



Office Submarket Report

Highway 50 Corridor

Sacramento - CA

PREPARED BY



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Broker/Owner



OFFICE SUBMARKET REPORT

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12 Mo Deliveries in SF

285K

12 Mo Net Absorption in SF

180K

Vacancy Rate

14.4%

12 Mo Rent Growth

1.1%

Highway 50 Corridor is Sacramento's largest suburban submarket, stretching from the edge of the Sacramento State campus on the west to Hazel Avenue, and includes Mather Airport and a corridor of properties along Sunrise Boulevard. Still, the overwhelming majority of office inventory is within 1.5 miles of Highway 50, allowing easy access for employees living in either Folsom or Sacramento

This locale attracts numerous corporate occupiers, due in part to its abundance of high-end product. Buildings are typically low-rise (only four to five stories) with large footprints allowing firms to occupy fewer floors and keeping operations from becoming disjointed. About 30% of inventory is rated 4 & 5 Star, with the lowest vacancy of any product category of only 9.9% compared to the submarket average of 14.4%. While government occupies much of the region's space, many large locally developed companies are headquartered there including Golden1 Credit Union with 197,000-SF and VSP Global with 142,000-SF. With the lack of high-end options, the

submarket vacancy rate is higher than the metro average of 10.7% and has for many years, largely a victim of overbuilding prior to the Great Recession.

The effects of a shift to remote work have yet to be fully realized in Highway 50. VSP recently announced that it planned to sell three of its five buildings in the submarket as remote work has allowed the insurance provider to downsize into just two properties. They are likely not the last large occupier to enact such a plan

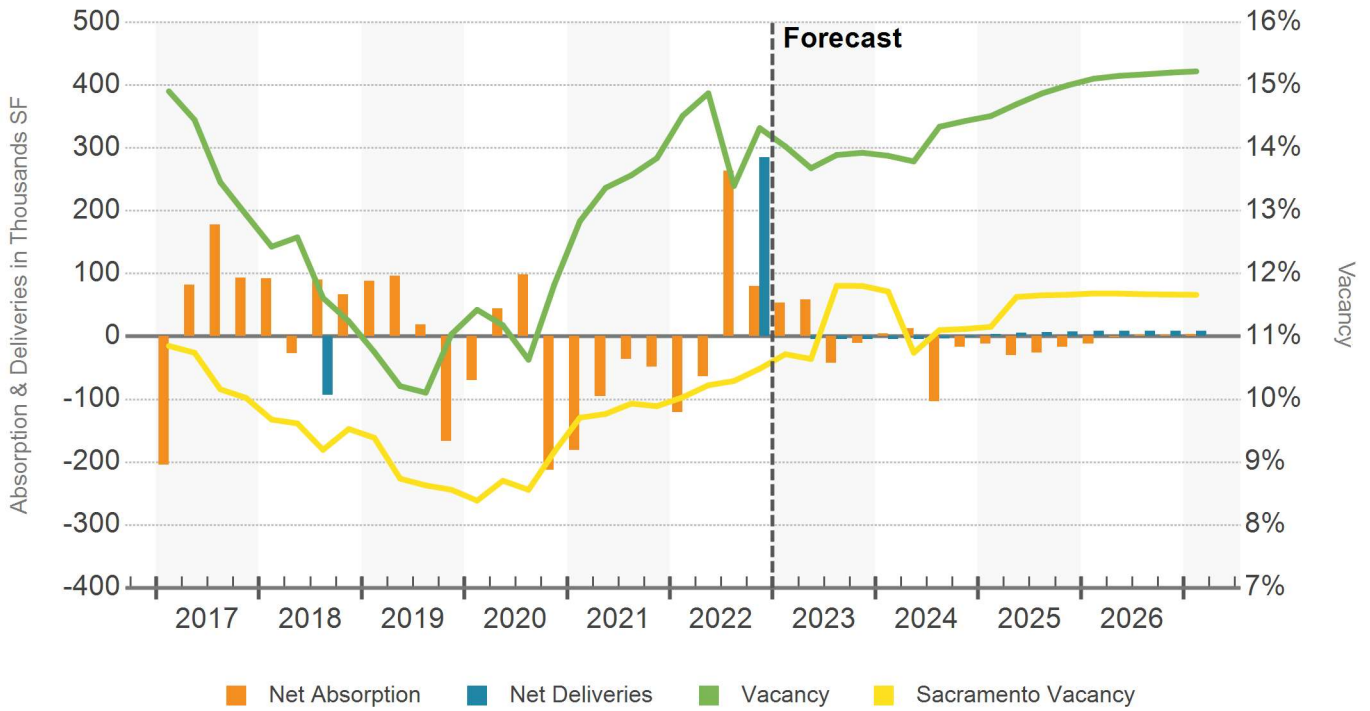
Large-scale investment office sales in Highway 50 Corridor were relatively common thanks to the area's wealth of investment-grade inventory. Given the uncertainty surrounding office product and the increase in vacancy in the submarket sales have dipped in 2022. Volume slowed annually from 2019 to 2021. However, activity in 2022 will likely surpass totals from the prior year. Nevertheless, the outlook for Highway 50 is relatively meek, rising interest rates should soften pricing while more availability is coming to the market.

KEY INDICATORS

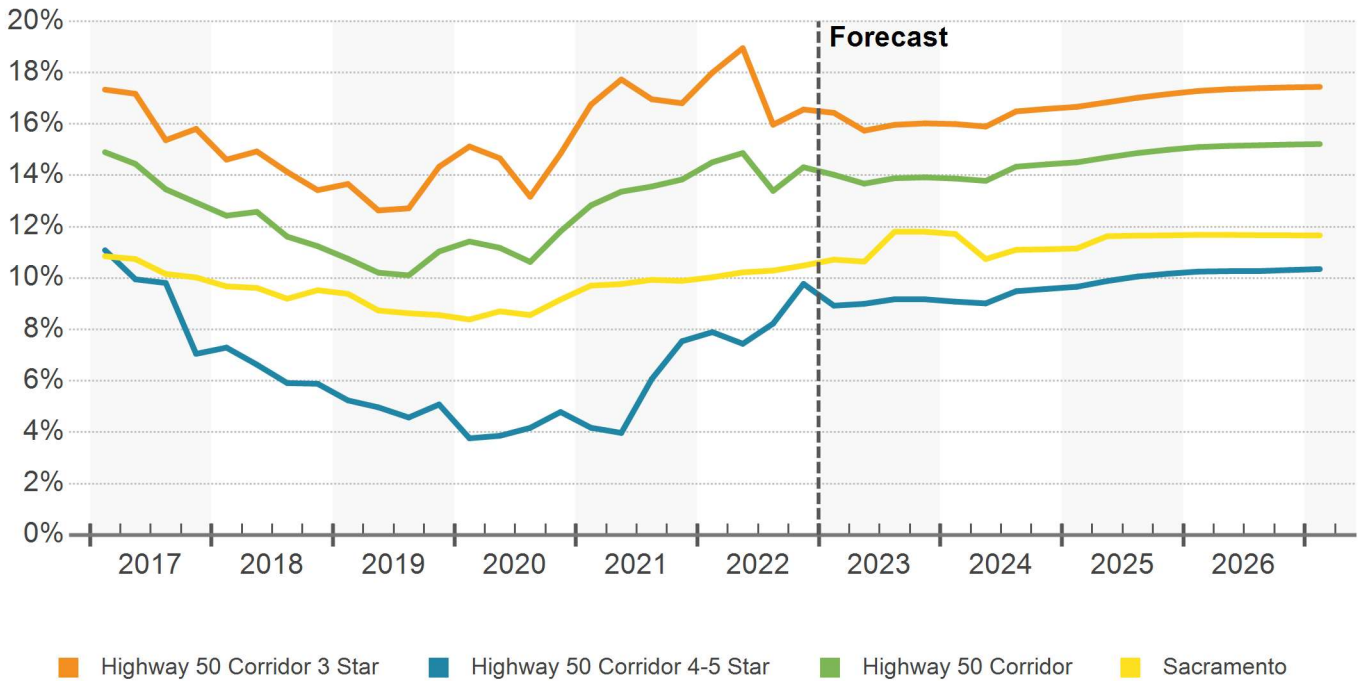
Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	5,771,923	9.9%	\$2.22	15.9%	(8,059)	0	0
3 Star	9,717,316	16.7%	\$1.92	19.7%	(8,657)	0	0
1 & 2 Star	2,679,498	15.8%	\$1.63	17.2%	2,724	0	0
Submarket	18,168,737	14.4%	\$1.98	18.1%	(13,992)	0	0

