, Blackberry and more.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	↔
ABSORPTION	▲	▲	▲	↔
RENTAL RATES	▲	▲	▲	▲

Winnipeg, Manitoba, Canada



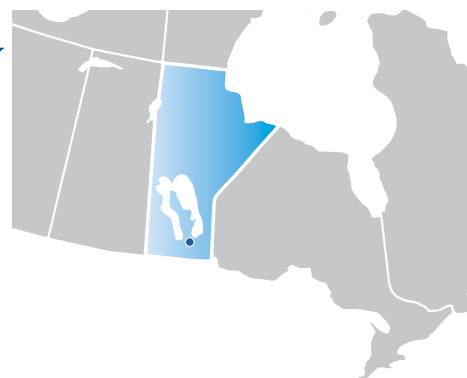
DEMOGRAPHICS

POPULATION
OF MSA // **778,489**

HOUSEHOLDS
MEDIAN INCOME // **\$70,795
CAD**

HOUSEHOLDS
IN MSA // **294,245**

UNEMPLOYMENT
RATE OF MSA // **4.8%**



MARKET HIGHLIGHTS

- 2017 saw several large sales in the Winnipeg commercial market. 190 Smith Street (306 unit apartment building) sold for \$56,550,000 with a Cap Rate of 4.8%. 1100 Waverley Street sold by Investors Group for \$24,000,000 (138,194 SF) at a Cap Rate of 5.7% and Dakota Park Plaza sold for \$16,825,000 (62,335 SF) at a Cap Rate of 5.65%. The Allied Portfolio with it's 350,000 SF also sold confidentially.
- Vacancy Rates in Winnipeg have remained relatively static with new inventory keeping pace with demand.
- True North is the major commercial & multi-use development for the downtown business district in Winnipeg and will impact Class A commercial space. Demand for hospitality and hotel space will increase exponentially. This \$400M project will see input of \$17.6M from the City and \$9M from the province with allocation of funds to integrate into downtown existing skywalk system.
- Construction of new homes has kept pace with the demand for single family dwellings, maintaining a balanced market after a number of years of seller controlled sales.
- With a stable provincial economy, Manitoba maintains a consistent and vibrant real estate environment year after year, making it attractive for home buyers and sellers, as well as commercial investment.

INTERESTING FACT: Winnipeg is a proud river city with many attractions that include the Canadian Human Rights Museum, Forks Market & Assiniboine Park. The Exchange District, established in the 1880's, is a rare gem with over 150 historic buildings. World class Royal Winnipeg Ballet & Symphony Orchestra, Opera & theatre round out the cultural experience.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	↔	▼
ABSORPTION	▲	▼	↔	▲
RENTAL RATES	▲	▲	▲	▲

Paris MSA, France



DEMOGRAPHICS

POPULATION OF MSA // **66,900,000** HOUSEHOLDS MEDIAN INCOME // **\$37,000 USD**

HOUSEHOLDS IN MSA // **27,900,000** UNEMPLOYMENT RATE OF MSA // **9.7%**



MARKET HIGHLIGHTS

- 2017 has been rich in events for the retail sector in France. In a context of economic recovery favorable to consumption, the actors of the trade report a sector in mutation, that it is about consumption or distribution.
- With INSEE GDP growth revised upwards by + 1.9%, the implementation of measures to strengthen the purchasing power of households, and the return of the confidence of entrepreneurs is welcomed news.
- Brands have been very active in 2017: liquidations, arbitrations, partial or total, changes in format, have marked the year especially in the textile sector.
- Q4: It was not until the end of the year to witness the return of deliveries of new retail space to 750,000 sqm, down 8% in one year.
- The year 2017 therefore ends with a total volume of € 3.6 billion, confirming the downward trend that has started since 2015.

INTERESTING FACT: More than 785 transactions were made in 2017 only in Paris, confirming the interest of investors for this market.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	↔	N/A	↔
ABSORPTION	↔	▲	N/A	▲
RENTAL RATES	N/A	↔	N/A	▲

DEMOGRAPHICS



POPULATION
OF MSA // **17 million**

HOUSEHOLDS
MEDIAN INCOME // **\$4,101
Quetzal**

HOUSEHOLDS
IN MSA // **N/A**

UNEMPLOYMENT
RATE OF MSA // **4.1%**

MARKET HIGHLIGHTS

- Guatemala remains as the leader in infrastructure and construction for the Central America market. It is the country of choice from where international and transnational companies establish their HQ and manage their operations in the CA region.
- Inventory has grown 300,000 sqm as a result of new office buildings in the city. Mixed-use buildings (commerce / corporate / living) are being developed in the area.
- Average lease price for Office in the city is \$11.50 sqm/month. Average lease price for Retail / commerce space is \$24.00 sqm/month. Average lease price for Industrial space is \$5.00 sqm/month.
- Construction saw a growth of 6% in comparison to 2016 in Guatemala.

