

THE CoSTAR OFFICE REPORT

YEAR - END 2012

National Office Market



NATIONAL OFFICE MARKET



TABLE OF CONTENTS

Table of Contents	A
Methodology	B
Terms & Definitions	C
Market Highlights & Overview	1
Inventory & Development Analysis	15
Inventory & Development Analysis	
Select Top Deliveries	
Select Top Under Construction Properties	
Figures at a Glance by Class & Submarket	
Figures at a Glance Grouped by CBD vs Suburban	
Historical Figures at a Glance	
Leasing Activity Analysis	33
Select Top Lease Transactions	
Sales Activity Analysis	35
Sales Activity Analysis	
Select Top Sales Transactions	

METHODOLOGY

The CoStar Office Report, unless specifically stated otherwise, calculates office statistics using CoStar Group's entire database of existing and under construction office buildings in each metropolitan area. Included are office, office condominium, office loft, office medical, all classes and all sizes, and both multi-tenant and single-tenant buildings, including owner-occupied buildings. CoStar Group's national database includes approximately 80.7 billion square feet of coverage in 3.5 million properties. All rental rates reported in the CoStar Office Report have been converted to a Full Service equivalent rental rate.

CoStar regularly opens new markets to expand its geographic coverage which results in varying start dates for historical data. Due to differences in market start dates and a desire to show as long a historical timeframe as possible, only the following markets are included in the historical charts within this report: Atlanta, Austin, Baltimore, Boston, Broward County, Charlotte, Chicago, Cincinnati, Cleveland, Columbus, Dallas/Ft Worth, Dayton, Denver, Detroit, East Bay/Oakland, Houston, Indianapolis, Inland Empire (California), Jacksonville (Florida), Kansas City, Long Island (New York), Los Angeles, Memphis, Miami-Dade County, Nashville, Northern New Jersey, Orange (California), Orlando, Palm Beach County, Philadelphia, Phoenix, Pittsburgh, Raleigh/Durham, Sacramento, San Diego, San Francisco, Seattle/Puget Sound, South Bay/San Jose, St. Louis, Tampa/St Petersburg, Washington, and Westchester/So Connecticut. When ever possible all markets are included to provide as broad as possible national coverage. The Market Highlights and Overview narrative includes all markets.

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CoStar Group, Inc.

1331 L ST NW • Washington, DC 20005 • (800) 204-5960 • www.costar.com • NASDAQ: CSGP

TERMS & DEFINITIONS

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Build-to-Suit: A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

CBD: Abbreviation for Central Business District. (See also: Central Business District)

Central Business District: The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

Class A: A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

Class B: A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Class C: A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Contiguous Blocks of Space: Space within a building that is, or is able to be joined together into a single contiguous space.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certificate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Flex Building: A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Gross Absorption: The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing Activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Industrial Building: A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different tenant needs. (See also: Tenancy).

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Net Rental Rate: A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Office Building: A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Property Manager: The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Suburban: The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Time On Market: A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

Under Construction: The status of a building that is in the process of being developed, assembled, built or constructed. A building is considered to be under construction after it has begun construction and until it receives a certificate of occupancy.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

NATIONAL OFFICE MARKET

OVERVIEW



U.S.'s VACANCY DECREASES TO 11.9%

Net Absorption Positive 27,159,780 SF in the Quarter

The U.S. Office market ended the fourth quarter 2012 with a vacancy rate of 11.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 27,159,780 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 46,986,036 square feet. Rental rates ended the fourth quarter at \$21.63, an increase over the previous quarter. A total of 234 buildings delivered to the market in the quarter totaling 11,480,208 square feet, with 62,109,959 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall U.S. office market was positive 27,159,780 square feet in the fourth quarter 2012. That compares to positive 15,462,856 square feet in the third quarter 2012, positive 17,976,461 square feet in the second quarter 2012, and positive 14,133,099 square feet in the first quarter 2012.

The Class-A office market recorded net absorption of positive 14,822,736 square feet in the fourth quarter 2012, compared to positive 11,761,010 square feet in the third quarter 2012, positive 12,815,306 in the second quarter 2012, and positive 7,813,979 in the first quarter 2012.

The Class-B office market recorded net absorption of positive 10,830,981 square feet in the fourth quarter 2012, compared to positive 5,104,821 square feet in the third quarter 2012, positive 5,927,551 in the second quarter 2012, and positive 5,195,566 in the first quarter 2012.

The Class-C office market recorded net absorption of positive 1,506,063 square feet in the fourth quarter 2012 compared

to negative (1,402,975) square feet in the third quarter 2012, negative (766,396) in the second quarter 2012, and positive 1,123,554 in the first quarter 2012.

Net absorption for U.S.'s central business district was positive 4,321,162 square feet in the fourth quarter 2012. That compares to positive 4,624,516 square feet in the third quarter 2012, positive 2,485,912 in the second quarter 2012, and positive 918,552 in the first quarter 2012.

Net absorption for the suburban markets was positive 22,838,618 square feet in the fourth quarter 2012. That compares to positive 10,838,340 square feet in third quarter 2012, positive 15,490,549 in the second quarter 2012, and positive 13,214,547 in the first quarter 2012.

Vacancy

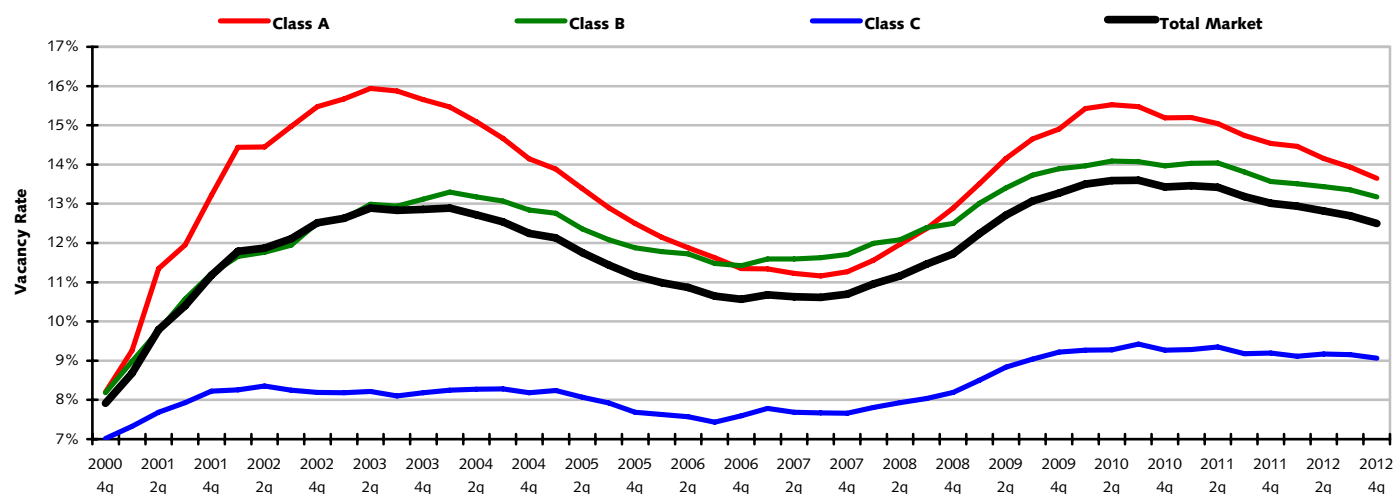
The office vacancy rate in the U.S. market area decreased to 11.9% at the end of the fourth quarter 2012. The vacancy rate was 12.0% at the end of the third quarter 2012, 12.2% at the end of the second quarter 2012, and 12.3% at the end of the first quarter 2012.

Class-A projects reported a vacancy rate of 13.3% at the end of the fourth quarter 2012, 13.5% at the end of the third quarter 2012, 13.8% at the end of the second quarter 2012, and 14.1% at the end of the first quarter 2012.

Class-B projects reported a vacancy rate of 12.4% at the end of the fourth quarter 2012, 12.6% at the end of the third quarter 2012, 12.6% at the end of the second quarter 2012, and 12.7% at the end of the first quarter 2012.

Class-C projects reported a vacancy rate of 8.8% at the end

VACANCY RATES BY CLASS* 2000-2012



Source: CoStar Property® * Select markets included in this historical chart - see Methodology page.

of the fourth quarter 2012, 8.9% at the end of third quarter 2012, 8.9% at the end of the second quarter 2012, and 8.8% at the end of the first quarter 2012.

The overall vacancy rate in U.S.'s central business district at the end of the fourth quarter 2012 decreased to 10.9%. The vacancy rate was 11.1% at the end of the third quarter 2012, 11.3% at the end of the second quarter 2012, and 11.4% at the end of the first quarter 2012.

The vacancy rate in the suburban markets decreased to 12.2% in the fourth quarter 2012. The vacancy rate was 12.3% at the end of the third quarter 2012, 12.4% at the end of the second quarter 2012, and 12.5% at the end of the first quarter 2012.

Largest Lease Signings

The largest lease signings occurring in 2012 included: the 1,605,043-square-foot lease signed by Viacom Inc. at One Astor Plaza in the New York City market; the 1,152,763-square-foot deal signed by Morgan Stanley Smith Barney LLC at One New York Plaza also in the New York City market; and the 854,226-square-foot lease signed by Public Service Enterprise Group Incorporated at 80 Park Plaza in the Northern New Jersey market.

Sublease Vacancy

The amount of vacant sublease space in the U.S. market increased to 46,986,036 square feet by the end of the fourth quarter 2012, from 46,818,181 square feet at the end of the third quarter 2012. There was 46,756,502 square feet vacant at the end of the second quarter 2012 and 47,998,991 square feet at the end of the first quarter 2012.

U.S.'s Class-A projects reported vacant sublease space of 27,157,997 square feet at the end of fourth quarter 2012, up from the 27,114,771 square feet reported at the end of the third quarter 2012. There were 27,837,818 square feet of sublease space vacant at the end of the second quarter 2012, and 28,586,651 square feet at the end of the first quarter 2012.

Class-B projects reported vacant sublease space of 17,751,002 square feet at the end of the fourth quarter 2012, up from the 17,560,414 square feet reported at the end of the third quarter 2012. At the end of the second quarter 2012 there were 16,888,823 square feet, and at the end of the first quarter 2012 there were 17,299,552 square feet vacant.

Class-C projects reported decreased vacant sublease space from the third quarter 2012 to the fourth quarter 2012. Sublease vacancy went from 2,142,996 square feet to 2,077,037 square feet during that time. There was 2,029,861 square feet at the end of the second quarter 2012, and 2,112,788 square feet at the end of the first quarter 2012.

Sublease vacancy in U.S.'s central business district stood at 13,820,607 square feet at the end of the fourth quarter 2012. It

was 13,401,473 square feet at the end of the third quarter 2012, 13,618,146 square feet at the end of the second quarter 2012, and 13,806,901 square feet at the end of the first quarter 2012.

Sublease vacancy in the suburban markets ended the fourth quarter 2012 at 33,165,429 square feet. At the end of the third quarter 2012 sublease vacancy was 33,416,708 square feet, was 33,138,356 square feet at the end of the second quarter 2012, and was 34,192,090 square feet at the end of the first quarter 2012.

Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$21.63 per square foot per year at the end of the fourth quarter 2012 in the U.S. market area. This represented a 1.0% increase in quoted rental rates from the end of the third quarter 2012, when rents were reported at \$21.42 per square foot.

The average quoted rate within the Class-A sector was \$27.33 at the end of the fourth quarter 2012, while Class-B rates stood at \$19.55, and Class-C rates at \$15.82. At the end of the third quarter 2012, Class-A rates were \$27.18 per square foot, Class-B rates were \$19.39, and Class-C rates were \$15.64.

The average quoted asking rental rate in U.S.'s CBD was \$27.14 at the end of the fourth quarter 2012, and \$20.38 in the suburban markets. In the third quarter 2012, quoted rates were \$26.65 in the CBD and \$20.24 in the suburbs.

Deliveries and Construction

During the fourth quarter 2012, 234 buildings totaling 11,480,208 square feet were completed in the U.S. market area. This compares to 215 buildings totaling 9,613,300 square feet that were completed in the third quarter 2012, 185 buildings totaling 7,728,564 square feet completed in the second quarter 2012, and 10,938,720 square feet in 213 buildings completed in the first quarter 2012.

Some of the notable 2012 deliveries include: Devon Tower, a 1,800,000-square-foot facility that delivered in first quarter 2012 in the Oklahoma City market, and 1000 Connecticut Ave NW, a 385,791-square-foot facility that delivered in second quarter 2012 in Washington, DC.

There were 62,109,959 square feet of office space under construction at the end of the fourth quarter 2012.

The largest projects underway at the end of fourth quarter 2012 were One World Trade Center, a 3,020,630-square-foot building, and World Trade Center - Tower Four, a 2,845,000-square-foot facility. Both properties are located in New York City.

Inventory

Total office inventory in the U.S. market area amounted to 10,267,209,269 square feet in 487,126 buildings as of the end of the fourth quarter 2012. The Class-A office sector consisted of 3,142,841,124 square feet in 16,456 projects. There were

NATIONAL OFFICE MARKET

OVERVIEW



187,386 Class-B buildings totaling 4,794,307,117 square feet, and the Class-C sector consisted of 2,330,061,028 square feet in 283,284 buildings. Within the Office market there were 17,957 owner-occupied buildings accounting for 843,222,137 square feet of office space.