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.4%	12.8%	14.6%	17.7%	2012 Q1	7.5%	2001 Q1
Net Absorption SF	180K	171,011	10,020	1,425,098	2005 Q4	(528,120)	2009 Q3
Deliveries SF	285K	245,424	69,759	1,357,332	1999 Q4	0	2022 Q3
Rent Growth	1.1%	1.4%	1.2%	11.3%	2001 Q2	-9.7%	2010 Q1
Sales Volume	\$114M	\$130.5M	N/A	\$356.1M	2007 Q1	\$2.5M	2009 Q3

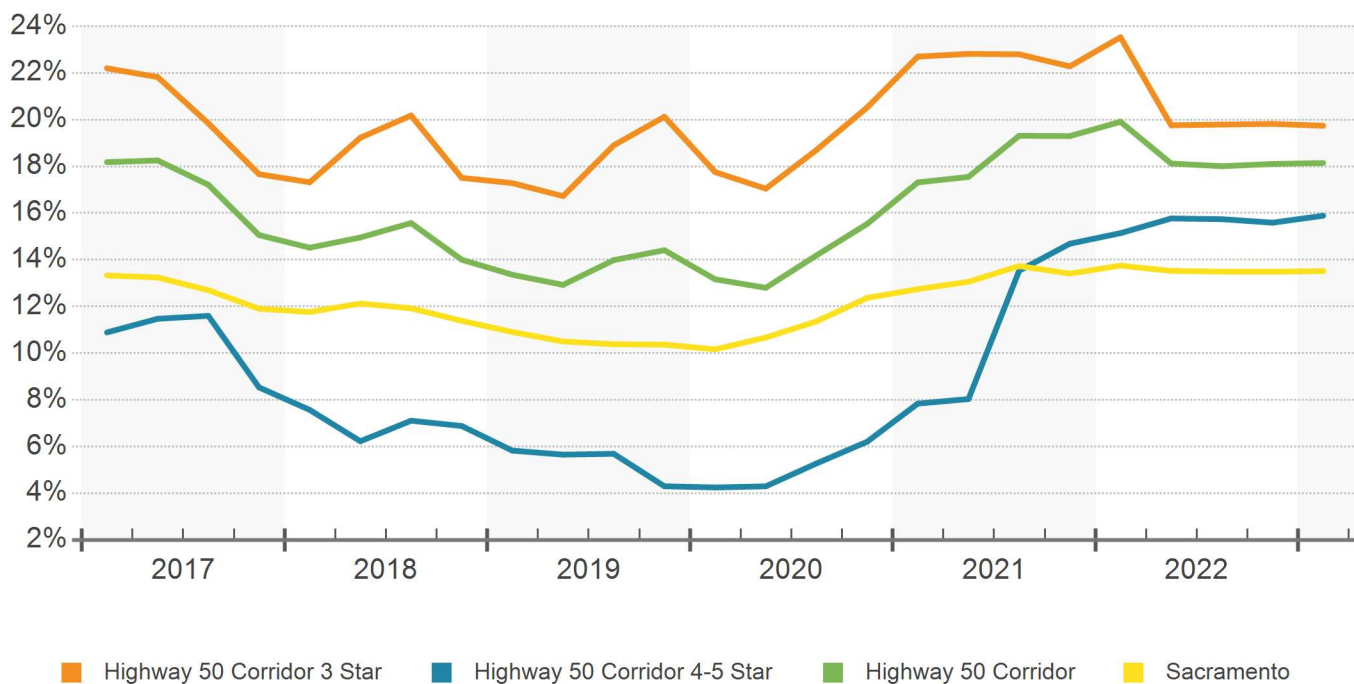
NET ABSORPTION, NET DELIVERIES & VACANCY



VACANCY RATE



AVAILABILITY RATE



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

Property Name/Address	Rating	RBA	Deals	Leased SF	12 Mo Vacancy	12 Mo Net Absorp SF
California Center 8880 Cal Center Dr	★★★★☆	120,121	6	23,571	37.4%	7,337
Bldg A 10860 Gold Center Dr	★★★★☆	127,034	1	7,931	5.8%	5,499
Bldg E 10850 Gold Center Dr	★★★★☆	117,940	5	28,388	13.9%	2,814
Building 3 8950 Cal Center Dr	★★★★☆	66,562	1	1,801	2.2%	1,801
One Capital Center 3100 Zinfandel Dr	★★★★☆	129,000	3	10,015	43.0%	(1,714)
Bldg D 10877 White Rock Rd	★★★★☆	102,840	1	6,049	4.7%	(6,049)
Bldg C 10911 White Rock Rd	★★★★☆	100,308	2	68,672	34.0%	(35,271)

3 STAR MOST ACTIVE BUILDINGS IN SUBMARKET - PAST 12 MONTHS

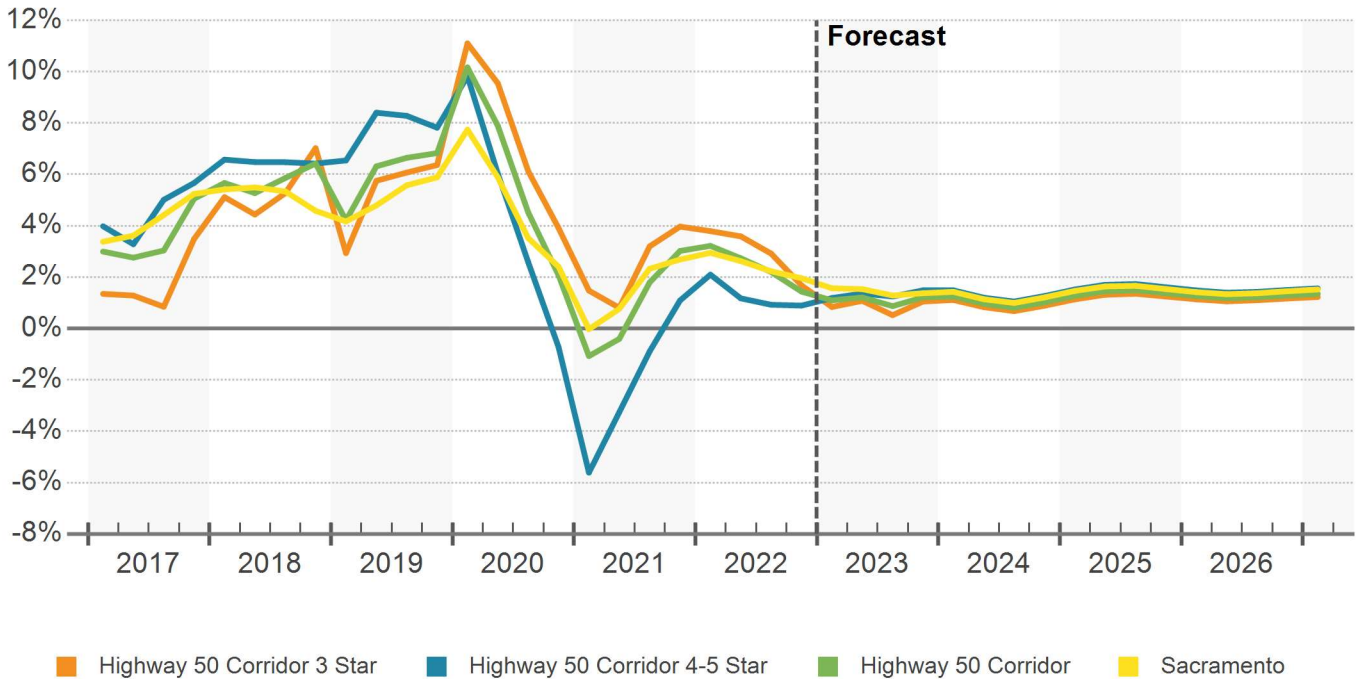
Property Name/Address	Rating	RBA	Deals	Leased SF	12 Mo Vacancy	12 Mo Net Absorp SF
Prospect West 3078 Prospect Park Dr	★ ★ ★ ★ ★	61,358	1	61,358	40.0%	61,358
Gold Pointe Corp Ctr Bldg B 12009 Foundation Pl	★ ★ ★ ★ ★	107,934	2	14,672	86.8%	25,896
9343 Tech Center Dr	★ ★ ★ ★ ★	47,348	5	10,499	36.5%	9,252
Bldg D 3701 Power Inn Rd	★ ★ ★ ★ ★	170,000	1	7,625	27.6%	7,625
Business Central Corporate C... 2355 Gold Meadow Way	★ ★ ★ ★ ★	48,500	3	9,336	22.9%	6,600
Business Central Corporate C... 2377 Gold Meadow Way	★ ★ ★ ★ ★	49,000	3	5,574	5.3%	4,716
2865 Sunrise Blvd	★ ★ ★ ★ ★	45,301	3	15,489	75.7%	2,214
Building 2 8950 Cal Center Dr	★ ★ ★ ★ ★	62,510	2	5,731	18.7%	915
2356 Gold Meadow Way	★ ★ ★ ★ ★	32,539	2	4,692	45.7%	484
Prospect Park 10971 Sun Center Dr	★ ★ ★ ★ ★	43,971	1	10,303	16.8%	0
3130 Kilgore Rd	★ ★ ★ ★ ★	60,800	2	43,654	100%	0
Bldg B 10951 White Rock Rd	★ ★ ★ ★ ★	70,065	1	35,950	51.3%	0
11070 White Rock Rd	★ ★ ★ ★ ★	45,150	2	17,342	0%	0
2870 Gold Tailings Ct	★ ★ ★ ★ ★	12,000	1	2,587	21.6%	0
Kelly Park Center 3336 Bradshaw Rd	★ ★ ★ ★ ★	30,924	5	2,667	7.7%	(1,498)
2941 Sunrise Blvd	★ ★ ★ ★ ★	31,108	3	5,656	15.7%	(2,329)
7801 Folsom Boulevard 7801 Folsom Blvd	★ ★ ★ ★ ★	70,000	2	9,718	29.2%	(3,564)
Bldg 200 11344 Coloma Rd	★ ★ ★ ★ ★	20,000	2	4,253	36.5%	(5,799)
11171 Sun Center Dr	★ ★ ★ ★ ★	36,080	1	3,181	38.9%	(6,687)
11020 White Rock Rd	★ ★ ★ ★ ★	55,214	1	3,541	86.7%	(14,714)