INTERESTING FACT: Guatemala is geographically the closest Central America country to North America. It's a logistic vantage point for trade and commerce due to its Atlantic and Pacific ocean ports and borderlines with Mexico, El Salvador and Honduras.



OFFICE



RETAIL



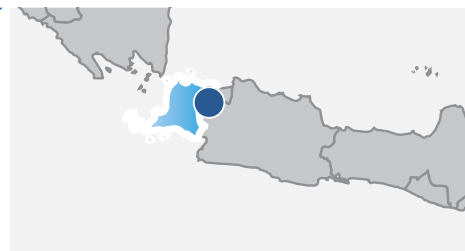
MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	↔	▲	▲	▲

DEMOGRAPHICS



POPULATION OF MSA // **10,277,628** HOUSEHOLDS MEDIAN INCOME // **N/A**

HOUSEHOLDS IN MSA // **2,685,314** UNEMPLOYMENT RATE OF MSA // **6.1%**

MARKET HIGHLIGHTS

- Demand for leased office in Indonesia continued in downward pressure. Office sector remained in slowing down market performance as demand grew slower compared to supply in 2017.
- A continued decline in demand has led occupancy to show a decreasing trend over 2017, even though there were some tenant expansions and relocations in the market. Demand was mostly generated by expansion & relocation of e-commerce and startups business development from outside CBD area to within the CBD.
- There was not a lot of additional new supply in most of property sectors over 2017.
- Apartment has shown a positive movement as demand grew higher than supply in most of big cities in the country, such as Greater Jakarta Area, Semarang, Makassar, and Medan. Based on market segment, supply of apartment is dominated by middle to middle-low market segment. Middle and middle-low market segment enjoyed more positive absorption than others as this is more affordable in the market, and it's potential to be leased.
- During 2017, most of property sectors in the country recorded moderate figures, with Apartment performing as the best property sector. Price levels continued to increase in modest level, even though most of the projects maintain a similar level from the previous year. Whilst, rental remain in downward pressure as occupancy tend to decrease in Office and Retail sectors.

INTERESTING FACT: Apartment developments continue to grow in cities providing niche market for leasing from student and industrial, such as in Greater Jakarta Area, Semarang, and Surabaya.



OFFICE



RETAIL



MULTI-FAMILY



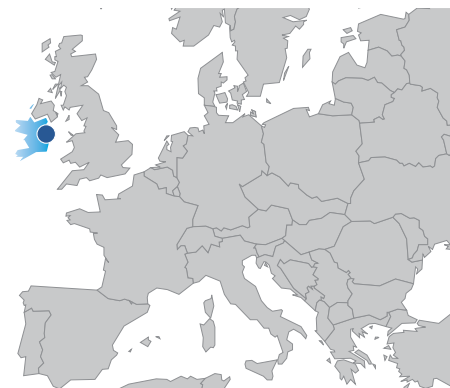
INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▲	▼	▲
ABSORPTION	▼	▼	▼	▲
RENTAL RATES	▼	▼	▼	▼