Sales Activity

Tallying office building sales of 15,000 square feet or larger, U.S. office sales figures rose during the third quarter 2012 in terms of dollar volume compared to the second quarter of 2012. In the third quarter, 639 office transactions closed with a total volume of \$13,993,701,299. The 639 buildings totaled 68,368,764 square feet and the average price per square foot equated to \$204.68 per square foot. That compares to 629 transactions totaling \$13,513,160,991 in the second quarter 2012.

The total square footage in the second quarter was 72,004,845 square feet for an average price per square foot of \$187.67. Total office building sales activity in 2012 was down compared to 2011. In the first nine months of 2012, the market saw 1,794 office sales transactions with a total volume of \$38,735,131,498. The price per square foot averaged \$195.82. In the same first nine months of 2011, the market posted 1,651 transactions with a total volume of \$40,416,101,989. The price per square foot averaged \$212.68. Cap rates have been lower in 2012, averaging 7.91% compared to the same period in 2011 when they averaged 8.11%.

One of the largest transactions that has occurred within the last 4 quarters in the U.S. market is the sale of 450 Lexington Avenue in New York. This 950,048-square-foot office building sold for \$720,000,000, or \$757.86 per square foot. The property sold on 9/11/2012, at a 5.67% cap rate.

Albany/Schenectady/Troy

With no space currently under construction, Albany/Schenectady/Troy absorbed (171,801) square feet of space and delivered 34,000 square feet of space, resulting in a vacancy rate that went from 7.0% to 7.3% over the course of the quarter. Rental rates went from \$14.56 to \$14.34 per square foot.

Albuquerque

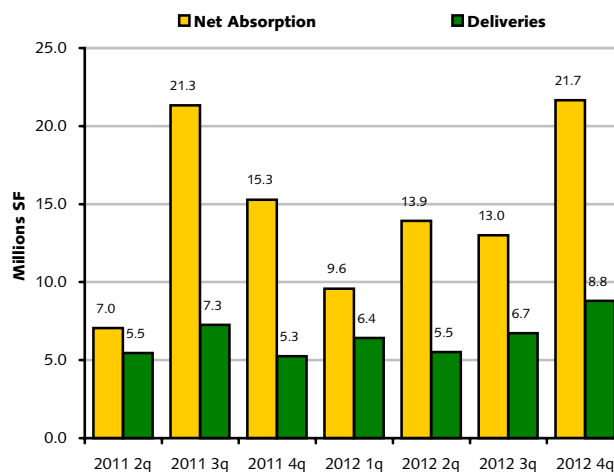
The vacancy rate remained unchanged in Albuquerque in the fourth quarter. With 9,000 square feet in deliveries, and positive 16,207 square feet in net absorption, the vacancy rate held at 10.8%, the same rate reported in the previous quarter. The market had 260,000 square feet under construction at the end of the quarter, and rental rates stood at \$15.15 per square foot.

Anchorage

With no new office space being delivered to the market, and positive 8,211 square feet of net absorption, Anchorage's vacancy rate went from 4.9% to 4.9% in the quarter. Rental rates went from \$25.64 to \$26.64 during that time. At the end of the quarter, there was 56,000 square feet underway for future delivery.

ABSORPTION & DELIVERIES*

Past 10 Quarters



Asheville

The Asheville office market saw vacancies fall and rental rates decrease from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 8.4%, from 9.0% in the previous quarter. Rental rates ended the quarter at \$17.09 per square foot, from \$17.10 in the previous quarter. There was a total of 27,919 square feet that delivered in the quarter, with 15,516 square feet still under construction at the end of the quarter.

Atlanta

The Atlanta office market ended the quarter with a vacancy rate of 15.9%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 229,224 square feet. Vacant sublease space increased to 1,719,519 square feet. Rental rates ended the fourth quarter at \$18.77, a increase over the previous quarter. A total of 11 buildings with 561,337 square feet of space delivered to the market, with 1,731,548 square feet still under construction at the end of the quarter.

Augusta/Richmond County

With no new office space being delivered to the market, and negative (130,781) square feet of net absorption, Augusta/Richmond County's vacancy rate went from 8.1% to 9.1% in the quarter. Rental rates went from \$12.39 to \$13.02 during that time. At the end of the quarter, there was 19,000 square feet underway for future delivery.

Austin

The Austin office market ended the quarter with a vacancy rate of 10.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 824,646 square feet. Vacant sublease space decreased to 141,871 square feet. Rental rates ended the fourth quarter at \$25.72, a increase over the previous quarter. A total of 3 buildings with 13,016 square feet of

space delivered to the market, with 171,468 square feet still under construction at the end of the quarter.

Bakersfield

With no new office space being delivered to the market, and negative (8,021) square feet of net absorption, Bakersfield's vacancy rate went from 6.6% to 6.6% in the quarter. Rental rates went from \$18.12 to \$17.44 during that time. At the end of the quarter, there was 27,500 square feet underway for future delivery.

Baltimore

The Baltimore office market ended the quarter with a vacancy rate of 11.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 411,524 square feet. Vacant sublease space decreased to 567,678 square feet. Rental rates ended the fourth quarter at \$21.46, a increase over the previous quarter. A total of 3 buildings with 234,874 square feet of space delivered to the market, with 1,163,140 square feet still under construction at the end of the quarter.

Baton Rouge

The Baton Rouge office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 54,669 square feet caused the vacancy rate to down from 14.4% to 14.1% in the quarter. Rental rates stood at \$15.40.

Beaumont/Port Arthur

With no new office space being delivered to the market, and positive 15,763 square feet of net absorption, Beaumont/Port Arthur's vacancy rate went from 6.9% to 6.7% in the quarter. Rental rates went from \$15.59 to \$15.22 during that time. At the end of the quarter, there was 20,000 square feet underway for future delivery.

Birmingham

With no space currently under construction, Birmingham absorbed 97,614 square feet of space and delivered 50,167 square feet of space, resulting in a vacancy rate that went from 10.1% to 10.0% over the course of the quarter. Rental rates went from \$16.79 to \$16.98 per square foot.

Boise City/Nampa

With no new office space being delivered to the market, and positive 64,352 square feet of net absorption, Boise City/Nampa's vacancy rate went from 12.4% to 12.2% in the quarter. Rental rates went from \$14.34 to \$14.33 during that time. At the end of the quarter, there was 506,643 square feet underway for future delivery.

Boston

The Boston office market ended the quarter with a vacancy

rate of 9.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,590,182 square feet. Vacant sublease space increased to 1,599,609 square feet. Rental rates ended the fourth quarter at \$20.26, a decrease over the previous quarter. A total of 9 buildings with 515,670 square feet of space delivered to the market, with 5,612,898 square feet still under construction at the end of the quarter.

Bremerton/Silverdale

With no new office space being delivered to the market, and negative (19,554) square feet of net absorption, Bremerton/Silverdale's vacancy rate went from 9.8% to 10.2% in the quarter. Rental rates went from \$17.37 to \$17.21 during that time. At the end of the quarter, there was 10,000 square feet underway for future delivery.

Broward County

With no new office space being delivered to the market, and positive 19,173 square feet of net absorption, Broward County's vacancy rate went from 12.9% to 12.8% in the quarter. Rental rates went from \$23.53 to \$23.66 during that time. At the end of the quarter, there was 806,572 square feet underway for future delivery.

Brownsville/Harlingen

The Brownsville/Harlingen office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (32,287) square feet caused the vacancy rate to up from 15.1% to 16.2% in the quarter. Rental rates stood at \$15.93.

Buffalo/Niagara Falls

The Buffalo/Niagara Falls office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 61,484 square feet caused the vacancy rate to down from 8.9% to 8.8% in the quarter. Rental rates stood at \$14.98.

Charleston WV

The Charleston WV office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (26,472) square feet caused the vacancy rate to up from 5.3% to 5.5% in the quarter. Rental rates stood at \$15.54.

Charleston/N Charleston

The Charleston/N Charleston office market ended the quarter with a vacancy rate of 7.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 223,664 square feet. Vacant sublease space increased to 24,859 square feet. Rental rates ended the fourth quarter at \$17.71, a decrease

NATIONAL OFFICE MARKET

OVERVIEW



over the previous quarter. A total of 7 buildings with 172,646 square feet of space delivered to the market, with 142,444 square feet still under construction at the end of the quarter.

Charlotte

The Charlotte office market ended the quarter with a vacancy rate of 12.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 772,967 square feet. Vacant sublease space decreased to 243,189 square feet. Rental rates ended the fourth quarter at \$19.39, a increase over the previous quarter. A total of 6 buildings with 828,831 square feet of space delivered to the market, with 48,596 square feet still under construction at the end of the quarter.

Chattanooga

With no new office space being delivered to the market, and positive 12,940 square feet of net absorption, Chattanooga's vacancy rate went from 9.3% to 9.3% in the quarter. Rental rates went from \$15.52 to \$15.75 during that time. At the end of the quarter, there was 5,781 square feet underway for future delivery.

Chicago

The Chicago office market ended the quarter with a vacancy rate of 14.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,301,243 square feet. Vacant sublease space increased to 3,807,279 square feet. Rental rates ended the fourth quarter at \$23.04, a increase over the previous quarter. A total of 2 buildings with 170,000 square feet of space delivered to the market, with 812,000 square feet still under construction at the end of the quarter.

Cincinnati

The Cincinnati office market ended the quarter with a vacancy rate of 13.2%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (83,574) square feet. Vacant sublease space increased to 258,057 square feet. Rental rates ended the fourth quarter at \$15.20, a increase over the previous quarter. A total of 1 buildings with 31,000 square feet of space delivered to the market, with 50,000 square feet still under construction at the end of the quarter.

Cleveland

The Cleveland office market ended the quarter with a vacancy rate of 12.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 754,225 square feet. Vacant sublease space decreased to 512,438 square feet. Rental rates ended the fourth quarter at \$16.80, a increase over the previous quarter. A total of 3 buildings with 710,100 square feet of space delivered to the market, with 1,263,866 square feet still under construction at the end of the quarter.

Colorado Springs

With no new office space being delivered to the market, and

positive 9,806 square feet of net absorption, Colorado Springs's vacancy rate went from 13.1% to 13.1% in the quarter. Rental rates went from \$16.98 to \$17.23 during that time. At the end of the quarter, there was 27,414 square feet underway for future delivery.

Columbia

With no space currently under construction, Columbia absorbed 28,212 square feet of space and delivered 4,668 square feet of space, resulting in a vacancy rate that went from 10.9% to 10.8% over the course of the quarter. Rental rates went from \$14.58 to \$14.69 per square foot.

Columbus

The Columbus office market ended the quarter with a vacancy rate of 10.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 301,921 square feet. Vacant sublease space increased to 201,819 square feet. Rental rates ended the fourth quarter at \$16.30, a increase over the previous quarter. A total of 1 buildings with 188,320 square feet of space delivered to the market, with 102,437 square feet still under construction at the end of the quarter.

Columbus GA

The Columbus GA office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 5,484 square feet caused the vacancy rate to down from 11.7% to 11.6% in the quarter. Rental rates stood at \$9.28.

Corpus Christi

The Corpus Christi office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (12,160) square feet caused the vacancy rate to up from 9.0% to 9.1% in the quarter. Rental rates stood at \$14.39.

Dallas/Ft Worth

The Dallas/Ft Worth office market ended the quarter with a vacancy rate of 15.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,197,503 square feet. Vacant sublease space decreased to 2,101,724 square feet. Rental rates ended the fourth quarter at \$19.70, a increase over the previous quarter. A total of 15 buildings with 266,268 square feet of space delivered to the market, with 1,716,849 square feet still under construction at the end of the quarter.

Davenport/Moline/Rock Island

The Davenport/Moline/Rock Island office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 29,326 square feet caused the vacancy rate to down from 14.0% to 13.6% in the quarter. Rental rates stood at \$11.50.

Dayton

With no space currently under construction, Dayton absorbed (280,879) square feet of space and delivered 18,505 square feet of space, resulting in a vacancy rate that went from 15.2% to 15.9% over the course of the quarter. Rental rates went from \$14.63 to \$15.20 per square foot.

Deltona/Daytona Beach

The Deltona/Daytona Beach office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 4,149 square feet caused the vacancy rate to down from 9.6% to 9.5% in the quarter. Rental rates stood at \$13.89.

Denver

The Denver office market ended the quarter with a vacancy rate of 12.0%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 656,240 square feet. Vacant sublease space decreased to 477,597 square feet. Rental rates ended the fourth quarter at \$20.61, a increase over the previous quarter. A total of 2 buildings with 48,490 square feet of space delivered to the market, with 911,609 square feet still under construction at the end of the quarter.

Des Moines

The Des Moines office market saw vacancies fall and rental rates increase from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 10.0%, from 10.2% in the previous quarter. Rental rates ended the quarter at \$13.96 per square foot, from \$13.59 in the previous quarter. There was a total of 12,479 square feet that delivered in the quarter, with 65,647 square feet still under construction at the end of the quarter.

Detroit

The Detroit office market ended the quarter with a vacancy rate of 18.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 622,365 square feet. Vacant sublease space decreased to 601,678 square feet. Rental rates ended the fourth quarter at \$17.82, a increase over the previous quarter. A total of 2 buildings with 15,187 square feet of space delivered to the market, with 78,052 square feet still under construction at the end of the quarter.

Duluth

The Duluth office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (344) square feet caused the vacancy rate to unchanged from 5.2% to 5.2% in the quarter. Rental rates stood at \$13.80.

East Bay/Oakland

The East Bay/Oakland office market ended the quarter with

a vacancy rate of 11.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 476,268 square feet. Vacant sublease space increased to 487,506 square feet. Rental rates ended the fourth quarter at \$22.59, a increase over the previous quarter. A total of 2 buildings with 83,000 square feet of space delivered to the market, with 132,675 square feet still under construction at the end of the quarter.