Office rents in Highway 50 Corridor run for about \$24.00/SF gross, which is moderately below the metro average. The same is true for 3 Star space, proportionally the submarket's largest subtype, which at \$23.00/SF rents for less than the \$26.00/SF metro

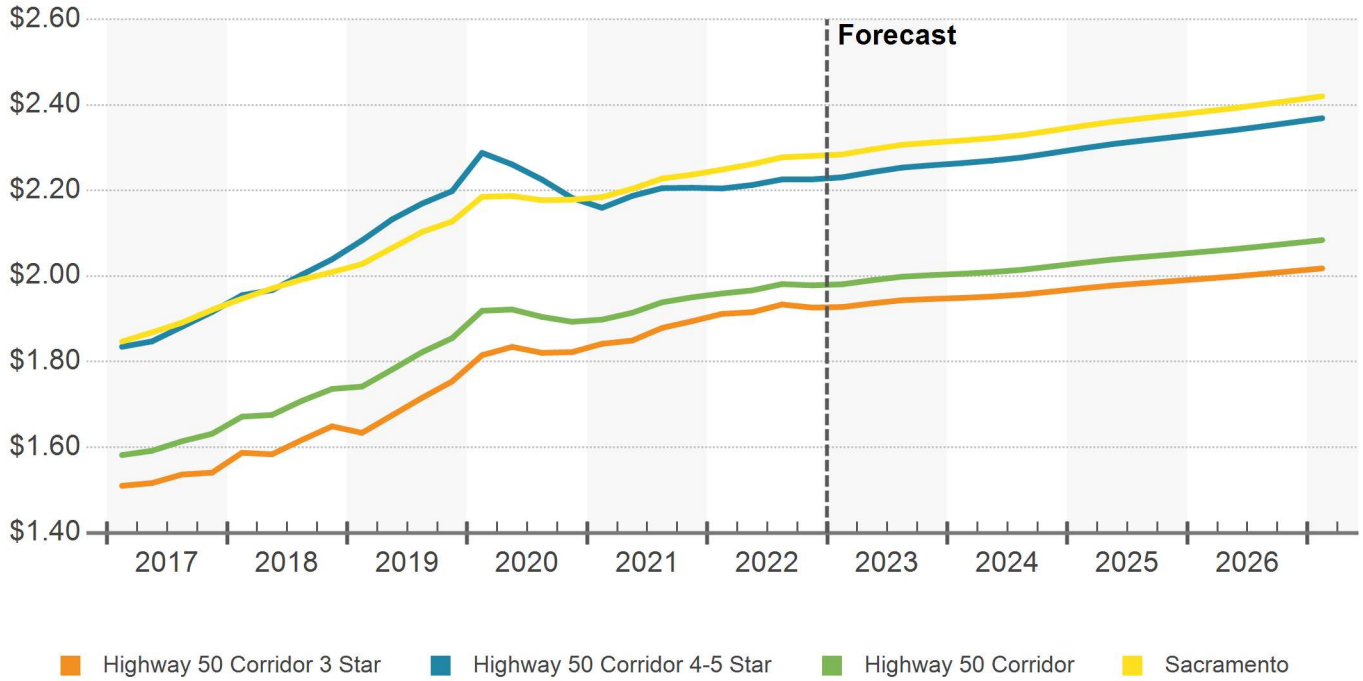
average for that slice.

Rents in the submarket grew by 1.1% year over year as of 2023Q1, and though positive, it was lower than the 3.0% annualized average over the past three years.

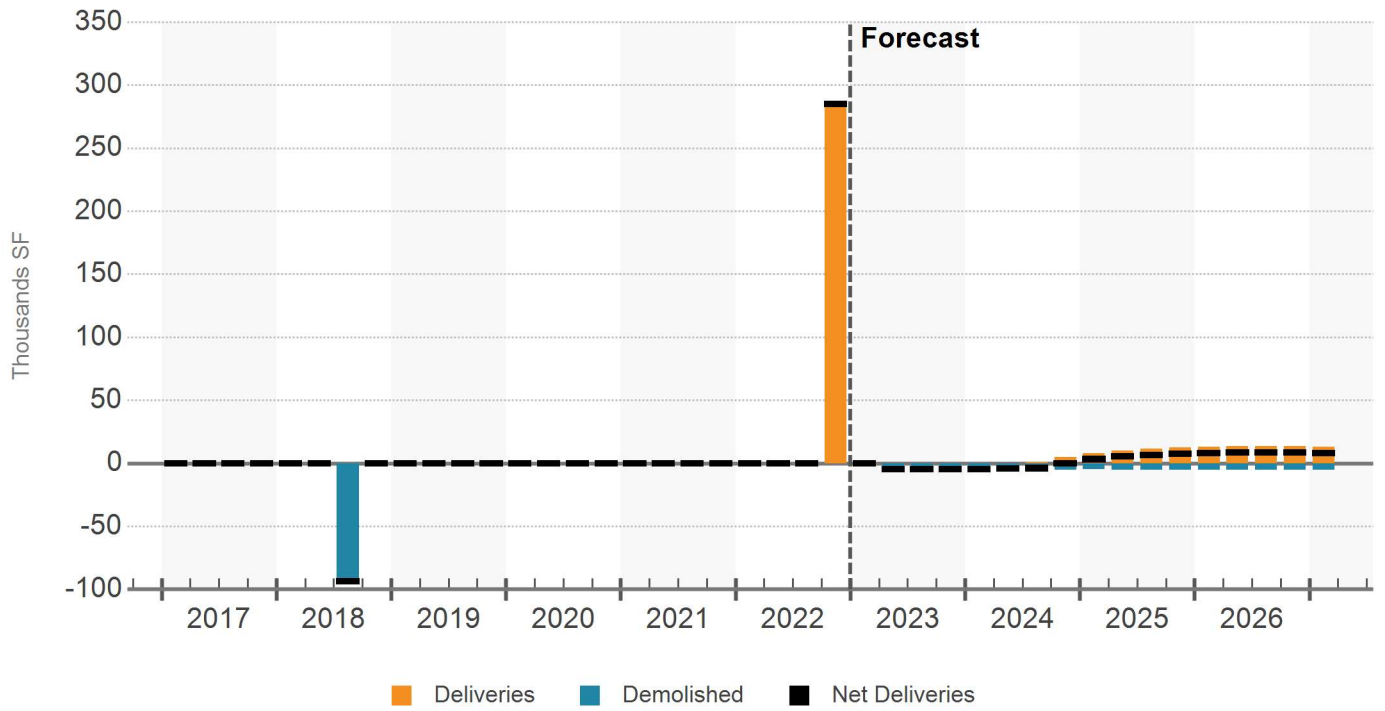
MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