DEMOGRAPHICS

POPULATION OF MSA // **5,200,000** HOUSEHOLDS MEDIAN INCOME // **€ 38,000**

HOUSEHOLDS IN MSA // **2,000,000** UNEMPLOYMENT RATE OF MSA // **6%**



MARKET HIGHLIGHTS

- 2017 was a very active year for the Irish commercial real estate sector although returns and transaction volumes returned to more normalised levels following three years of out-performance. Prospects for the market remain promising although issues like "Brexit", reduction in US corporate tax and pressure from Europe on Ireland's low corporate tax continue to influence the market's performance.
- Budget 2018 contained two important policy changes: positively, the Capital Gains Exemption holding period, initially introduced in 2011, was reduced from seven to four years. This should result in a rise in supply of quality investment stock during 2018. Secondly, commercial stamp duty on acquisition increased from 2% to 6%. The increase brings Ireland in line with other European countries.
- The Office sector was the star performer. The bulk of leasing activity in the Office market in the capital emanated from the expansion and relocation of existing occupiers with Brexit providing a welcome additional layer of demand during the year. Indeed, the volume of leasing activity accounted for by UK occupiers more than doubled year-on-year.
- Second-hand Residential sales show that 2017 was a year of two halves. In the first half of the year, prices rose nationwide by an average of 8.8%. By contrast, the second six months of the year saw almost no change in the average price: €240,093 in the second quarter, €240,783 by year end. However, prices are predicted to increase by an average of 7% in 2018 in the larger urban centres.
- In the Dublin industrial market rental and capital values trended upwards, whilst prime yields hardened. This has created an increasing appetite for industrial assets amongst investors. However, a dwindling lack of good quality and optimally located available units is causing take up levels to be hampered. Following several years of no new completions rising, demand is not being serviced.

INTERESTING FACT: Halloween traces back its origins to the Gaelic festival of Samhain, a harvest festival held on October 31 to mark the end of summer. Samhain became associated with All Saints (November 1) from the early Middle Ages and the two progressively merged over the centuries, creating Halloween. So trick or treat children!



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▲	↔	↔
ABSORPTION	▲	▼	↔	↔
RENTAL RATES	▲	↔	▲	▲

DEMOGRAPHICS

POPULATION OF MSA // **60,494,000** HOUSEHOLDS MEDIAN INCOME // **€ 29,988**

HOUSEHOLDS IN MSA // **16,648,813** UNEMPLOYMENT RATE OF MSA // **11.1%**



MARKET HIGHLIGHTS

- The market is experiencing growth by converting office buildings into hotels.
- Hotel investors are increasingly interested in secondary tourism destinations, including skiing and seaside venues.
- Sicily has become one of the top destinations.
- Office vacancy in the city centre is rising.
- There are a number of new office requests outside the city centre. The hospitality market and hotel conversion are experiencing a period of growth.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▲	↔	↔
ABSORPTION	▼	▼	↔	↔
RENTAL RATES	▼	↔	↔	↔

Mexico City, Mexico



DEMOGRAPHICS

POPULATION OF MSA // **8,918,653** HOUSEHOLDS MEDIAN INCOME // **23,611 MXN/month**

HOUSEHOLDS IN MSA // **2,599,081** UNEMPLOYMENT RATE OF MSA // **4.6%**



MARKET HIGHLIGHTS

- At the end of 2017, the existing Office inventory reached 6.3 million sqm, of which 14.9% are available, which is equivalent to 945,300 sqm unoccupied.
- The activity under construction in Mexico City is excessive: with 1.8 million sqm and 993 thousand in project, it is expected that in the next 3 years the city will face an oversupply of office spaces.
- 792,200 sqm of office spaces were demanded, an unusual amount, since an absorption of such magnitude had never been registered. The average lease price in Mexico City is 24.8 USD/sqm/ month.
- As for the industrial activity, in 2017, a gross demand of 1.2 million sqm of class A industrial spaces was presented. The new Amazon distribution center, was the most important transaction in 2017, with 97 thousand sqm.
- The offer presented an increase of 1.3 percentage points, closing 2017 with a vacancy rate of 3.9%, equivalent to 381 thousand sqm. This was caused by the great activity under construction: 487 thousand square meters.

INTERESTING FACT: Mexico has a population of 127.5 million inhabitants. In 2018 Mexico will face presidential elections, and from now on, a complex environment is perceived. During 2017, GDP recorded a growth of 2.2%, higher than expected at the beginning of the year maintaining its 15th position in the world ranking.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	N/A	N/A	▲
ABSORPTION	▲	N/A	N/A	▼
RENTAL RATES	▼	N/A	N/A	↔

Amsterdam, Netherlands



DEMOGRAPHICS

POPULATION OF MSA // **17,000,000** HOUSEHOLDS MEDIAN INCOME // **€ 60**

HOUSEHOLDS IN MSA // **7,700,000** UNEMPLOYMENT RATE OF MSA // **4.5%**



MARKET HIGHLIGHTS

- Netherlands is an international hub to Europe.
- Vacancy is falling hard. EMA is coming to Amsterdam. Many companies will follow.
- Netherlands profits from Brexit. Metropol Amsterdam is growing fast.
- New build is staying behind. Demand is still growing.
- Amsterdam's Schiphol airport offers more direct flights than any airport in the world.