El Paso

The vacancy rate remained unchanged in El Paso in the fourth quarter. With 4,387 square feet in deliveries, and negative (2,988) square feet in net absorption, the vacancy rate held at 7.8%, the same rate reported in the previous quarter. The market had 53,178 square feet under construction at the end of the quarter, and rental rates stood at \$15.93 per square foot.

Erie

The Erie office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 27,216 square feet caused the vacancy rate to down from 4.8% to 4.5% in the quarter. Rental rates stood at \$10.64.

Evansville

The Evansville office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 72,362 square feet caused the vacancy rate to down from 10.7% to 10.0% in the quarter. Rental rates stood at \$12.15.

Fayetteville

The Fayetteville office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (43,384) square feet caused the vacancy rate to up from 9.6% to 10.3% in the quarter. Rental rates stood at \$14.73.

Fayetteville/Springdale/Rogers

The Fayetteville/Springdale/Rogers office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 76,887 square feet caused the vacancy rate to down from 12.7% to 12.1% in the quarter. Rental rates stood at \$13.93.

Fort Smith

The Fort Smith office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 3,299 square feet caused the vacancy rate to down from 5.0% to 4.9% in the quarter. Rental rates stood at \$10.10.

Fort Wayne

With no space currently under construction, Fort Wayne

NATIONAL OFFICE MARKET

OVERVIEW



absorbed 17,807 square feet of space and delivered 8,950 square feet of space, resulting in a vacancy rate that went from 9.0% to 9.0% over the course of the quarter. Rental rates went from \$12.97 to \$14.92 per square foot.

Fresno

The Fresno office market saw vacancies fall and rental rates increase from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 11.4%, from 11.6% in the previous quarter. Rental rates ended the quarter at \$17.70 per square foot, from \$17.35 in the previous quarter. There was a total of 10,433 square feet that delivered in the quarter, with 66,678 square feet still under construction at the end of the quarter.

Green Bay

With no new office space being delivered to the market, and negative (27,114) square feet of net absorption, Green Bay's vacancy rate went from 11.5% to 11.7% in the quarter. Rental rates went from \$13.21 to \$12.82 during that time. At the end of the quarter, there was 136,061 square feet underway for future delivery.

Greensboro/Winston-Salem

The Greensboro/Winston-Salem office market ended the quarter with a vacancy rate of 10.7%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 300,757 square feet. Vacant sublease space decreased to 71,851 square feet. Rental rates ended the fourth quarter at \$13.80, a increase over the previous quarter. A total of 1 buildings with 65,000 square feet of space delivered to the market, with 50,000 square feet still under construction at the end of the quarter.

Greenville/Spartanburg

The Greenville/Spartanburg office market ended the quarter with a vacancy rate of 9.1%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (9,059) square feet. Vacant sublease space decreased to 44,353 square feet. Rental rates ended the fourth quarter at \$14.32, a increase over the previous quarter. A total of 2 buildings with 6,624 square feet of space delivered to the market, with 175,000 square feet still under construction at the end of the quarter.

Hampton Roads

The Hampton Roads office market ended the quarter with a vacancy rate of 12.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 393,524 square feet. Vacant sublease space increased to 96,041 square feet. Rental rates ended the fourth quarter at \$17.06, a increase over the previous quarter. A total of 1 buildings with 19,530 square feet of space delivered to the market, with 235,757 square feet still under construction at the end of the quarter.

Hartford

The Hartford office market saw vacancies fall and rental rates increase from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 11.0%, from 11.1% in the previous quarter. Rental rates ended the quarter at \$17.90 per square foot, from \$17.83 in the previous quarter. There was a total of 55,870 square feet that delivered in the quarter, with 132,916 square feet still under construction at the end of the quarter.

Hawaii

The Hawaii office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 31,695 square feet caused the vacancy rate to down from 4.0% to 3.9% in the quarter. Rental rates stood at \$32.07.

Houston

The Houston office market ended the quarter with a vacancy rate of 11.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 965,055 square feet. Vacant sublease space increased to 1,147,919 square feet. Rental rates ended the fourth quarter at \$24.24, a increase over the previous quarter. A total of 8 buildings with 125,435 square feet of space delivered to the market, with 4,744,702 square feet still under construction at the end of the quarter.

Huntington/Ashland

The Huntington/Ashland office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 9,367 square feet caused the vacancy rate to down from 5.2% to 5.1% in the quarter. Rental rates stood at \$11.48.

Huntsville

With no new office space being delivered to the market, and positive 30,975 square feet of net absorption, Huntsville's vacancy rate went from 9.8% to 9.6% in the quarter. Rental rates went from \$15.23 to \$15.03 during that time. At the end of the quarter, there was 153,000 square feet underway for future delivery.

Indianapolis

With no new office space being delivered to the market, and positive 118,425 square feet of net absorption, Indianapolis's vacancy rate went from 9.4% to 9.3% in the quarter. Rental rates went from \$15.87 to \$16.27 during that time. At the end of the quarter, there was 359,784 square feet underway for future delivery.

Inland Empire (California)

The Inland Empire (California) office market saw vacancies fall and rental rates increase from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at

13.5%, from 14.1% in the previous quarter. Rental rates ended the quarter at \$18.46 per square foot, from \$18.39 in the previous quarter. There was a total of 19,558 square feet that delivered in the quarter, with 577,583 square feet still under construction at the end of the quarter.

Jackson

With no new office space being delivered to the market, and positive 24,212 square feet of net absorption, Jackson's vacancy rate went from 9.3% to 9.2% in the quarter. Rental rates went from \$16.46 to \$16.39 during that time. At the end of the quarter, there was 189,464 square feet underway for future delivery.

Jacksonville (Florida)

The Jacksonville (Florida) office market ended the quarter with a vacancy rate of 13.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 127,043 square feet. Vacant sublease space increased to 108,010 square feet. Rental rates ended the fourth quarter at \$16.86, a increase over the previous quarter. A total of 5 buildings with 73,423 square feet of space delivered to the market, with 2,607 square feet still under construction at the end of the quarter.

Kansas City

The Kansas City office market ended the quarter with a vacancy rate of 12.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 812,371 square feet. Vacant sublease space decreased to 293,214 square feet. Rental rates ended the fourth quarter at \$17.01, a increase over the previous quarter. A total of 1 buildings with 352,099 square feet of space delivered to the market, with 1,385,928 square feet still under construction at the end of the quarter.

Killeen/Temple/Fort Hood

The Killeen/Temple/Fort Hood office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (22,466) square feet caused the vacancy rate to up from 7.9% to 8.9% in the quarter. Rental rates stood at \$9.78.

Kingsport/Bristol/Bristol

With no space currently under construction, Kingsport/Bristol/Bristol absorbed 42,042 square feet of space and delivered 5,000 square feet of space, resulting in a vacancy rate that went from 9.3% to 8.6% over the course of the quarter. Rental rates went from \$11.72 to \$12.55 per square foot.

Knoxville

The Knoxville office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 38,093 square feet caused the vacancy rate to down from

8.0% to 7.9% in the quarter. Rental rates stood at \$14.64.

Lafayette

The Lafayette office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 27,933 square feet caused the vacancy rate to down from 8.4% to 8.0% in the quarter. Rental rates stood at \$14.84.

Las Vegas

The Las Vegas office market ended the quarter with a vacancy rate of 18.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 689,601 square feet. Vacant sublease space decreased to 233,822 square feet. Rental rates ended the fourth quarter at \$19.48, a decrease over the previous quarter. A total of 3 buildings with 87,010 square feet of space delivered to the market, with 335,399 square feet still under construction at the end of the quarter.

Lexington/Fayette

With no space currently under construction, Lexington/Fayette absorbed 183,139 square feet of space and delivered 138,563 square feet of space, resulting in a vacancy rate that went from 11.2% to 10.8% over the course of the quarter. Rental rates went from \$15.35 to \$15.45 per square foot.

Lincoln

With no new office space being delivered to the market, and positive 26,119 square feet of net absorption, Lincoln's vacancy rate went from 6.7% to 6.5% in the quarter. Rental rates went from \$13.73 to \$13.87 during that time. At the end of the quarter, there was 47,295 square feet underway for future delivery.

Little Rock/N Little Rock

With no space currently under construction, Little Rock/N Little Rock absorbed 11,482 square feet of space and delivered 18,000 square feet of space, resulting in a vacancy rate that went from 6.5% to 6.6% over the course of the quarter. Rental rates went from \$15.24 to \$14.64 per square foot.

Long Island (New York)

The Long Island (New York) office market saw vacancies fall and rental rates increase from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 8.0%, from 8.3% in the previous quarter. Rental rates ended the quarter at \$26.42 per square foot, from \$25.97 in the previous quarter. There was a total of 770,000 square feet that delivered in the quarter, with 231,151 square feet still under construction at the end of the quarter.

Los Angeles

The vacancy rate remained unchanged in Los Angeles in the fourth quarter. With 509,970 square feet in deliveries, and posi-

NATIONAL OFFICE MARKET

OVERVIEW



tive 584,889 square feet in net absorption, the vacancy rate held at 12.4%, the same rate reported in the previous quarter. The market had 1,675,174 square feet under construction at the end of the quarter, and rental rates stood at \$28.26 per square foot.

Louisville

The Louisville office market saw vacancies rise and rental rates increase from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 11.1%, from 11.0% in the previous quarter. Rental rates ended the quarter at \$15.46 per square foot, from \$15.13 in the previous quarter. There was a total of 332,000 square feet that delivered in the quarter, with 414,483 square feet still under construction at the end of the quarter.

Lubbock

With no new office space being delivered to the market, and negative (19,652) square feet of net absorption, Lubbock's vacancy rate went from 4.8% to 5.0% in the quarter. Rental rates went from \$12.17 to \$12.45 during that time. At the end of the quarter, there was 4,681 square feet underway for future delivery.

Madison

With no new office space being delivered to the market, and positive 50,627 square feet of net absorption, Madison's vacancy rate went from 9.0% to 8.8% in the quarter. Rental rates went from \$15.72 to \$16.17 during that time. At the end of the quarter, there was 416,500 square feet underway for future delivery.

Marin/Sonoma

The Marin/Sonoma office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 75,460 square feet caused the vacancy rate to down from 12.5% to 12.2% in the quarter. Rental rates stood at \$23.55.

McAllen/Edinburg/Pharr

With no new office space being delivered to the market, and positive 39,164 square feet of net absorption, McAllen/Edinburg/Pharr's vacancy rate went from 10.2% to 9.5% in the quarter. Rental rates went from \$15.18 to \$14.34 during that time. At the end of the quarter, there was 30,000 square feet underway for future delivery.

Memphis

With no new office space being delivered to the market, and positive 177,330 square feet of net absorption, Memphis's vacancy rate went from 12.6% to 12.2% in the quarter. Rental rates went from \$15.71 to \$15.58 during that time. At the end of the quarter, there was 185,617 square feet underway for future delivery.

Miami-Dade County

The Miami-Dade County office market ended the quarter with a vacancy rate of 13.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 218,826 square feet. Vacant sublease space increased to 275,790 square feet. Rental rates ended the fourth quarter at \$28.70, a increase over the previous quarter. A total of 2 buildings with 33,930 square feet of space delivered to the market, with 278,334 square feet still under construction at the end of the quarter.

Milwaukee

The vacancy rate remained unchanged in Milwaukee in the fourth quarter. With 145,000 square feet in deliveries, and positive 152,039 square feet in net absorption, the vacancy rate held at 10.6%, the same rate reported in the previous quarter. The market had 93,035 square feet under construction at the end of the quarter, and rental rates stood at \$15.80 per square foot.

Minneapolis

The Minneapolis office market ended the quarter with a vacancy rate of 9.3%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (226,648) square feet. Vacant sublease space decreased to 507,996 square feet. Rental rates ended the fourth quarter at \$17.53, a increase over the previous quarter. A total of 4 buildings with 144,365 square feet of space delivered to the market, with 852,169 square feet still under construction at the end of the quarter.

Mobile

The Mobile office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 30,740 square feet caused the vacancy rate to down from 10.3% to 10.1% in the quarter. Rental rates stood at \$11.96.

Montgomery

The Montgomery office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (20,375) square feet caused the vacancy rate to up from 10.2% to 10.3% in the quarter. Rental rates stood at \$12.96.

Myrtle Beach/Conway

The Myrtle Beach/Conway office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 13,253 square feet caused the vacancy rate to down from 9.5% to 9.3% in the quarter. Rental rates stood at \$12.99.

Nashville

The Nashville office market ended the quarter with a vacan-

cy rate of 8.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 240,355 square feet. Vacant sublease space increased to 420,068 square feet. Rental rates ended the fourth quarter at \$18.48, a increase over the previous quarter. A total of 2 buildings with 48,000 square feet of space delivered to the market, with 203,000 square feet still under construction at the end of the quarter.

New Orleans/Metairie/Kenner

The New Orleans/Metairie/Kenner office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 106,359 square feet caused the vacancy rate to down from 11.5% to 11.3% in the quarter. Rental rates stood at \$16.42.

New York City

The New York City office market ended the quarter with a vacancy rate of 7.4%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 990,481 square feet. Vacant sublease space increased to 4,944,077 square feet. Rental rates ended the fourth quarter at \$49.48, a increase over the previous quarter. A total of 1 buildings with 13,650 square feet of space delivered to the market, with 10,481,280 square feet still under construction at the end of the quarter.