DELIVERIES & DEMOLITIONS



All-Time Annual Avg. Square Feet

Delivered Square Feet Past 8 Qtrs

Delivered Square Feet Next 8 Qtrs

Proposed Square Feet Next 8 Qtrs

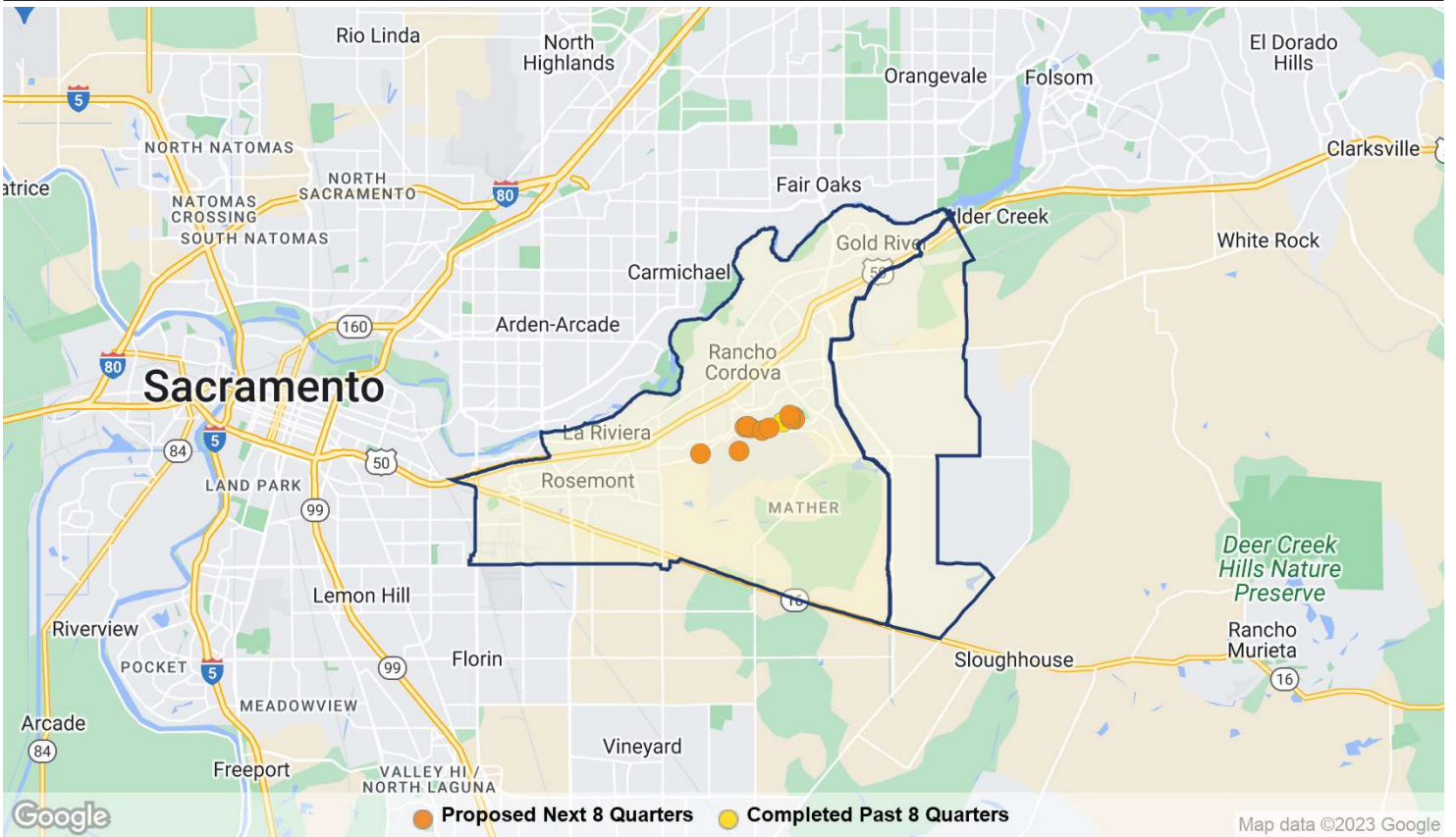
251,564

285,000

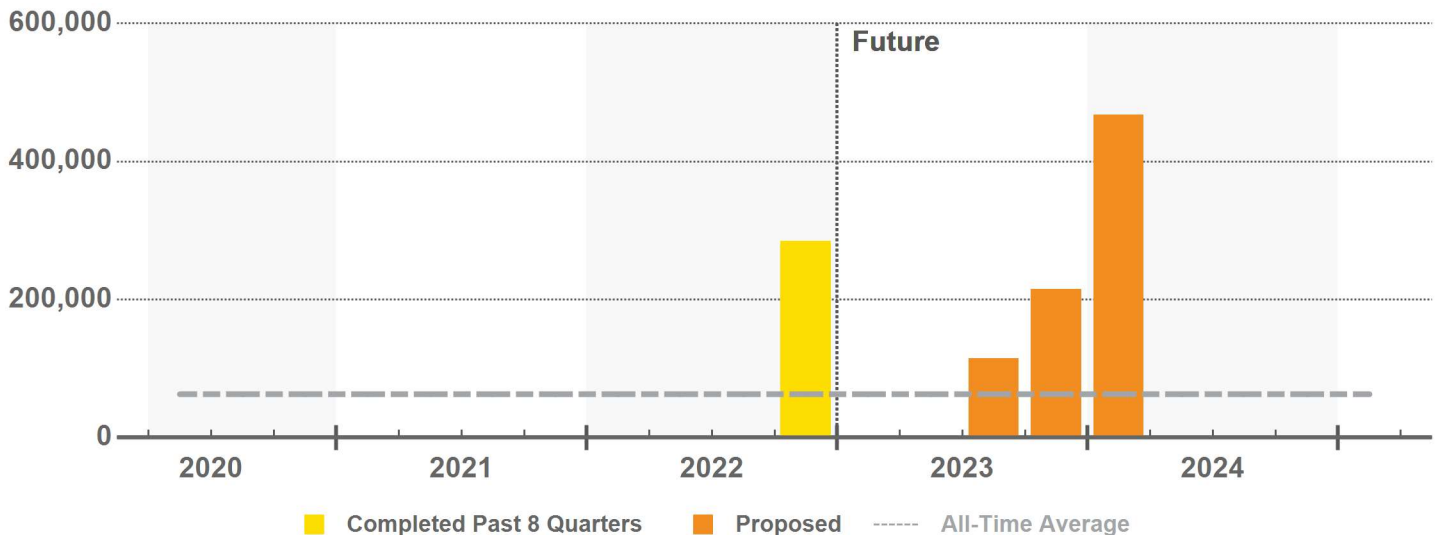
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797,992

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



PAST & FUTURE DELIVERIES IN SQUARE FEET



RECENT DELIVERIES

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 State of CA Military HQ 10601 Bear Hollow Dr	★★★★☆	285,000	1	May 2018	Oct 2022	- State of California DSG

PROPOSED

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Bldg A Bear Hollow Dr	★★★★☆	115,000	2	Feb 2023	Feb 2024	- -
2 Bldg B Bear Hollow Dr	★★★★☆	115,000	2	Jan 2023	Sep 2023	- -
3 Bldg C Bear Hollow Dr	★★★★☆	115,000	2	Feb 2023	Feb 2024	- Elliott Homes, Inc.
4 Bldg D Bear Hollow Dr	★★★★☆	115,000	2	Feb 2023	Feb 2024	- -
5 Build-to-Suit Debellevue St & Mather Blvd	★★★★☆	98,000	2	Feb 2023	Feb 2024	McCuen Properties McCuen Properties
6 Build-to-Suit Vonkarman St	★★★★☆	65,000	1	Feb 2023	Oct 2023	McCuen Properties McCuen Properties
7 Build-to-Suit Debellevue St	★★★★☆	65,000	2	Feb 2023	Oct 2023	McCuen Properties McCuen Properties
8 Build-to-Suit Mather & Bleckely Blvd	★★★★☆	40,000	1	Feb 2023	Oct 2023	McCuen Properties -
9 Build-to-Suit Armstrong Ave	★★★★☆	25,000	1	Jan 2023	Jan 2024	McCuen Properties McCuen Properties
10 Build-to-Suit Mather & Femoyer St	★★★★☆	25,000	1	Feb 2023	Oct 2023	- -
11 3700 Bombardier Court 3700 Bombardier Ct	★★★★☆	19,992	1	Feb 2023	Nov 2023	- Buzz Oates