INTERESTING FACT: The Netherlands has the highest English-proficiency in the world. Almost 80 percent of the world's flower bulbs come from the Netherlands. The Netherlands has the highest population density in Europe.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▼	▼	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

DEMOGRAPHICS

POPULATION OF MSA // **46,560,000** HOUSEHOLDS MEDIAN INCOME // **€ 23,200**

HOUSEHOLDS IN MSA // **18,217,000** UNEMPLOYMENT RATE OF MSA // **16.4%**



MARKET HIGHLIGHTS

- Economic growth has been strong and balanced in 2017, and is projected to moderate but remain robust in 2018 and 2019. Corporates and households have reduced their combined debt by nearly 55% of GDP since mid-2010. However, deleveraging is not complete, especially for firms in the construction sector and for low-income households.
- Spain's economy will continue to see the highest growth in the European Union (EU), with growth expected to reach 3.1%, compared to 1.9% for the EU in general. After a period of continued improvement, the market found its footing in 2017. Last year was a record year for some lenders in the Spanish market, which continues to be dominated by the national Banks.
- Investment in malls, warehouses, hotels and offices is this year set to reach the highest since 2007, just before the bursting of a decade-long property bubble tipped the economy into the worst slump in the nation's democratic history. Banks are clearing the way for the turnaround, beating their euro-zone peers in ridding their balance sheets of foreclosed assets.
- Interest volumes in commercial real estate are set to reach €8.9bn by the end of this year, representing a year-on-year increase of 5%. An improving economy, falling unemployment rates and renewed consumer confidence are attracting investors not only to commercial property in Spain.
- So far this year, investment volumes have increased by 277% across southern Europe, compared to the lowest level recorded in 2012. Total investments across Europe are up 8% year-on-year; southern markets account for 10% of the total, compared to 5% in 2012. Foreigners account for 62% of commercial real estate investment activity in Spain.

INTERESTING FACT: Demand for traditional real estate commercial assets such as retail will grow. But demand could outweigh supply before too long leaving investors to search alternative asset classes such as student housing and senior living.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	▲	▲	▲
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

DEMOGRAPHICS

POPULATION
OF MSA // **N/A**

HOUSEHOLDS
MEDIAN INCOME // **N/A**

HOUSEHOLDS
IN MSA // **N/A**

UNEMPLOYMENT
RATE OF MSA // **N/A**



MARKET HIGHLIGHTS

- Second passports are still available through purchase of real estate.
- Sales dominated by expats looking for retirement houses.
- Sales to persons wishing to obtain second passports has been negatively impacted by recent cheaper option of donation to Government.
- Short term villa rental market is still positive.
- Expansion of offshore medical schools are giving good returns on commercial longer term rental apartments to students.

INTERESTING FACT: Birthplace of Alexander Hamilton. Considerable interest in this location has been generated from the play on Broadway.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	↔	▲	▼	N/A
ABSORPTION	↔	▼	▲	N/A
RENTAL RATES	↔	↔	↔	N/A

London, United Kingdom



DEMOGRAPHICS

POPULATION OF MSA // **66,433,174** HOUSEHOLDS MEDIAN INCOME // **£27,300**

HOUSEHOLDS IN MSA // **19,000,000** UNEMPLOYMENT RATE OF MSA // **4.7%**



MARKET HIGHLIGHTS

- London remains the top Investment market in the world. Yields are low and competition is strong. The London Investment/ Capital Market achieved a record year of £15.5bn volume of sales.
- 81% of Buyers were from overseas. Circa 18% from USA.
- Office vacancy rate is 6.1% across all of London, a slight increase from 2016.
- 12.9m SF of offices were let in 2017, over 10% up from 2016.
- Yields are 4% for the West End and 4.5% for the City of London financial area.

INTERESTING FACT: Capital Values remain strong and there are several areas of London performing well in 2018.



OFFICE



RETAIL



MULTI-FAMILY



INDUSTRIAL

	OFFICE	RETAIL	MULTI-FAMILY	INDUSTRIAL
VACANCY	▲	↔	▼	▼
ABSORPTION	▲	▲	▲	▲
RENTAL RATES	▲	▲	▲	▲

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