Northern New Jersey

The Northern New Jersey office market saw vacancies fall and rental rates decrease from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 15.4%, from 15.5% in the previous quarter. Rental rates ended the quarter at \$23.09 per square foot, from \$23.33 in the previous quarter. There was a total of 394,570 square feet that delivered in the quarter, with 926,537 square feet still under construction at the end of the quarter.

Ocala

The Ocala office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (3,441) square feet caused the vacancy rate to up from 9.3% to 9.4% in the quarter. Rental rates stood at \$11.26.

Oklahoma City

The Oklahoma City office market ended the quarter with a vacancy rate of 8.7%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 180,995 square feet. Vacant sublease space decreased to 30,163 square feet. Rental rates ended the fourth quarter at \$14.11, a decrease over the previous quarter. A total of 11 buildings with 40,029 square feet of space delivered to the market, with 49,046 square feet still under construction at the end of the quarter.

Olympia

The Olympia office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 22,684 square feet caused the vacancy rate to down from 11.8% to 11.5% in the quarter. Rental rates stood at \$16.23.

Omaha/Council Bluffs

With no new office space being delivered to the market, and negative (102,916) square feet of net absorption, Omaha/Council Bluffs's vacancy rate went from 8.5% to 8.7% in the quarter. Rental rates went from \$16.72 to \$17.09 during that time. At the end of the quarter, there was 1,213,487 square feet underway for future delivery.

Orange County (California)

The Orange County (California) office market ended the quarter with a vacancy rate of 13.0%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 611,693 square feet. Vacant sublease space increased to 517,550 square feet. Rental rates ended the fourth quarter at \$22.23, a increase over the previous quarter. A total of 1 buildings with 3,023 square feet of space delivered to the market, with 1,126,475 square feet still under construction at the end of the quarter.

Orlando

The Orlando office market ended the quarter with a vacancy rate of 12.6%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 362,819 square feet. Vacant sublease space decreased to 180,494 square feet. Rental rates ended the fourth quarter at \$18.05, a decrease over the previous quarter. A total of 1 buildings with 4,621 square feet of space delivered to the market, with 104,376 square feet still under construction at the end of the quarter.

Palm Beach County

The Palm Beach County office market ended the quarter with a vacancy rate of 15.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 399,773 square feet. Vacant sublease space increased to 125,660 square feet. Rental rates ended the fourth quarter at \$25.49, a decrease over the previous quarter. A total of 1 buildings with 27,490 square feet of space delivered to the market, with 36,000 square feet still under construction at the end of the quarter.

Pensacola

The Pensacola office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (52,468) square feet caused the vacancy rate to up from 7.0% to 7.5% in the quarter. Rental rates stood at \$12.30.

NATIONAL OFFICE MARKET

OVERVIEW

**Peoria**

The Peoria office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 45,818 square feet caused the vacancy rate to down from 7.7% to 7.3% in the quarter. Rental rates stood at \$12.81.

Philadelphia

The Philadelphia office market ended the quarter with a vacancy rate of 11.6%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (120,250) square feet. Vacant sublease space increased to 1,219,839 square feet. Rental rates ended the fourth quarter at \$20.92, a decrease over the previous quarter. A total of 8 buildings with 490,854 square feet of space delivered to the market, with 802,262 square feet still under construction at the end of the quarter.

Phoenix

The Phoenix office market ended the quarter with a vacancy rate of 19.4%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,610,615 square feet. Vacant sublease space decreased to 851,794 square feet. Rental rates ended the fourth quarter at \$19.95, a increase over the previous quarter. A total of 3 buildings with 198,909 square feet of space delivered to the market, with 375,482 square feet still under construction at the end of the quarter.

Pittsburgh

The Pittsburgh office market ended the quarter with a vacancy rate of 7.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 377,534 square feet. Vacant sublease space increased to 145,371 square feet. Rental rates ended the fourth quarter at \$18.76, a increase over the previous quarter. A total of 2 buildings with 52,000 square feet of space delivered to the market, with 1,564,395 square feet still under construction at the end of the quarter.

Port St Lucie/Fort Pierce

The Port St Lucie/Fort Pierce office market saw vacancies rise and rental rates increase from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 14.1%, from 13.7% in the previous quarter. Rental rates ended the quarter at \$16.67 per square foot, from \$16.12 in the previous quarter. There was a total of 9,000 square feet that delivered in the quarter, with 5,066 square feet still under construction at the end of the quarter.

Portland

The Portland office market ended the quarter with a vacancy rate of 10.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 313,837 square feet. Vacant sublease space increased to 469,464 square feet. Rental rates ended the fourth quarter at \$19.82, a increase over the previous quarter. A total of 4 buildings with 100,083 square feet of

space delivered to the market, with 172,441 square feet still under construction at the end of the quarter.

Portland/South Portland

With no new office space being delivered to the market, and positive 55,245 square feet of net absorption, Portland/South Portland's vacancy rate went from 9.1% to 8.8% in the quarter. Rental rates went from \$14.80 to \$14.53 during that time. At the end of the quarter, there was 12,397 square feet underway for future delivery.

Providence

The vacancy rate remained unchanged in Providence in the fourth quarter. With 46,014 square feet in deliveries, and positive 30,603 square feet in net absorption, the vacancy rate held at 8.2%, the same rate reported in the previous quarter. The market had 104,500 square feet under construction at the end of the quarter, and rental rates stood at \$18.11 per square foot.

Raleigh/Durham

The Raleigh/Durham office market ended the quarter with a vacancy rate of 12.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 216,566 square feet. Vacant sublease space increased to 348,601 square feet. Rental rates ended the fourth quarter at \$18.63, a increase over the previous quarter. A total of 1 buildings with 9,369 square feet of space delivered to the market, with 774,811 square feet still under construction at the end of the quarter.

Reno/Sparks

The Reno/Sparks office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 164,387 square feet caused the vacancy rate to down from 16.5% to 15.5% in the quarter. Rental rates stood at \$16.04.

Richmond VA

With no new office space being delivered to the market, and negative (131,574) square feet of net absorption, Richmond VA's vacancy rate went from 11.1% to 11.3% in the quarter. Rental rates went from \$16.62 to \$16.66 during that time. At the end of the quarter, there was 116,580 square feet underway for future delivery.

Roanoke

The Roanoke office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 13,056 square feet caused the vacancy rate to down from 11.5% to 11.4% in the quarter. Rental rates stood at \$14.36.

Rochester

The Rochester office market saw vacancies fall and rental rates increase from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 9.3%, from 9.4%

in the previous quarter. Rental rates ended the quarter at \$13.58 per square foot, from \$13.34 in the previous quarter. There was a total of 53,444 square feet that delivered in the quarter, with 134,000 square feet still under construction at the end of the quarter.

Sacramento

The Sacramento office market ended the quarter with a vacancy rate of 15.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 879,426 square feet. Vacant sublease space increased to 261,288 square feet. Rental rates ended the fourth quarter at \$19.80, a decrease over the previous quarter. A total of 2 buildings with 131,100 square feet of space delivered to the market, with 257,451 square feet still under construction at the end of the quarter.

Salinas

The Salinas office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 9,030 square feet caused the vacancy rate to down from 7.5% to 7.4% in the quarter. Rental rates stood at \$21.55.

Salt Lake City

The Salt Lake City office market ended the quarter with a vacancy rate of 6.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 472,682 square feet. Vacant sublease space increased to 81,688 square feet. Rental rates ended the fourth quarter at \$18.27, a increase over the previous quarter. A total of 2 buildings with 227,565 square feet of space delivered to the market, with 982,654 square feet still under construction at the end of the quarter.

San Antonio

The San Antonio office market ended the quarter with a vacancy rate of 10.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 528,306 square feet. Vacant sublease space decreased to 331,509 square feet. Rental rates ended the fourth quarter at \$19.53, a increase over the previous quarter. A total of 6 buildings with 441,643 square feet of space delivered to the market, with 291,993 square feet still under construction at the end of the quarter.

San Diego

The San Diego office market ended the quarter with a vacancy rate of 12.8%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 653,140 square feet. Vacant sublease space increased to 787,337 square feet. Rental rates ended the fourth quarter at \$25.50, a increase over the previous quarter. A total of 4 buildings with 279,963 square feet of space delivered to the market, with 1,200,903 square feet still under construction at the end of the quarter.

San Francisco

With no new office space being delivered to the market, and positive 588,262 square feet of net absorption, San Francisco's vacancy rate went from 11.4% to 11.0% in the quarter. Rental rates went from \$38.46 to \$39.24 during that time. At the end of the quarter, there was 530,579 square feet underway for future delivery.

San Luis Obispo/Paso Robles

The San Luis Obispo/Paso Robles office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 5,855 square feet caused the vacancy rate to down from 4.2% to 4.1% in the quarter. Rental rates stood at \$17.87.

Santa Barbara/Sta Maria/Goleta

With no new office space being delivered to the market, and positive 172,248 square feet of net absorption, Santa Barbara/Sta Maria/Goleta's vacancy rate went from 6.2% to 4.7% in the quarter. Rental rates went from \$22.88 to \$23.70 during that time. At the end of the quarter, there was 150,000 square feet underway for future delivery.

Santa Cruz/Watsonville

With no new office space being delivered to the market, and positive 15,859 square feet of net absorption, Santa Cruz/Watsonville's vacancy rate went from 8.0% to 7.8% in the quarter. Rental rates went from \$20.08 to \$19.85 during that time. At the end of the quarter, there was 900 square feet underway for future delivery.

Savannah

With no space currently under construction, Savannah absorbed 284,326 square feet of space and delivered 199,023 square feet of space, resulting in a vacancy rate that went from 10.1% to 9.1% over the course of the quarter. Rental rates went from \$16.95 to \$17.68 per square foot.

Seattle/Puget Sound

The Seattle/Puget Sound office market ended the quarter with a vacancy rate of 10.4%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,175,021 square feet. Vacant sublease space decreased to 1,185,175 square feet. Rental rates ended the fourth quarter at \$26.08, a increase over the previous quarter. A total of 4 buildings with 624,523 square feet of space delivered to the market, with 729,265 square feet still under construction at the end of the quarter.

Shreveport/Bossier City

The Shreveport/Bossier City office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net

NATIONAL OFFICE MARKET



absorption of positive 12,106 square feet caused the vacancy rate to down from 13.5% to 13.4% in the quarter. Rental rates stood at \$12.34.

South Bay/San Jose

The South Bay/San Jose office market ended the quarter with a vacancy rate of 11.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 670,871 square feet. Vacant sublease space increased to 674,081 square feet. Rental rates ended the fourth quarter at \$28.63, a increase over the previous quarter. A total of 5 buildings with 414,825 square feet of space delivered to the market, with 2,120,612 square feet still under construction at the end of the quarter.

South Bend/Mishawaka

The South Bend/Mishawaka office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 30,008 square feet caused the vacancy rate to down from 8.8% to 8.4% in the quarter. Rental rates stood at \$14.06.

Southwest Florida

With no space currently under construction, Southwest Florida absorbed (60,001) square feet of space and delivered 26,783 square feet of space, resulting in a vacancy rate that went from 15.3% to 15.5% over the course of the quarter. Rental rates went from \$16.72 to \$16.99 per square foot.

Spokane

With no new office space being delivered to the market, and positive 52,536 square feet of net absorption, Spokane's vacancy rate went from 9.9% to 9.7% in the quarter. Rental rates went from \$15.72 to \$15.41 during that time. At the end of the quarter, there was 114,000 square feet underway for future delivery.

Springfield

The Springfield office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 134,770 square feet caused the vacancy rate to down from 13.1% to 11.3% in the quarter. Rental rates stood at \$13.17.

St. Louis

The St. Louis office market ended the quarter with a vacancy rate of 12.3%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (155,931) square feet. Vacant sublease space increased to 473,915 square feet. Rental rates ended the fourth quarter at \$17.65, a decrease over the previous quarter. A total of 1 buildings with 7,700 square feet of space delivered to the market, with 370,100 square feet still under construction at the end of the quarter.

Stockton/Modesto

The Stockton/Modesto office market reported no new

deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 29,271 square feet caused the vacancy rate to down from 13.5% to 13.3% in the quarter. Rental rates stood at \$13.77.

Syracuse

With no new office space being delivered to the market, and positive 19,664 square feet of net absorption, Syracuse's vacancy rate went from 12.2% to 12.1% in the quarter. Rental rates went from \$14.30 to \$13.10 during that time. At the end of the quarter, there was 43,000 square feet underway for future delivery.

Tallahassee

The Tallahassee office market ended the quarter with a vacancy rate of 7.8%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (3,553) square feet. Vacant sublease space increased to 23,025 square feet. Rental rates ended the fourth quarter at \$15.68, a decrease over the previous quarter. A total of 2 buildings with 37,834 square feet of space delivered to the market, with 27,365 square feet still under construction at the end of the quarter.

Tampa/St Petersburg

The Tampa/St Petersburg office market ended the quarter with a vacancy rate of 13.6%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 356,991 square feet. Vacant sublease space decreased to 548,949 square feet. Rental rates ended the fourth quarter at \$18.09, a decrease over the previous quarter. A total of 6 buildings with 169,607 square feet of space delivered to the market, with 297,223 square feet still under construction at the end of the quarter.

Toledo

The Toledo office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (52,697) square feet caused the vacancy rate to up from 11.0% to 11.2% in the quarter. Rental rates stood at \$12.77.

Tucson

The Tucson office market ended the quarter with a vacancy rate of 12.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 82,506 square feet. Vacant sublease space increased to 61,690 square feet. Rental rates ended the fourth quarter at \$18.57, a increase over the previous quarter. A total of 1 buildings with 15,067 square feet of space delivered to the market, with 20,000 square feet still under construction at the end of the quarter.