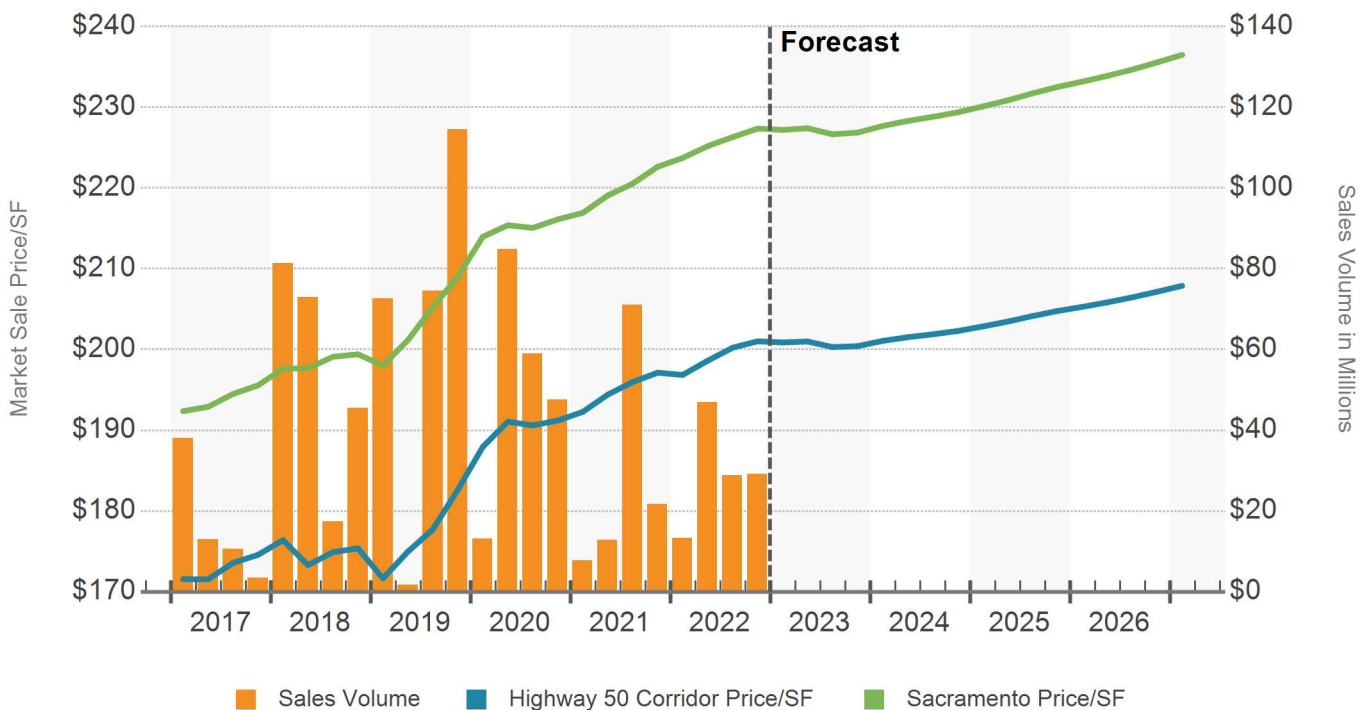
The Highway 50 Corridor Submarket is a regular target among market participants searching for office investment opportunities in Sacramento. Annual sales volume has averaged \$173 million over the past five years, and the 12-month high in investment volume hit \$287 million over that stretch. In the past 12 months specifically, \$114 million worth of assets sold.

One of the largest trades of the year took place in September when the 107,000-SF was purchased as a value-add opportunity by Bering Capital Partners. The

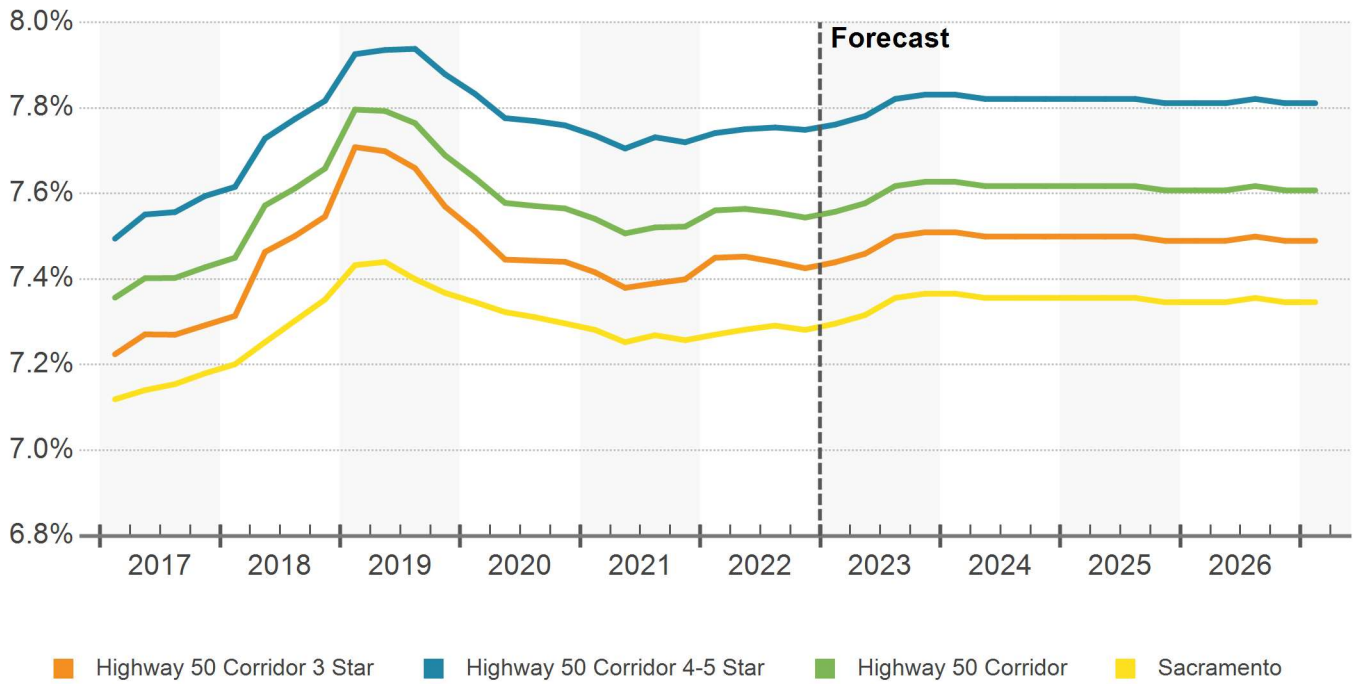
building was acquired for \$13.3 million (\$124/SF) and was only 14% leased at the time of sale.

Market pricing, derived from the estimated price movement of all office properties in the submarket, sat at \$202/SF during the first quarter of 2023. That figure is up from this time last year, and the price itself is below the average for the region. At 7.5%, the market cap rate is only a few basis points lower than last year's number, and it's close to the metro's average. The current rate is under the submarket's five-year average.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Highway 50 Corridor Office

Sale Comparables

35

Avg. Cap Rate

6.4%

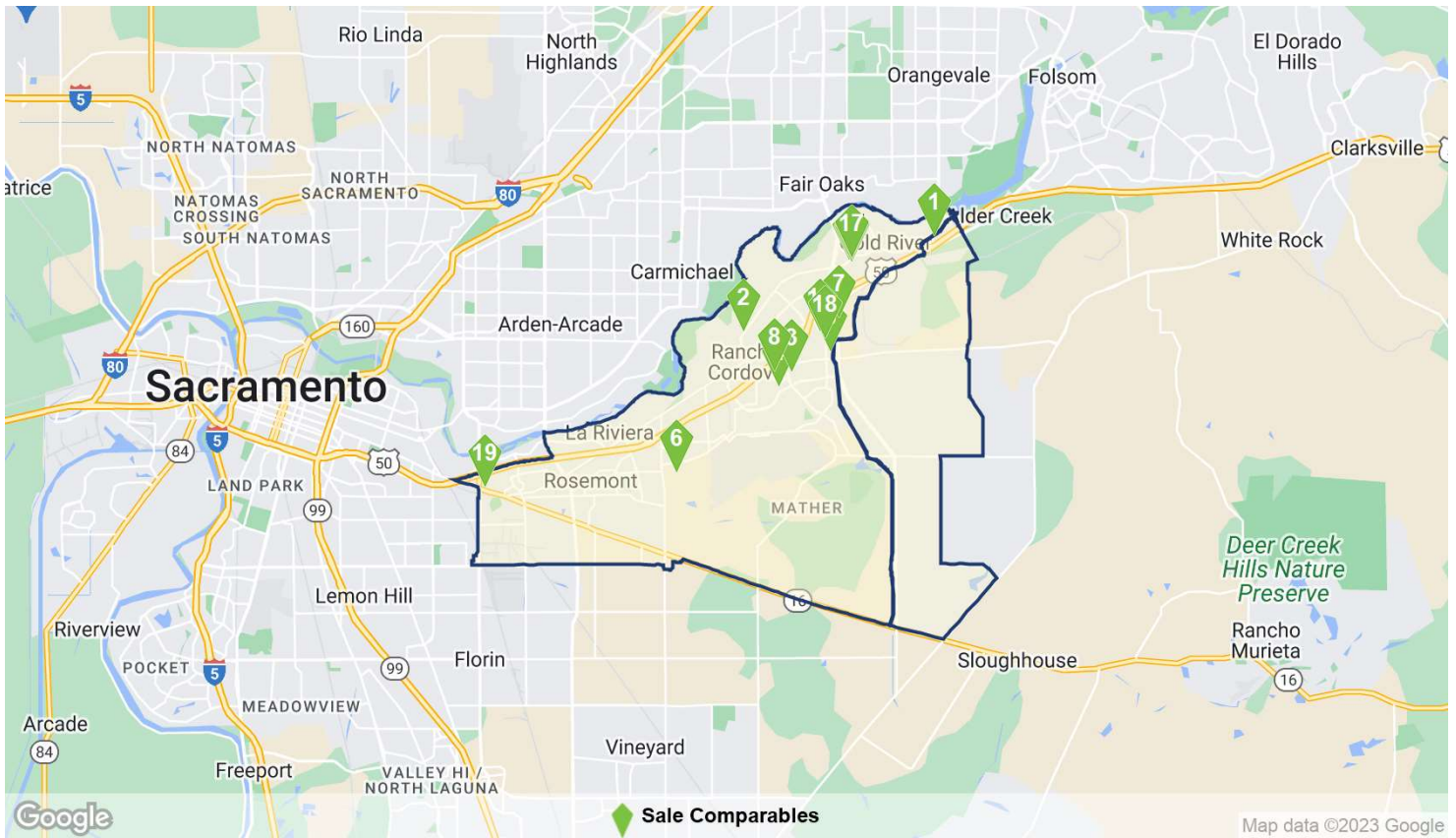
Avg. Price/SF

\$179

Avg. Vacancy At Sale

17.9%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$515,812	\$3,363,208	\$2,398,964	\$13,250,000
Price/SF	\$79	\$179	\$143	\$601
Cap Rate	5.8%	6.4%	6.2%	7.1%
Time Since Sale in Months	0.9	6.1	7.5	11.9
Property Attributes	Low	Average	Median	High
Building SF	4,608	18,748	17,563	107,934
Stories	1	1	1	3
Typical Floor SF	4,608	13,379	9,300	37,079
Vacancy Rate At Sale	0%	17.9%	0%	85.5%
Year Built	1982	1990	1986	2008
Star Rating	★★★★★	★★★★★ 2.5	★★★★★	★★★★★

Sales Past 12 Months

Highway 50 Corridor Office

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Gold Pointe Corp Ctr Bld... 12009 Foundation Pl	★★★★★	2001	107,934	85.5%	9/23/2022	\$13,250,000	\$123	-
2 10410 Coloma Rd	★★★★★	-	37,079	0%	12/29/2022	\$13,000,000	\$351	-
3 UC Davis Medical 3201 Data Dr	★★★★★	2008	18,482	0%	9/28/2022	\$11,100,000	\$601	6.3%
4 10811 International Dr	★★★★★	1998	55,192	0%	4/12/2022	\$10,536,544	\$191	-
3 UC Davis Medical 3201 Data Dr	★★★★★	2008	18,482	0%	6/9/2022	\$7,970,491	\$431	-
5 3071 Gold Canal Dr	★★★★★	2006	11,136	0%	10/24/2022	\$4,811,000	\$432	-
6 9850 Goethe Rd	★★★★★	1995	19,040	0%	10/14/2022	\$4,560,000	\$239	5.8%
7 2721 Citrus Rd	★★★★★	2005	28,189	0%	3/15/2022	\$3,500,000	\$124	-
8 Capital Corporate Center 3320 Data Dr	★★★★★	1989	18,562	0%	6/2/2022	\$3,100,000	\$167	7.1%
9 Bldg 200 11344 Coloma Rd	★★★★★	1984	20,000	12.5%	6/13/2022	\$3,077,777	\$154	-
10 2890 Kilgore Rd	★★★★★	1988	35,475	0%	2/28/2022	\$2,791,000	\$79	-
11 Bldg 100 11344 Coloma Rd	★★★★★	1984	19,000	9.7%	6/13/2022	\$2,701,140	\$142	-
12 Bldg 300 11344 Coloma Rd	★★★★★	1984	18,000	22.1%	6/13/2022	\$2,687,116	\$149	-
13 Bldg 400 11344 Coloma Rd	★★★★★	1984	18,000	25.7%	6/13/2022	\$2,649,916	\$147	-
14 Bldg 500 11344 Coloma Rd	★★★★★	1984	18,000	12.7%	6/13/2022	\$2,571,139	\$143	-
15 Bldg 600 11344 Coloma Rd	★★★★★	1984	17,563	51.8%	6/13/2022	\$2,515,027	\$143	-
16 Bldg 700 11344 Coloma Rd	★★★★★	1984	17,563	9.7%	6/13/2022	\$2,426,652	\$138	-
17 Bldg 800 11344 Coloma Rd	★★★★★	1984	17,563	0%	6/13/2022	\$2,371,275	\$135	-
18 11121 Sun Center Dr	★★★★★	1982	14,650	0%	9/13/2022	\$1,995,000	\$136	-
19 15 Bicentennial Cir	★★★★★	1983	20,336	0%	10/17/2022	\$1,950,000	\$96	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	18,227,563	31,520	0.2%	19,522	0.1%	1.6
2026	18,196,043	33,301	0.2%	(8,247)	0%	-
2025	18,162,742	22,477	0.1%	(83,748)	-0.5%	-
2024	18,140,265	(13,522)	-0.1%	(103,134)	-0.6%	-
2023	18,153,787	(14,950)	-0.1%	58,589	0.3%	-
YTD	18,168,737	0	0%	(13,992)	-0.1%	-
2022	18,168,737	285,000	1.6%	158,807	0.9%	1.8
2021	17,883,737	0	0%	(360,635)	-2.0%	-
2020	17,883,737	0	0%	(140,569)	-0.8%	-
2019	17,883,737	0	0%	37,092	0.2%	0
2018	17,883,737	(93,828)	-0.5%	221,943	1.2%	-
2017	17,977,565	0	0%	147,622	0.8%	0
2016	17,977,565	0	0%	(239,423)	-1.3%	-
2015	17,977,565	(97,800)	-0.5%	460,736	2.6%	-
2014	18,075,365	0	0%	(92,028)	-0.5%	-
2013	18,075,365	(8,500)	0%	285,427	1.6%	-
2012	18,083,865	62,592	0.3%	155,638	0.9%	0.4
2011	18,021,273	0	0%	(233,348)	-1.3%	-