Tulsa

The Tulsa office market ended the quarter with a vacancy rate of 12.9%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (7,398) square feet.

Vacant sublease space decreased to 37,428 square feet. Rental rates ended the fourth quarter at \$13.72, a increase over the previous quarter. A total of 4 buildings with 24,894 square feet of space delivered to the market, with 549,441 square feet still under construction at the end of the quarter.

Utica/Rome

The Utica/Rome office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of negative (45,646) square feet caused the vacancy rate to up from 5.1% to 5.7% in the quarter. Rental rates stood at \$10.81.

Visalia/Porterville

With no space currently under construction, Visalia/Porterville absorbed 28,654 square feet of space and delivered 4,000 square feet of space, resulting in a vacancy rate that went from 7.5% to 7.1% over the course of the quarter. Rental rates went from \$14.29 to \$14.10 per square foot.

Washington

The Washington office market ended the quarter with a vacancy rate of 13.5%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (769,410) square feet. Vacant sublease space increased to 4,450,524 square feet. Rental rates ended the fourth quarter at \$34.37, a decrease over the previous quarter. A total of 6 buildings with 290,074 square feet of space delivered to the market, with 7,162,998 square feet still under construction at the end of the quarter.

West Michigan

The West Michigan office market saw vacancies fall and rental rates increase from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 11.6%, from 11.8% in the previous quarter. Rental rates ended the quarter at \$12.44 per square foot, from \$12.41 in the previous quarter. There was a total of 60,000 square feet that delivered in the quarter, with 80,232 square feet still under construction at the end of the quarter.

Westchester/So Connecticut

The Westchester/So Connecticut office market saw vacancies

rise and rental rates decrease from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 13.4%, from 13.1% in the previous quarter. Rental rates ended the quarter at \$27.55 per square foot, from \$27.67 in the previous quarter. There was a total of 78,282 square feet that delivered in the quarter, with 300,182 square feet still under construction at the end of the quarter.

Wichita

The vacancy rate remained unchanged in Wichita in the fourth quarter. With 30,000 square feet in deliveries, and positive 17,375 square feet in net absorption, the vacancy rate held at 8.4%, the same rate reported in the previous quarter. The market had 56,410 square feet under construction at the end of the quarter, and rental rates stood at \$12.15 per square foot.

Wilmington

With no new office space being delivered to the market, and positive 8,915 square feet of net absorption, Wilmington's vacancy rate went from 9.9% to 9.8% in the quarter. Rental rates went from \$15.19 to \$14.84 during that time. At the end of the quarter, there was 34,305 square feet underway for future delivery.

Yakima

The Yakima office market reported no new deliveries and no space under construction at the end of the fourth quarter 2012. With this limited construction activity, net absorption of positive 10,723 square feet caused the vacancy rate to down from 6.3% to 6.1% in the quarter. Rental rates stood at \$11.27.

Youngstown/Warren/Boardman

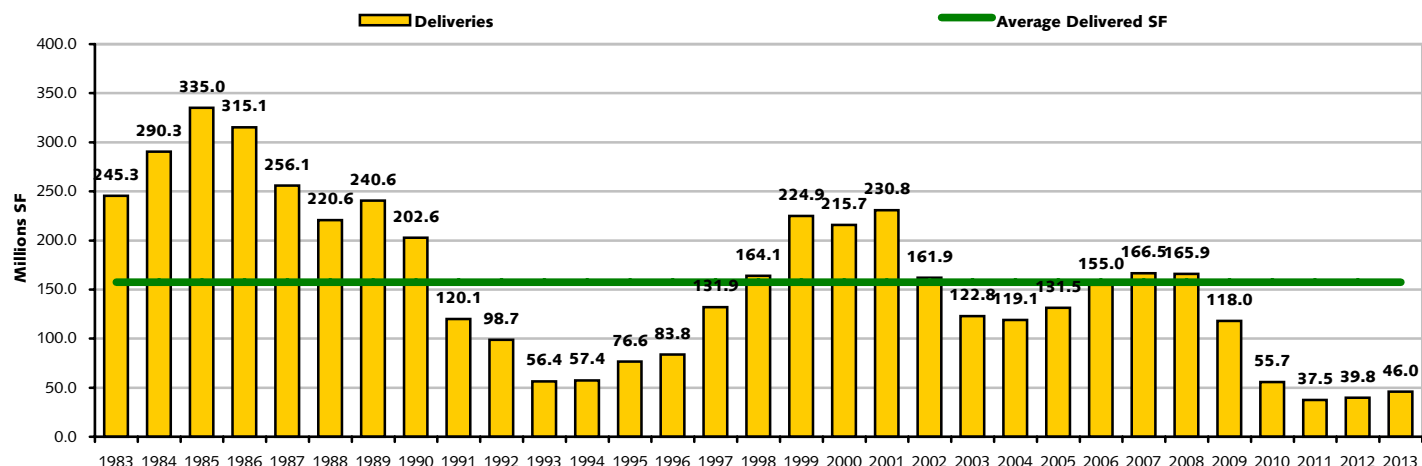
The Youngstown/Warren/Boardman office market saw vacancies fall and rental rates decrease from the third quarter 2012 to the fourth quarter 2012. The overall vacancy rate currently sits at 5.9%, from 6.1% in the previous quarter. Rental rates ended the quarter at \$10.57 per square foot, from \$10.64 in the previous quarter. There was a total of 5,645 square feet that delivered in the quarter, with 4,060 square feet still under construction at the end of the quarter.

NATIONAL OFFICE MARKET

INVENTORY & DEVELOPMENT



HISTORICAL DELIVERIES 1983 - 2013



Source: CoStar Property®

* Future deliveries based on current under construction buildings.

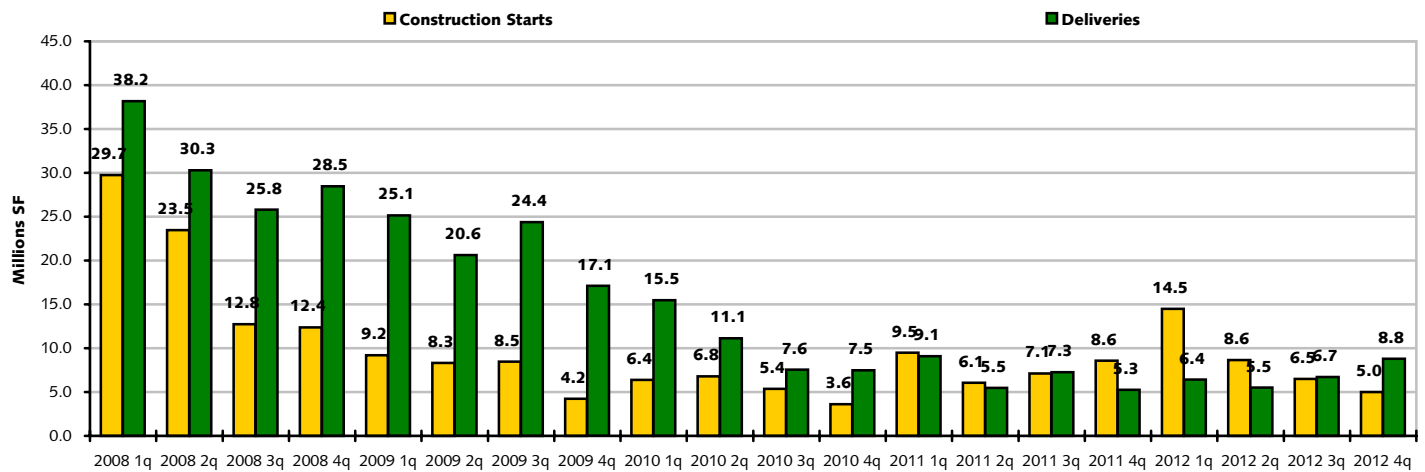
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
New York City	9	10,481,280	4,636,627	44.2%	138,626	1,164,587
Washington	34	7,162,998	3,525,385	49.2%	46,213	210,676
Boston	32	5,612,898	5,030,260	89.6%	30,000	175,403
Houston	27	4,744,702	2,318,637	48.9%	45,944	175,730
South Bay/San Jose	15	2,120,612	1,251,835	59.0%	23,510	141,374
Atlanta	12	1,731,548	1,159,748	67.0%	19,621	144,296
Dallas/Ft Worth	38	1,716,849	811,648	47.3%	32,467	45,180
Los Angeles	16	1,675,174	993,518	59.3%	24,354	104,698
Pittsburgh	11	1,564,395	1,349,425	86.3%	19,334	142,218
Kansas City	10	1,385,928	1,361,390	98.2%	27,220	138,593
Cleveland	8	1,263,866	1,050,352	83.1%	20,908	157,983
Omaha/Council Bluffs	10	1,213,487	1,098,487	90.5%	24,362	121,349
San Diego	8	1,200,903	1,135,716	94.6%	21,030	150,113
Baltimore	10	1,163,140	836,535	71.9%	22,026	116,314
Orange County (California)	9	1,126,475	1,095,545	97.3%	26,043	125,164
Salt Lake City	10	982,654	552,480	56.2%	20,119	98,265
Northern New Jersey	12	926,537	669,947	72.3%	22,408	77,211
Denver	11	911,609	851,751	93.4%	25,642	82,874
Minneapolis	5	852,169	802,967	94.2%	30,367	170,434
Chicago	6	812,000	250,800	30.9%	36,492	135,333
Broward County	1	806,572	806,572	100.0%	16,733	806,572
Philadelphia	14	802,262	630,157	78.5%	20,225	57,304
Raleigh/Durham	14	774,811	422,293	54.5%	19,509	55,344
Seattle/Puget Sound	9	729,265	469,939	64.4%	24,473	81,029
Inland Empire (California)	15	577,583	87,033	15.1%	11,748	38,506
Tulsa	17	549,441	496,662	90.4%	21,893	32,320
San Francisco	5	530,579	2,049	0.4%	43,128	106,116
Boise City/Nampa	2	506,643	240,679	47.5%	9,898	253,321
Madison	5	416,500	323,205	77.6%	22,733	83,300
Louisville	2	414,483	238,483	57.5%	15,390	207,241
Phoenix	5	375,482	271,815	72.4%	19,749	75,096
St. Louis	4	370,100	3,000	0.8%	25,412	92,525
Indianapolis	4	359,784	230,734	64.1%	18,264	89,946
Las Vegas	10	335,399	155,653	46.4%	15,880	33,540
Westchester/So Connecticut	3	300,182	33,347	11.1%	23,495	100,061
Tampa/St Petersburg	8	297,223	266,696	89.7%	11,584	37,153
San Antonio	9	291,993	291,993	100.0%	20,398	32,444
Miami-Dade County	5	278,334	47,283	17.0%	23,182	55,667
Albuquerque	3	260,000	260,000	100.0%	12,754	86,667
Sacramento	4	257,451	130,000	50.5%	19,747	64,363
Hampton Roads	3	235,757	201,048	85.3%	14,828	78,586
Long Island (New York)	10	231,151	43,049	18.6%	17,364	23,115
Nashville	1	203,000	203,000	100.0%	17,110	203,000
Jackson	2	189,464	133,664	70.5%	14,612	94,732
Totals	571	62,109,959	38,851,428	62.6%	21,077	108,774

Source: CoStar Property®

HISTORICAL CONSTRUCTION STARTS & DELIVERIES*

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property® * Select markets included in this historical chart - see Methodology page.

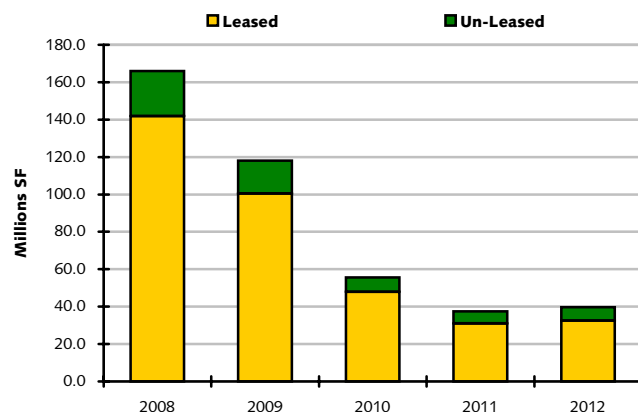
RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single Tenant	Multi-Tenant
< 50,000 SF	643	9,138,574	6,424,876	70.3%	\$23.98	2,405,277	6,733,297
50,000 SF - 99,999 SF	103	7,224,395	5,607,001	77.6%	\$27.63	3,058,024	4,166,371
100,000 SF - 249,999 SF	70	10,579,722	8,488,839	80.2%	\$31.49	4,379,967	6,199,755
250,000 SF - 499,999 SF	26	8,079,489	7,255,577	89.8%	\$34.68	5,594,221	2,485,268
>= 500,000 SF	5	4,738,612	4,738,612	100.0%	\$0.00	2,938,612	1,800,000