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	5,926,254	52,012	0.9%	40,012	0.7%	1.3
2026	5,874,242	53,705	0.9%	39,709	0.7%	1.4
2025	5,820,537	42,632	0.7%	3,942	0.1%	10.8
2024	5,777,905	5,982	0.1%	(17,965)	-0.3%	-
2023	5,771,923	0	0%	34,643	0.6%	0
YTD	5,771,923	0	0%	(8,059)	-0.1%	-
2022	5,771,923	285,000	5.2%	134,754	2.3%	2.1
2021	5,486,923	0	0%	(151,270)	-2.8%	-
2020	5,486,923	0	0%	16,019	0.3%	0
2019	5,486,923	0	0%	44,370	0.8%	0
2018	5,486,923	0	0%	63,800	1.2%	0
2017	5,486,923	0	0%	(3,325)	-0.1%	-
2016	5,486,923	0	0%	(46,898)	-0.9%	-
2015	5,486,923	0	0%	13,237	0.2%	0
2014	5,486,923	0	0%	(28,978)	-0.5%	-
2013	5,486,923	0	0%	196,478	3.6%	0
2012	5,486,923	0	0%	79,077	1.4%	0
2011	5,486,923	0	0%	212,669	3.9%	0

Supply & Demand Trends

Highway 50 Corridor Office

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	9,717,316	0	0%	(3,774)	0%	-
2026	9,717,316	0	0%	(25,378)	-0.3%	-
2025	9,717,316	0	0%	(56,097)	-0.6%	-
2024	9,717,316	0	0%	(54,739)	-0.6%	-
2023	9,717,316	0	0%	52,496	0.5%	0
YTD	9,717,316	0	0%	(8,657)	-0.1%	-
2022	9,717,316	0	0%	23,744	0.2%	0
2021	9,717,316	0	0%	(190,715)	-2.0%	-
2020	9,717,316	0	0%	(49,709)	-0.5%	-
2019	9,717,316	0	0%	(88,385)	-0.9%	-
2018	9,717,316	(93,828)	-1.0%	152,677	1.6%	-
2017	9,811,144	0	0%	151,613	1.5%	0
2016	9,811,144	0	0%	(220,144)	-2.2%	-
2015	9,811,144	0	0%	431,537	4.4%	0
2014	9,811,144	0	0%	(109,710)	-1.1%	-
2013	9,811,144	(8,500)	-0.1%	(13,935)	-0.1%	-
2012	9,819,644	62,592	0.6%	130,783	1.3%	0.5
2011	9,757,052	0	0%	(349,241)	-3.6%	-

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	2,583,993	(20,492)	-0.8%	(16,716)	-0.6%	-
2026	2,604,485	(20,404)	-0.8%	(22,578)	-0.9%	-
2025	2,624,889	(20,155)	-0.8%	(31,593)	-1.2%	-
2024	2,645,044	(19,504)	-0.7%	(30,430)	-1.2%	-
2023	2,664,548	(14,950)	-0.6%	(28,550)	-1.1%	-
YTD	2,679,498	0	0%	2,724	0.1%	0
2022	2,679,498	0	0%	309	0%	0
2021	2,679,498	0	0%	(18,650)	-0.7%	-
2020	2,679,498	0	0%	(106,879)	-4.0%	-
2019	2,679,498	0	0%	81,107	3.0%	0
2018	2,679,498	0	0%	5,466	0.2%	0
2017	2,679,498	0	0%	(666)	0%	-
2016	2,679,498	0	0%	27,619	1.0%	0
2015	2,679,498	(97,800)	-3.5%	15,962	0.6%	-
2014	2,777,298	0	0%	46,660	1.7%	0
2013	2,777,298	0	0%	102,884	3.7%	0
2012	2,777,298	0	0%	(54,222)	-2.0%	-
2011	2,777,298	0	0%	(96,776)	-3.5%	-

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$2.11	118	1.4%	6.5%	2,777,914	15.2%	0%
2026	\$2.08	116	1.3%	5.0%	2,765,726	15.2%	0.2%
2025	\$2.05	115	1.4%	3.6%	2,723,965	15.0%	0.6%
2024	\$2.02	113	1.0%	2.2%	2,617,528	14.4%	0.5%
2023	\$2	112	1.2%	1.2%	2,527,691	13.9%	-0.4%
YTD	\$1.98	111	1.1%	-0.1%	2,614,991	14.4%	0.1%
2022	\$1.98	111	1.4%	0%	2,600,999	14.3%	0.5%
2021	\$1.95	109	3.0%	-1.4%	2,474,806	13.8%	2.0%
2020	\$1.89	106	2.1%	-4.3%	2,114,171	11.8%	0.8%
2019	\$1.85	104	6.8%	-6.2%	1,973,602	11.0%	-0.2%
2018	\$1.74	97	6.4%	-12.2%	2,010,694	11.2%	-1.7%
2017	\$1.63	91	5.1%	-17.5%	2,326,465	12.9%	-0.8%
2016	\$1.55	87	3.3%	-21.5%	2,474,087	13.8%	1.3%
2015	\$1.50	84	2.1%	-24.0%	2,234,664	12.4%	-3.0%
2014	\$1.47	82	0.7%	-25.6%	2,793,200	15.5%	0.5%
2013	\$1.46	82	2.5%	-26.1%	2,701,172	14.9%	-1.6%
2012	\$1.43	80	-0.8%	-27.8%	2,995,099	16.6%	-0.6%
2011	\$1.44	81	-6.3%	-27.2%	3,088,145	17.1%	1.3%

4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$2.40	120	1.6%	7.7%	617,829	10.4%	0.1%
2026	\$2.36	118	1.5%	6.0%	605,908	10.3%	0.1%
2025	\$2.32	116	1.6%	4.4%	591,993	10.2%	0.6%
2024	\$2.29	115	1.3%	2.8%	553,385	9.6%	0.4%
2023	\$2.26	113	1.5%	1.5%	529,480	9.2%	-0.6%
YTD	\$2.22	111	0.8%	-0.1%	572,178	9.9%	0.1%
2022	\$2.23	112	0.9%	0%	564,119	9.8%	2.2%
2021	\$2.21	111	1.1%	-0.9%	413,873	7.5%	2.8%
2020	\$2.18	109	-0.7%	-2.0%	262,603	4.8%	-0.3%
2019	\$2.20	110	7.8%	-1.2%	278,622	5.1%	-0.8%
2018	\$2.04	102	6.4%	-8.4%	322,992	5.9%	-1.2%
2017	\$1.92	96	5.7%	-13.9%	386,792	7.0%	0.1%
2016	\$1.81	91	3.8%	-18.5%	383,467	7.0%	0.9%
2015	\$1.75	88	8.6%	-21.5%	336,569	6.1%	-0.2%
2014	\$1.61	81	-0.6%	-27.7%	349,806	6.4%	0.5%
2013	\$1.62	81	4.2%	-27.3%	320,828	5.8%	-3.6%
2012	\$1.55	78	-2.6%	-30.3%	517,306	9.4%	-1.4%
2011	\$1.59	80	-4.8%	-28.4%	596,383	10.9%	-3.9%

3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$2.04	116	1.3%	5.8%	1,697,137	17.5%	0%
2026	\$2.01	114	1.2%	4.4%	1,693,363	17.4%	0.3%
2025	\$1.99	113	1.2%	3.2%	1,667,985	17.2%	0.6%
2024	\$1.96	111	0.9%	1.9%	1,611,888	16.6%	0.6%
2023	\$1.95	110	1.0%	1.0%	1,557,149	16.0%	-0.5%
YTD	\$1.92	109	1.2%	-0.2%	1,618,295	16.7%	0.1%
2022	\$1.93	109	1.7%	0%	1,609,638	16.6%	-0.2%
2021	\$1.89	107	4.0%	-1.6%	1,633,382	16.8%	2.0%
2020	\$1.82	103	3.9%	-5.4%	1,442,667	14.8%	0.5%
2019	\$1.75	99	6.4%	-9.0%	1,392,958	14.3%	0.9%
2018	\$1.65	94	7.0%	-14.4%	1,304,573	13.4%	-2.4%
2017	\$1.54	87	3.5%	-20.0%	1,551,078	15.8%	-1.5%
2016	\$1.49	84	3.0%	-22.7%	1,702,691	17.4%	2.2%
2015	\$1.45	82	-2.6%	-24.9%	1,482,547	15.1%	-4.4%
2014	\$1.48	84	2.2%	-22.9%	1,914,084	19.5%	1.1%
2013	\$1.45	82	2.2%	-24.6%	1,804,374	18.4%	0.1%
2012	\$1.42	81	-0.1%	-26.2%	1,798,939	18.3%	-0.8%
2011	\$1.42	81	-7.2%	-26.2%	1,867,130	19.1%	3.6%

1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$1.73	121	1.3%	5.8%	462,948	17.9%	0%
2026	\$1.71	119	1.1%	4.4%	466,455	17.9%	0.2%
2025	\$1.69	118	1.2%	3.2%	463,987	17.7%	0.6%
2024	\$1.67	117	0.9%	2.0%	452,255	17.1%	0.5%
2023	\$1.65	116	1.1%	1.1%	441,062	16.6%	0.6%
YTD	\$1.63	114	1.8%	-0.1%	424,518	15.8%	-0.1%
2022	\$1.63	114	2.0%	0%	427,242	15.9%	0%
2021	\$1.60	112	4.9%	-2.0%	427,551	16.0%	0.7%
2020	\$1.53	107	3.1%	-6.5%	408,901	15.3%	4.0%
2019	\$1.48	104	5.7%	-9.3%	302,022	11.3%	-3.0%
2018	\$1.40	98	3.9%	-14.2%	383,129	14.3%	-0.2%
2017	\$1.35	94	10.0%	-17.5%	388,595	14.5%	0%
2016	\$1.23	86	3.0%	-25.0%	387,929	14.5%	-1.0%
2015	\$1.19	83	4.4%	-27.2%	415,548	15.5%	-3.6%
2014	\$1.14	80	-2.5%	-30.2%	529,310	19.1%	-1.7%
2013	\$1.17	82	-1.3%	-28.4%	575,970	20.7%	-3.7%
2012	\$1.18	83	1.1%	-27.5%	678,854	24.4%	2.0%
2011	\$1.17	82	-6.8%	-28.3%	624,632	22.5%	3.5%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$210.14	139	7.6%
2026	-	-	-	-	-	-	\$207.15	137	7.6%
2025	-	-	-	-	-	-	\$204.76	136	7.6%
2024	-	-	-	-	-	-	\$202.28	134	7.6%
2023	-	-	-	-	-	-	\$200.41	133	7.6%
YTD	-	-	-	-	-	-	\$201.52	134	7.5%
2022	35	\$118.2M	3.7%	\$3,376,730	\$175.53	6.4%	\$201.01	133	7.5%
2021	20	\$113.1M	4.0%	\$5,656,625	\$156.38	6.7%	\$197.13	131	7.5%
2020	28	\$204.5M	6.7%	\$7,863,467	\$171.06	7.9%	\$191.20	127	7.6%
2019	24	\$263.3M	8.6%	\$11,449,500	\$171.77	7.3%	\$182.66	121	7.7%
2018	34	\$217.2M	9.2%	\$6,788,995	\$134.91	7.3%	\$175.39	116	7.7%
2017	17	\$65.1M	2.4%	\$5,004,404	\$160.24	7.5%	\$174.59	116	7.4%
2016	36	\$196.4M	8.8%	\$5,454,766	\$123.62	7.7%	\$169.60	112	7.4%
2015	34	\$83.8M	4.1%	\$3,221,335	\$119	7.1%	\$165.42	110	7.4%
2014	25	\$54.6M	4.1%	\$2,373,154	\$83.92	7.1%	\$156.66	104	7.4%
2013	23	\$59.2M	3.8%	\$2,958,034	\$86.91	8.0%	\$152.46	101	7.5%
2012	12	\$45.1M	2.5%	\$5,006,978	\$123.51	8.9%	\$147.30	98	7.7%

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

4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$237.81	133	7.8%
2026	-	-	-	-	-	-	\$233.85	131	7.8%
2025	-	-	-	-	-	-	\$230.57	129	7.8%
2024	-	-	-	-	-	-	\$227.18	127	7.8%
2023	-	-	-	-	-	-	\$224.45	126	7.8%
YTD	-	-	-	-	-	-	\$224.95	126	7.7%
2022	-	-	-	-	-	-	\$224.34	126	7.7%
2021	2	\$18.5M	2.6%	\$9,241,250	\$128.91	7.5%	\$220.10	123	7.7%
2020	4	\$72.8M	6.2%	\$18,208,777	\$214.89	7.3%	\$213.96	120	7.8%
2019	4	\$82.7M	8.4%	\$20,675,000	\$178.95	7.7%	\$205.18	115	7.9%
2018	6	\$80.3M	11.4%	\$13,386,152	\$128.23	7.6%	\$199.17	112	7.8%
2017	1	\$27M	1.9%	\$27,000,000	\$253.30	7.0%	\$197.94	111	7.6%
2016	4	\$74.2M	10.3%	\$18,554,144	\$130.93	8.9%	\$194.64	109	7.5%
2015	-	-	-	-	-	-	\$191.41	107	7.5%
2014	-	-	-	-	-	-	\$181.49	102	7.5%
2013	2	\$12.8M	2.0%	\$6,375,000	\$114.50	-	\$177.34	99	7.6%
2012	1	\$22.7M	2.7%	\$22,650,000	\$155.28	8.9%	\$171.90	96	7.8%

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Sale Trends

Highway 50 Corridor Office

3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$201.37	141	7.5%
2026	-	-	-	-	-	-	\$198.75	139	7.5%
2025	-	-	-	-	-	-	\$196.71	138	7.5%
2024	-	-	-	-	-	-	\$194.59	136	7.5%
2023	-	-	-	-	-	-	\$193.06	135	7.5%
YTD	-	-	-	-	-	-	\$194.46	136	7.4%
2022	17	\$82.5M	4.2%	\$4,850,535	\$200.11	6.1%	\$193.99	136	7.4%
2021	10	\$83M	5.3%	\$8,299,203	\$160.60	7.1%	\$190.73	134	7.4%
2020	15	\$111.3M	7.0%	\$8,559,916	\$164.07	7.6%	\$184.98	130	7.4%
2019	16	\$173.4M	10.5%	\$11,557,833	\$171.45	7.1%	\$176.16	124	7.6%
2018	21	\$122.4M	9.3%	\$6,120,297	\$140.94	7.1%	\$168.40	118	7.5%
2017	7	\$23.9M	1.5%	\$3,415,680	\$158.94	7.9%	\$168.60	118	7.3%
2016	16	\$93.2M	7.4%	\$5,827,450	\$129.29	7.3%	\$163.34	115	7.2%
2015	22	\$65.4M	5.8%	\$3,634,606	\$119.93	7.1%	\$158.62	111	7.2%
2014	14	\$49.7M	5.8%	\$3,551,428	\$87.89	7.1%	\$150.10	105	7.3%
2013	9	\$32.8M	3.6%	\$4,681,916	\$94.59	8.0%	\$145.50	102	7.4%
2012	5	\$9.3M	1.2%	\$2,333,250	\$109.16	-	\$140.28	98	7.5%

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

1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$182.35	150	7.6%
2026	-	-	-	-	-	-	\$180.07	148	7.6%
2025	-	-	-	-	-	-	\$178.35	147	7.6%
2024	-	-	-	-	-	-	\$176.54	145	7.6%
2023	-	-	-	-	-	-	\$175.29	144	7.6%
YTD	-	-	-	-	-	-	\$176.65	145	7.5%
2022	18	\$35.7M	9.7%	\$1,984,804	\$136.76	6.7%	\$176.25	145	7.5%
2021	8	\$11.7M	2.4%	\$1,457,247	\$184.15	5.8%	\$170.86	140	7.5%
2020	9	\$20.3M	6.6%	\$2,259,569	\$114.23	8.5%	\$164.77	135	7.6%
2019	4	\$7.3M	2.2%	\$1,817,750	\$121.62	7.4%	\$157.73	130	7.7%
2018	7	\$14.5M	4.4%	\$2,420,833	\$125.72	7.2%	\$149.54	123	7.7%
2017	9	\$14.1M	6.5%	\$2,829,500	\$94.97	-	\$145.98	120	7.6%
2016	16	\$28.9M	11.2%	\$1,807,238	\$96.24	7.6%	\$138.35	114	7.6%
2015	12	\$18.3M	6.3%	\$2,291,475	\$115.80	7.0%	\$134.12	110	7.6%
2014	11	\$4.9M	6.5%	\$540,284	\$57.44	-	\$127	104	7.7%
2013	12	\$13.6M	8.2%	\$1,239,751	\$61.17	-	\$124.08	102	7.7%
2012	6	\$13.1M	6.8%	\$3,269,950	\$97.99	-	\$119.79	98	7.9%

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