Source: CoStar Property®

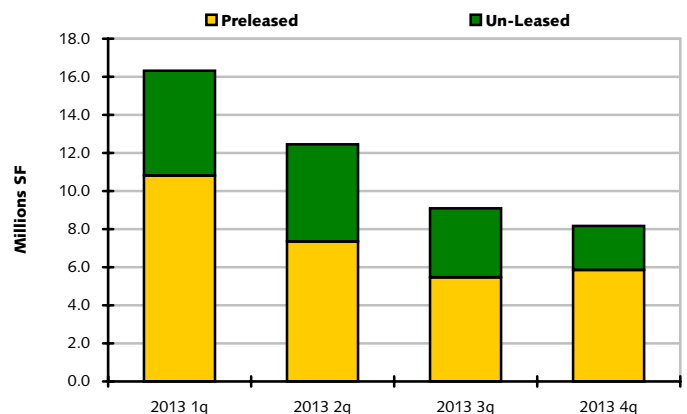
RECENT DELIVERIES

Leased & Un-Leased SF in Deliveries Last 5 Years



FUTURE DELIVERIES

Preleased & Un-Leased SF in Properties Scheduled to Deliver



NATIONAL OFFICE MARKET

INVENTORY & DEVELOPMENT



SELECT YEAR-TO-DATE DELIVERIES

Based on Project Square Footage

1. Devon Tower Market: Oklahoma City RBA: 1,800,000 # Floors: 50 Class: A Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2009 Deliv Date: First Quarter 2012 Leasing Co: Devon Energy Corporation Developer: Hines Architect: Pickard Chilton Architects	2. 1000 Connecticut Ave NW Market: Washington RBA: 385,791 # Floors: 12 Class: A Occupied: 86% Quoted Rate: \$61.20 Grnd Brk Date: Third Quarter 2009 Deliv Date: Second Quarter 2012 Leasing Co: Vornado/Charles E. Smith Developer: Potomac Investment Properties, Inc. Architect: Pei Cobb Freed & Partners Architect	3. 207 Boren Ave N - Amazon Phase V Market: Seattle/Puget Sound RBA: 340,563 # Floors: 11 Class: A Occupied: 98% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2011 Deliv Date: Fourth Quarter 2012 Leasing Co: Vulcan Real Estate Developer: Vulcan Real Estate Architect: Callison Architecture, Inc.
4. BASF North American Headquarters Market: Northern New Jersey RBA: 326,000 # Floors: 5 Class: A Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2010 Deliv Date: Third Quarter 2012 Leasing Co: N/A Developer: Gale/Rockefeller Group Development Architect: N/A	5. NuStar Energy Corporate Campus Market: San Antonio RBA: 321,840 # Floors: 5 Class: A Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2011 Deliv Date: Fourth Quarter 2012 Leasing Co: Nustar Energy L.P. Developer: Thomas Enterprises, Inc. Architect: N/A	6. 5851 Legacy Cir - Encana Oil & Gas Market: Dallas/Ft Worth RBA: 318,600 # Floors: 12 Class: A Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2011 Deliv Date: Third Quarter 2012 Leasing Co: Kdc Legacy North Invs I Lp Developer: KDC RE Development & Investments Architect: Corgan Associates, Inc.
7. 1221 N Mathilda Ave Market: South Bay/San Jose RBA: 318,000 # Floors: 8 Class: B Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2011 Deliv Date: Fourth Quarter 2012 Leasing Co: Juniper Networks Developer: Juniper Networks Architect: RMW Architecture & Interiors	8. 800 N Glebe Rd Market: Washington RBA: 301,895 # Floors: 10 Class: A Occupied: 49% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2009 Deliv Date: First Quarter 2012 Leasing Co: The JBG Companies Developer: The JBG Companies Architect: Cooper Carry Inc.	9. Gragg Building Market: Charlotte RBA: 275,506 # Floors: 10 Class: A Occupied: 0% Quoted Rate: \$27.50 Grnd Brk Date: Second Quarter 2011 Deliv Date: Fourth Quarter 2012 Leasing Co: Bissell Companies Developer: Bissell Companies Architect: LS3P Associates Ltd.
10. SFPUC Headquarters Market: San Francisco RBA: 257,097 # Floors: 13 Class: A Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2010 Deliv Date: Third Quarter 2012 Leasing Co: SF Public Utilities Commission Developer: Department of Public Works Architect: KMD Architects	11. 500 Princeton South Corporate Ctr Market: Northern New Jersey RBA: 250,000 # Floors: 3 Class: A Occupied: 100% Quoted Rate: \$36.58 Grnd Brk Date: Fourth Quarter 2011 Deliv Date: Fourth Quarter 2012 Leasing Co: Mercer Oak Realty LLC Developer: Opus East LLC Architect: N/A	12. Davita Headquarters Market: Denver RBA: 246,000 # Floors: 8 Class: A Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2011 Deliv Date: Third Quarter 2012 Leasing Co: N/A Developer: Trammel Crow Architect: David Owen Tryba Architects
13. Woodward Building Market: Charlotte RBA: 240,000 # Floors: 10 Class: A Occupied: 0% Quoted Rate: \$27.50 Grnd Brk Date: Second Quarter 2011 Deliv Date: Fourth Quarter 2012 Leasing Co: Bissell Companies Developer: Bissell Companies Architect: LS3P Associates Ltd.	14. 188 Spear St Market: San Francisco RBA: 218,556 # Floors: 12 Class: A Occupied: 88% Quoted Rate: \$54.00 Grnd Brk Date: First Quarter 2011 Deliv Date: First Quarter 2012 Leasing Co: Shorenstein Properties, LLC Developer: Hathaway Dinwiddie Construction Architect: Brereton Architects	15. 5000 Meridian Blvd Market: Nashville RBA: 180,020 # Floors: 7 Class: A Occupied: 37% Quoted Rate: \$26.00 Grnd Brk Date: Second Quarter 2011 Deliv Date: Third Quarter 2012 Leasing Co: Boyle Investment Company Developer: Boyle Investment Company Architect: N/A

SELECT TOP UNDER CONSTRUCTION PROPERTIES

Based on Project Square Footage

1. One World Trade Center

Market: **New York City**
 RBA: **3,020,630**
 # Floors: **104**
 Class: **A**
 Preleased: **57%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Third Quarter 2009**
 Deliv Date: **First Quarter 2014**
 Leasing Co: **Cushman & Wakefield, Inc.**
 Developer: **The Port Authority of NY & NJ**
 Architect: **Skidmore, Owings & Merrill, LLP**

2. World Trade Center - Tower Four

Market: **New York City**
 RBA: **2,845,000**
 # Floors: **71**
 Class: **A**
 Preleased: **60%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **First Quarter 2008**
 Deliv Date: **First Quarter 2013**
 Leasing Co: **Silverstein Properties, Inc.**
 Developer: **Silverstein Properties, Inc.**
 Architect: **Maki and Associates**

3. World Trade Center - Tower Three

Market: **New York City**
 RBA: **2,400,000**
 # Floors: **71**
 Class: **A**
 Preleased: **7%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **First Quarter 2012**
 Deliv Date: **Third Quarter 2015**
 Leasing Co: **Silverstein Properties, Inc.**
 Developer: **Silverstein Properties, Inc.**
 Architect: **Rogers Stirk Harbour and Partners**

4. 250 West 55th Street

Market: **New York City**
 RBA: **1,052,150**
 # Floors: **38**
 Class: **A**
 Preleased: **52%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Third Quarter 2011**
 Deliv Date: **Third Quarter 2013**
 Leasing Co: **CBRE**
 Developer: **Boston Properties, Inc.**
 Architect: **Skidmore, Owings & Merrill, LLP**

5. The Tower at PNC Plaza

Market: **Pittsburgh**
 RBA: **800,000**
 # Floors: **40**
 Class: **A**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Fourth Quarter 2012**
 Deliv Date: **Third Quarter 2015**
 Leasing Co: **PNC Bank National Association**
 Developer: **PNC Realty Services**
 Architect: **N/A**

6. 1201 Lake Robbins Dr

Market: **Houston**
 RBA: **550,000**
 # Floors: **31**
 Class: **A**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **First Quarter 2012**
 Deliv Date: **Second Quarter 2014**
 Leasing Co: **Anadarko Petroleum Corporation**
 Developer: **Anadarko Petroleum Corporation**
 Architect: **Gensler Architecture Design**

7. 1812 N. Moore St

Market: **Washington**
 RBA: **538,092**
 # Floors: **35**
 Class: **A**
 Preleased: **1%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Second Quarter 2011**
 Deliv Date: **Third Quarter 2013**
 Leasing Co: **CBRE**
 Developer: **Monday Properties**
 Architect: **DCS Design**

8. 6100 Wabash Ave

Market: **Baltimore**
 RBA: **538,000**
 # Floors: **10**
 Class: **A**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Second Quarter 2012**
 Deliv Date: **Fourth Quarter 2014**
 Leasing Co: **MD Department of Transportation**
 Developer: **The JBG Companies**
 Architect: **N/A**

9. 7900 Tysons One Pl - Tysons Tower

Market: **Washington**
 RBA: **524,432**
 # Floors: **20**
 Class: **A**
 Preleased: **38%**
 Quoted Rate: **\$57.50**
 Grnd Brk Date: **Second Quarter 2012**
 Deliv Date: **First Quarter 2014**
 Leasing Co: **CBRE**
 Developer: **Hines**
 Architect: **Gensler & Associates Architects**

10. 10550 Talbert Ave

Market: **Orange County (California)**
 RBA: **469,000**
 # Floors: **6**
 Class: **B**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Third Quarter 2012**
 Deliv Date: **Fourth Quarter 2013**
 Leasing Co: **Hyundai USA**
 Developer: **Amco**
 Architect: **Gensler**

11. Energy Tower III

Market: **Houston**
 RBA: **428,831**
 # Floors: **17**
 Class: **A**
 Preleased: **0%**
 Quoted Rate: **\$32.00**
 Grnd Brk Date: **Third Quarter 2012**
 Deliv Date: **First Quarter 2014**
 Leasing Co: **Mac Haik Realty LLC**
 Developer: **MAC HAIK DEVELOPMENT, LLC**
 Architect: **Morris Architects**

12. La Jolla Commons Tower II

Market: **San Diego**
 RBA: **414,575**
 # Floors: **13**
 Class: **A**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Second Quarter 2012**
 Deliv Date: **Second Quarter 2014**
 Leasing Co: **Hines**
 Developer: **Hines**
 Architect: **AECOM**

13. 1100 Enterprise Way

Market: **South Bay/San Jose**
 RBA: **357,481**
 # Floors: **8**
 Class: **A**
 Preleased: **100%**
 Quoted Rate: **\$39.00**
 Grnd Brk Date: **Fourth Quarter 2011**
 Deliv Date: **Second Quarter 2013**
 Leasing Co: **Cornish & Carey Comm. NKF**
 Developer: **Jay Paul Company**
 Architect: **DES-AE, Inc.**

14. 225 Binney St

Market: **Boston**
 RBA: **307,000**
 # Floors: **6**
 Class: **A**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Fourth Quarter 2011**
 Deliv Date: **Second Quarter 2013**
 Leasing Co: **Alexandria Real Estate Equities**
 Developer: **Alexandria Real Estate Equities**
 Architect: **Spagnolo Gisness & Associates**

15. 800 W Main St

Market: **Boise City/Nampa**
 RBA: **276,643**
 # Floors: **15**
 Class: **A**
 Preleased: **87%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Second Quarter 2012**
 Deliv Date: **Third Quarter 2013**
 Leasing Co: **Colliers Idaho**
 Developer: **Gardner Company**
 Architect: **N/A**

NATIONAL OFFICE MARKET



FIGURES AT A GLANCE

CLASS A MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Albany/Schenec	80	9,255,891	664,915	714,700	7.7%	(17,902)	84,252	0	\$17.32
Albuquerque	27	4,293,460	601,370	638,352	14.9%	29,945	0	0	\$18.78
Anchorage	16	2,904,662	177,549	177,549	6.1%	16,544	0	0	\$37.62
Asheville	13	919,920	87,712	87,712	9.5%	52,490	0	0	\$24.83
Atlanta	508	117,240,343	18,783,022	20,101,218	17.1%	2,044,915	799,500	1,694,793	\$22.18
Augusta/Richm	11	749,450	69,370	69,370	9.3%	(37,781)	0	0	\$16.62
Austin	207	29,461,613	3,564,070	3,626,913	12.3%	727,079	92,200	92,077	\$30.56
Bakersfield	19	1,435,330	90,887	90,887	6.3%	38,683	0	27,500	\$22.92
Baltimore	367	44,510,944	6,359,290	6,748,055	15.2%	788,436	845,376	860,000	\$24.53
Baton Rouge	16	2,452,695	245,249	287,554	11.7%	252,944	250,000	0	\$22.97
Beaumont/Port	4	747,240	161,474	244,151	32.7%	18,965	0	0	\$16.45
Birmingham	76	12,673,740	957,662	1,046,369	8.3%	(6,664)	0	0	\$20.87
Boise City/Namp	17	3,937,375	382,837	437,320	11.1%	(35,035)	0	276,643	\$19.05
Boston	732	140,589,241	15,474,330	16,449,027	11.7%	2,055,220	934,231	4,295,936	\$26.81
Bremerton/Silve	1	40,000	1,815	1,815	4.5%	(1,815)	0	0	\$0.00
Broward County	123	15,814,809	2,859,733	3,021,481	19.1%	326,944	0	806,572	\$28.37
Brownsville/Har	2	124,752	46,486	46,486	37.3%	978	0	0	\$17.99
Buffalo/Niagara	59	9,161,338	511,659	560,222	6.1%	(14,804)	0	0	\$18.25
Charleston WV	7	701,367	9,727	9,727	1.4%	4,164	0	0	\$19.94
Charleston/N Cl	72	4,983,427	445,660	459,531	9.2%	87,365	0	135,000	\$21.71
Charlotte	216	35,640,537	4,430,593	4,557,967	12.8%	1,149,586	811,131	0	\$22.84
Chattanooga	15	2,483,219	289,691	319,913	12.9%	92,668	0	0	\$21.49
Chicago	555	166,245,105	24,736,978	27,035,463	16.3%	1,654,316	649,684	580,000	\$27.36
Cincinnati	164	27,467,317	4,568,876	4,686,795	17.1%	362,345	72,324	0	\$17.75
Cleveland	139	23,429,547	2,560,885	2,674,400	11.4%	970,096	999,244	1,148,002	\$21.91
Colorado Spring	47	5,491,506	693,517	711,856	13.0%	59,063	72,000	0	\$21.83
Columbia	31	4,212,121	485,999	505,216	12.0%	(14,866)	0	0	\$17.47
Columbus	161	26,944,743	3,212,747	3,268,699	12.1%	474,120	479,820	40,000	\$18.09
Columbus GA	5	518,782	0	0	0.0%	0	0	0	\$0.00
Corpus Christi	4	941,444	127,268	129,560	13.8%	5,457	0	0	\$19.51
Dallas/Ft Worth	439	123,643,223	19,848,794	20,620,109	16.7%	1,958,848	779,300	879,590	\$22.74
Davenport/Moli	4	226,451	41,977	41,977	18.5%	110,475	123,360	0	\$17.00
Dayton	57	6,044,078	1,254,307	1,276,807	21.1%	245,396	266,174	0	\$19.94
Deltona/Dayton	6	453,992	72,783	76,088	16.8%	(28,111)	0	0	\$20.48
Denver	311	59,271,128	6,903,008	7,104,830	12.0%	772,319	632,231	387,000	\$25.68
Des Moines	49	12,751,589	1,012,683	1,066,562	8.4%	99,714	200,000	0	\$17.04
Detroit	211	46,127,075	6,986,846	7,258,785	15.7%	342,729	0	0	\$20.93
Duluth	9	949,127	50,076	50,076	5.3%	7,418	0	0	\$22.77
East Bay/Oaklar	104	26,358,752	2,480,212	2,638,636	10.0%	137,136	0	68,640	\$27.24
El Paso	5	1,107,852	128,452	128,452	11.6%	30,323	0	0	\$15.27
Erie	4	645,764	21,556	21,556	3.3%	134,694	0	0	\$9.54
Evansville	14	2,108,555	374,146	374,146	17.7%	41,740	0	0	\$20.11
Fayetteville	6	364,852	38,554	38,554	10.6%	(453)	0	0	\$20.16
Fayetteville/Spri	21	1,760,133	200,177	200,177	11.4%	37,169	0	0	\$18.20
Fort Smith	0	0	0	0	0.0%	0	0	0	\$0.00
Fort Wayne	17	1,963,326	243,326	243,326	12.4%	(2,005)	0	0	\$15.21
Fresno	24	2,479,151	349,324	365,386	14.7%	(20,595)	0	0	\$27.92
Green Bay	8	812,951	111,687	119,187	14.7%	(6,361)	0	0	\$16.12

Source: CoStar Property®

CLASS A MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Greensboro/Wir	50	7,505,933	742,210	763,813	10.2%	170,202	65,000	50,000	\$16.55
Greenville/Spart	63	6,370,357	742,596	761,505	12.0%	272,236	0	175,000	\$17.98
Hampton Roads	130	12,521,240	1,524,772	1,564,016	12.5%	249,336	0	192,980	\$21.26
Hartford	72	18,609,684	2,370,595	2,394,815	12.9%	99,897	0	0	\$21.31
Hawaii	48	10,480,693	553,692	554,372	5.3%	138,309	0	0	\$37.70
Houston	326	108,177,538	10,130,100	10,662,616	9.9%	4,060,865	1,532,336	4,337,876	\$31.02
Huntington/Ash	6	629,814	33,485	33,485	5.3%	(2,438)	0	0	\$15.73
Huntsville	14	1,254,417	363,751	368,750	29.4%	70,557	120,000	125,000	\$17.45
Indianapolis	160	25,020,401	2,934,330	3,103,832	12.4%	143,133	0	349,000	\$18.45
Inland Empire (C	86	7,594,944	1,432,524	1,438,090	18.9%	421,539	141,133	64,891	\$24.63
Jackson	41	5,489,320	665,031	731,914	13.3%	7,284	0	180,000	\$19.34
Jacksonville (Flo	92	16,037,347	1,767,515	1,787,908	11.1%	400,048	0	0	\$19.54
Kansas City	148	26,269,808	3,594,507	3,665,718	14.0%	701,455	352,099	1,149,463	\$19.84
Killeen/Temple/	1	60,000	10,827	10,827	18.0%	49,173	60,000	0	\$19.35
Kingsport/Bristo	1	40,148	5,852	5,852	14.6%	0	0	0	\$16.50
Knoxville	29	3,794,876	568,394	568,394	15.0%	10,533	0	0	\$16.29
Lafayette	2	86,335	0	0	0.0%	6,000	0	0	\$15.50
Las Vegas	83	9,470,783	2,129,322	2,170,472	22.9%	487,402	310,000	52,685	\$27.03
Lexington/Fayet	67	3,879,402	497,737	523,813	13.5%	123,908	138,563	0	\$18.19
Lincoln	11	2,133,362	123,323	123,323	5.8%	(7,061)	0	0	\$15.67
Little Rock/N Lit	12	1,864,598	33,819	33,819	1.8%	45,008	24,200	0	\$18.30
Long Island (Ne	188	38,822,436	2,966,707	3,482,015	9.0%	731,957	71,516	94,999	\$30.95
Los Angeles	1,000	181,655,336	27,250,158	28,335,477	15.6%	1,883,418	438,343	1,219,188	\$31.15
Louisville	94	10,537,952	1,451,547	1,538,632	14.6%	160,750	424,107	414,483	\$19.68
Lubbock	7	519,965	15,923	15,923	3.1%	(14,777)	0	0	\$16.72
Madison	54	5,994,804	480,909	507,040	8.5%	87,282	25,000	416,500	\$19.06
Marin/Sonoma	40	3,171,094	473,496	749,626	23.6%	(11,691)	0	0	\$25.59
McAllen/Edinbu	3	217,606	17,777	17,777	8.2%	13,960	0	0	\$18.88
Memphis	86	11,366,653	1,071,776	1,091,740	9.6%	61,628	0	26,000	\$19.92
Miami-Dade Co	149	26,984,363	5,120,743	5,250,642	19.5%	898,410	228,185	167,271	\$34.98
Milwaukee	84	13,004,673	1,462,905	1,475,084	11.3%	124,193	145,000	0	\$21.89
Minneapolis	139	46,555,203	3,324,983	3,561,869	7.7%	899,979	522,800	790,000	\$23.13
Mobile	11	1,665,005	169,523	178,913	10.7%	125	0	0	\$15.63
Montgomery	12	1,523,495	172,066	172,066	11.3%	31,815	0	0	\$18.07
Myrtle Beach/C	6	455,213	33,525	35,825	7.9%	(9,135)	0	0	\$13.00
Nashville	128	19,750,612	1,334,635	1,599,333	8.1%	763,543	315,393	203,000	\$22.13
New Orleans/M	28	12,539,902	1,197,471	1,278,579	10.2%	245,763	0	0	\$17.85
New York City	443	305,308,649	22,601,477	26,747,958	8.8%	(226,807)	0	10,434,780	\$56.77
Northern New Je	876	155,537,656	24,550,252	26,292,519	16.9%	(493,119)	811,670	825,874	\$26.35
Ocala	2	115,960	87,710	87,710	75.6%	2,350	0	0	\$6.62
Oklahoma City	35	7,099,382	462,766	478,564	6.7%	2,212,754	2,172,000	0	\$19.28
Olympia	2	395,759	13,000	13,000	3.3%	0	0	0	\$0.00
Omaha/Council	57	8,712,195	639,346	657,983	7.6%	40,525	0	963,824	\$21.11
Orange County	273	43,920,693	6,699,011	6,909,944	15.7%	892,932	0	380,000	\$25.33
Orlando	193	24,583,087	4,413,475	4,509,077	18.3%	292,883	209,000	0	\$21.14
Palm Beach Cou	135	13,786,377	2,480,729	2,518,997	18.3%	247,651	50,577	30,000	\$32.08
Pensacola	6	337,501	34,251	34,251	10.1%	(9,651)	0	0	\$18.34
Peoria	9	1,061,160	18,214	18,214	1.7%	78,987	0	0	\$17.20

Source: CoStar Property®

NATIONAL OFFICE MARKET



FIGURES AT A GLANCE

CLASS A MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	930	126,270,043	14,648,372	15,334,937	12.1%	789,215	752,000	652,086	\$24.93
Phoenix	249	40,679,201	7,754,389	8,192,308	20.1%	1,524,740	92,109	208,270	\$23.20
Pittsburgh	213	35,458,210	2,186,674	2,213,844	6.2%	794,428	271,812	1,464,750	\$22.83
Port St Lucie/Fo	17	782,231	262,094	262,094	33.5%	(10,934)	0	0	\$17.76
Portland	185	27,405,398	3,021,729	3,236,924	11.8%	75,711	135,000	20,100	\$24.44
Portland/South I	26	2,781,890	313,672	318,372	11.4%	74,472	0	0	\$22.09
Providence	31	6,471,761	794,589	807,204	12.5%	179,482	40,000	0	\$20.91
Raleigh/Durham	295	30,143,545	3,603,535	3,849,242	12.8%	757,049	265,557	377,099	\$21.28
Reno/Sparks	20	1,583,765	224,099	278,007	17.6%	13,644	0	0	\$19.63
Richmond VA	144	19,460,219	2,037,127	2,279,353	11.7%	392,741	65,772	112,000	\$19.90
Roanoke	7	864,204	121,610	121,610	14.1%	(13,573)	0	0	\$21.67
Rochester	41	8,310,455	741,152	768,382	9.2%	(35,522)	0	134,000	\$16.75
Sacramento	194	26,043,131	4,089,975	4,234,594	16.3%	470,209	223,807	183,000	\$23.88
Salinas	0	0	0	0	0.0%	0	0	0	\$0.00
Salt Lake City	169	19,148,968	1,162,801	1,205,447	6.3%	687,773	423,538	382,972	\$26.77
San Antonio	81	11,890,032	1,757,199	1,923,660	16.2%	665,091	559,927	0	\$23.20
San Diego	255	31,893,849	3,709,341	3,939,598	12.4%	1,355,695	279,963	977,398	\$31.78
San Francisco	294	73,940,866	7,384,558	8,308,384	11.2%	1,133,298	475,653	345,338	\$42.66
San Luis Obispo	0	0	0	0	0.0%	0	0	0	\$0.00
Santa Barbara/S	2	102,200	0	0	0.0%	0	0	0	\$0.00
Santa Cruz/Wat	0	0	0	0	0.0%	0	0	0	\$0.00
Savannah	10	446,127	60,593	60,593	13.6%	97,345	72,072	0	\$22.22
Seattle/Puget Sc	249	55,971,130	6,516,640	7,100,749	12.7%	2,244,602	836,379	625,501	\$31.41
Shreveport/Boss	3	489,733	1,872	1,872	0.4%	(512)	0	0	\$12.00
South Bay/San J	102	19,853,982	2,911,029	3,200,983	16.1%	1,624,051	0	1,004,628	\$32.34
South Bend/Mis	16	1,351,885	200,392	200,392	14.8%	26,350	25,920	0	\$19.91
Southwest Flori	67	3,587,557	807,200	840,907	23.4%	(3,817)	0	0	\$22.74
Spokane	10	1,358,695	262,721	262,721	19.3%	35,235	0	0	\$19.76
Springfield	8	852,019	37,193	37,193	4.4%	18,462	0	0	\$16.14
St. Louis	236	39,274,370	4,188,579	4,361,206	11.1%	297,326	300,000	350,000	\$21.59
Stockton/Modes	14	1,122,051	259,554	259,554	23.1%	(11,372)	0	0	\$21.74
Syracuse	26	3,916,401	640,357	645,658	16.5%	678	0	0	\$16.90
Tallahassee	11	1,235,215	96,644	99,434	8.0%	(12,283)	0	0	\$24.78
Tampa/St Peters	214	31,694,168	4,339,394	4,620,654	14.6%	451,447	124,000	250,000	\$22.89
Toledo	13	2,989,540	424,294	424,294	14.2%	16,336	0	0	\$18.18
Tucson	18	2,394,107	264,838	270,608	11.3%	(12,761)	0	0	\$22.69
Tulsa	17	6,175,470	543,756	543,756	8.8%	41,274	0	0	\$16.05
Utica/Rome	4	402,440	80,000	80,000	19.9%	(80,000)	0	0	\$0.00
Visalia/Portervill	0	0	0	0	0.0%	0	0	0	\$0.00
Washington	1,302	247,924,468	32,578,872	35,959,933	14.5%	2,432,606	1,660,518	7,090,855	\$38.75
West Michigan	77	8,932,274	586,204	597,125	6.7%	531,507	382,000	0	\$19.41
Westchester/So	391	61,539,523	9,324,546	10,567,413	17.2%	(674,334)	214,726	261,645	\$33.13
Wichita	8	1,305,770	123,815	123,815	9.5%	111	0	0	\$14.82
Wilmington	15	997,745	95,390	110,958	11.1%	27,831	0	0	\$19.26
Yakima	0	0	0	0	0.0%	0	0	0	\$0.00
Youngstown/W	7	442,838	36,749	36,749	8.3%	12,427	0	0	\$21.86
Totals	16,456	3,142,841,124	389,681,584	416,839,581	13.3%	47,213,031	23,448,502	48,374,209	\$27.33

Source: CoStar Property®

NATIONAL OFFICE MARKET

FIGURES AT A GLANCE

CLASS B MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
Albany/Schenec	1,617	33,432,613	2,640,114	2,671,669	8.0%	(128,979)	160,676	0	\$14.54
Albuquerque	1,620	24,829,973	2,405,772	2,434,563	9.8%	193,601	82,732	260,000	\$15.13
Anchorage	256	8,077,572	319,337	326,065	4.0%	(35,473)	9,000	56,000	\$24.85
Asheville	765	7,738,796	533,390	533,390	6.9%	152,693	30,679	15,516	\$16.57
Atlanta	5,565	127,226,297	19,885,189	20,262,835	15.9%	997,090	224,337	36,755	\$16.21
Augusta/Richm	745	8,841,929	844,441	844,441	9.6%	41,078	20,000	19,000	\$13.87
Austin	1,601	38,003,474	3,791,206	3,857,821	10.2%	1,074,234	163,759	79,391	\$22.15
Bakersfield	468	6,488,537	455,372	482,126	7.4%	(2,431)	9,500	0	\$18.15
Baltimore	2,644	62,858,496	6,629,686	6,796,481	10.8%	352,100	156,864	303,140	\$20.25
Baton Rouge	466	6,589,148	1,066,087	1,088,401	16.5%	63,186	18,298	0	\$16.48
Beaumont/Port	101	2,506,292	99,502	99,502	4.0%	4,513	0	20,000	\$16.30
Birmingham	729	18,722,398	2,028,958	2,061,278	11.0%	35,941	66,187	0	\$16.93
Boise City/Namp	1,103	17,204,905	2,231,164	2,280,594	13.3%	(21,644)	0	230,000	\$14.52
Boston	4,334	150,689,638	14,869,432	15,411,899	10.2%	2,128,995	293,745	1,316,962	\$18.81
Bremerton/Silve	149	2,293,123	289,562	292,877	12.8%	36,268	30,394	10,000	\$19.44
Broward County	1,122	30,932,653	4,182,686	4,252,056	13.7%	36,302	9,000	0	\$22.25
Brownsville/Har	159	2,059,479	316,684	316,684	15.4%	(158,406)	0	0	\$17.10
Buffalo/Niagara	762	19,382,162	2,024,355	2,063,694	10.6%	184,772	0	0	\$14.56
Charleston WV	555	9,054,031	514,869	514,869	5.7%	(56,543)	0	0	\$16.35
Charleston/N Ch	1,258	13,568,223	1,274,912	1,285,900	9.5%	279,021	244,706	7,444	\$16.59
Charlotte	1,954	43,316,032	5,808,261	5,906,615	13.6%	240,221	74,651	48,596	\$17.96
Chattanooga	288	8,965,782	894,747	908,471	10.1%	21,125	0	5,781	\$15.17
Chicago	5,980	207,657,353	27,572,837	28,945,002	13.9%	915,119	186,624	232,000	\$20.59
Cincinnati	988	34,712,242	4,864,431	4,944,301	14.2%	269,399	31,000	50,000	\$14.59
Cleveland	2,097	74,923,985	10,729,293	10,987,140	14.7%	(539,188)	286,680	115,864	\$16.82
Colorado Spring	928	18,556,479	2,467,137	2,601,793	14.0%	204,536	63,000	27,414	\$16.81
Columbia	1,444	23,181,461	2,332,654	2,349,995	10.1%	(205,577)	38,668	0	\$14.86
Columbus	1,161	37,955,569	3,880,328	3,990,316	10.5%	140,730	58,576	62,437	\$16.00
Columbus GA	175	3,826,532	349,113	349,113	9.1%	4,755	0	0	\$13.53
Corpus Christi	349	6,382,677	443,822	473,039	7.4%	77,813	10,000	0	\$14.06
Dallas/Ft Worth	4,656	165,342,501	25,584,002	26,899,098	16.3%	1,472,117	522,787	837,259	\$17.88
Davenport/Moli	211	4,294,953	577,023	582,433	13.6%	(58,667)	0	0	\$11.39
Dayton	463	13,424,585	2,697,071	2,826,330	21.1%	(128,805)	33,505	0	\$14.88
Deltona/Dayton	925	7,678,113	727,265	744,893	9.7%	(44,657)	4,500	0	\$14.02
Denver	3,782	101,667,286	13,199,736	13,434,754	13.2%	1,188,837	443,750	524,609	\$18.45
Des Moines	614	17,516,453	1,879,269	1,905,385	10.9%	(86,417)	31,932	65,647	\$13.06
Detroit	3,052	101,625,547	20,373,417	20,673,607	20.3%	1,143,839	153,728	78,052	\$17.38
Duluth	71	3,000,725	92,776	92,776	3.1%	26,342	0	0	\$14.28
East Bay/Oaklan	1,840	57,335,986	7,698,881	8,003,453	14.0%	1,109,750	516,082	64,035	\$22.16
El Paso	482	7,523,068	605,582	605,582	8.0%	99,652	23,562	53,178	\$17.13
Erie	356	5,413,324	177,158	177,158	3.3%	(69,455)	0	0	\$11.68
Evansville	396	6,534,583	459,989	461,339	7.1%	49,117	3,000	0	\$10.45
Fayetteville	497	4,102,610	435,526	447,794	10.9%	14,412	0	0	\$15.16
Fayetteville/Spri	486	7,430,668	987,783	1,000,954	13.5%	82,554	9,564	0	\$13.88
Fort Smith	277	3,301,109	123,576	123,576	3.7%	(17,023)	0	0	\$10.18
Fort Wayne	390	9,460,968	795,814	797,514	8.4%	(4,560)	8,950	0	\$13.58
Fresno	867	12,957,830	1,932,358	1,994,064	15.4%	82,278	20,752	66,678	\$17.68
Green Bay	511	9,673,162	1,037,756	1,041,496	10.8%	(21,121)	6,300	136,061	\$13.56

Source: CoStar Property®

NATIONAL OFFICE MARKET



FIGURES AT A GLANCE

CLASS B MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Greensboro/Wir	1,017	25,981,181	3,238,147	3,263,692	12.6%	91,472	157,563	0	\$14.35
Greenville/Spart	1,839	19,708,857	1,628,650	1,653,408	8.4%	286,976	37,624	0	\$13.86
Hampton Roads	1,525	26,240,043	3,409,685	3,466,482	13.2%	357,539	149,361	42,777	\$15.95
Hartford	1,289	36,708,952	3,925,125	3,986,584	10.9%	244,429	203,765	132,916	\$17.72
Hawaii	394	15,838,459	482,103	487,710	3.1%	73,487	8,700	0	\$31.76
Houston	2,455	119,857,705	15,108,315	15,691,622	13.1%	1,255,819	298,112	406,826	\$19.70
Huntington/Ash	595	5,616,356	217,341	228,996	4.1%	(8,018)	0	0	\$11.46
Huntsville	394	11,857,210	880,470	923,178	7.8%	84,336	38,902	28,000	\$15.76
Indianapolis	2,534	52,452,304	3,998,884	4,031,891	7.7%	498,099	23,049	10,784	\$15.65
Inland Empire (C	2,997	42,627,945	6,017,524	6,152,239	14.4%	590,856	53,328	512,692	\$18.31
Jackson	763	12,159,624	1,054,996	1,057,858	8.7%	(7,241)	0	9,464	\$15.48
Jacksonville (Flo	1,647	30,414,378	4,536,156	4,623,773	15.2%	124,269	152,282	2,607	\$16.21
Kansas City	1,817	63,599,829	8,419,649	8,605,986	13.5%	(10,303)	34,557	236,465	\$16.66
Killeen/Temple/	107	1,153,585	70,165	70,796	6.1%	28,251	0	0	\$13.08
Kingsport/Bristo	146	2,974,362	200,579	200,579	6.7%	38,542	26,000	0	\$13.40
Knoxville	649	13,180,986	1,450,256	1,488,938	11.3%	312,081	7,500	0	\$15.12
Lafayette	109	3,238,236	236,386	267,459	8.3%	82,934	0	0	\$15.96
Las Vegas	2,224	43,271,307	7,587,196	7,778,964	18.0%	611,754	182,274	282,714	\$18.34
Lexington/Fayet	506	9,164,263	1,055,039	1,057,615	11.5%	41,717	0	0	\$14.93
Lincoln	506	10,851,177	648,281	657,333	6.1%	(42,847)	46,116	47,295	\$14.28
Little Rock/N Lit	291	11,010,585	823,235	829,502	7.5%	(31,250)	43,600	0	\$15.92
Long Island (Ne	3,854	77,121,846	5,958,212	6,073,794	7.9%	1,405,550	960,460	136,152	\$25.73
Los Angeles	5,454	154,559,169	18,816,996	19,167,939	12.4%	426,792	971,547	455,986	\$25.23
Louisville	1,105	23,846,452	3,070,590	3,122,075	13.1%	423,035	173,948	0	\$14.08
Lubbock	188	4,580,043	283,686	291,621	6.4%	70,406	90,033	4,681	\$12.87
Madison	793	20,827,779	1,701,015	1,712,890	8.2%	49,557	0	0	\$16.32
Marin/Sonoma	977	17,829,523	2,319,979	2,490,091	14.0%	36,439	0	0	\$23.73
McAllen/Edinbu	311	5,016,566	508,313	508,313	10.1%	(35,040)	18,000	30,000	\$14.37
Memphis	1,173	27,331,277	3,456,740	3,559,062	13.0%	51,292	6,399	159,617	\$15.14
Miami-Dade Co	1,098	44,352,890	6,092,289	6,234,371	14.1%	213,789	65,930	111,063	\$25.06
Milwaukee	1,404	47,247,781	5,045,013	5,164,589	10.9%	381,037	131,900	93,035	\$15.50
Minneapolis	2,008	95,475,855	9,970,017	10,132,111	10.6%	(363,987)	232,430	62,169	\$16.62
Mobile	811	9,171,940	891,097	907,898	9.9%	(65,304)	0	0	\$11.75
Montgomery	429	8,326,721	999,409	1,006,401	12.1%	40,788	0	0	\$12.91
Myrtle Beach/C	265	3,159,360	343,556	349,379	11.1%	10,920	0	0	\$13.98
Nashville	1,320	33,247,986	3,089,560	3,231,317	9.7%	299,336	169,774	0	\$17.97
New Orleans/M	547	14,630,276	2,264,422	2,360,467	16.1%	149,810	2,481	0	\$16.66
New York City	1,373	160,060,218	8,234,093	8,941,350	5.6%	190,255	67,675	46,500	\$45.40
Northern New Je	4,859	116,815,312	18,077,545	18,829,592	16.1%	(55,847)	114,114	100,663	\$21.14
Ocala	119	1,271,910	148,526	148,526	11.7%	(7,988)	12,102	0	\$13.80
Oklahoma City	1,417	30,208,763	3,089,922	3,103,287	10.3%	57,957	242,945	49,046	\$14.34
Olympia	413	6,208,956	647,649	726,561	11.7%	(45,932)	68,520	0	\$16.84
Omaha/Council	795	26,122,539	2,263,565	2,554,560	9.8%	8,864	321,598	249,663	\$16.89
Orange County	2,829	82,727,522	10,414,159	10,689,212	12.9%	864,544	140,767	746,475	\$20.82
Orlando	2,765	49,311,435	5,683,463	5,752,092	11.7%	471,368	17,519	104,376	\$17.24
Palm Beach Cou	1,060	28,854,897	5,127,838	5,206,708	18.0%	422,299	76,814	6,000	\$22.91
Pensacola	574	5,477,652	397,464	401,234	7.3%	106,476	0	0	\$12.66
Peoria	242	6,882,898	452,729	454,952	6.6%	87,927	0	0	\$12.83

Source: CoStar Property®

NATIONAL OFFICE MARKET

FIGURES AT A GLANCE

CLASS B MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	7,574	173,807,400	20,714,012	21,144,182	12.2%	220,904	491,450	150,176	\$19.74
Phoenix	4,450	95,670,288	19,278,015	19,656,762	20.5%	1,826,658	1,135,945	167,212	\$19.13
Pittsburgh	2,310	60,592,866	5,258,838	5,373,843	8.9%	14,271	22,135	99,645	\$17.44
Port St Lucie/Fo	428	5,644,577	799,909	817,393	14.5%	(1,390)	12,436	5,066	\$16.75
Portland	1,379	41,874,564	4,130,446	4,348,532	10.4%	929,762	389,590	152,341	\$18.36
Portland/South I	432	10,042,185	913,253	986,261	9.8%	189,127	0	12,397	\$14.93
Providence	593	16,345,613	1,126,079	1,239,940	7.6%	189,327	51,763	104,500	\$17.54
Raleigh/Durham	2,058	44,715,889	6,103,672	6,201,305	13.9%	(52,978)	291,574	397,712	\$17.31
Reno/Sparks	712	9,830,354	1,495,708	1,545,867	15.7%	223,388	5,436	0	\$16.46
Richmond VA	1,192	28,104,224	3,294,924	3,545,746	12.6%	(177,965)	4,375	4,580	\$15.77
Roanoke	247	6,454,070	783,673	783,673	12.1%	7,027	49,992	0	\$13.84
Rochester	692	24,489,262	2,327,851	2,357,073	9.6%	79,760	84,387	0	\$12.74
Sacramento	1,759	45,956,277	7,449,105	7,552,595	16.4%	733,588	102,493	74,451	\$19.88
Salinas	242	4,394,365	363,927	371,424	8.5%	(24,194)	0	0	\$23.51
Salt Lake City	2,536	54,200,409	3,749,093	3,785,510	7.0%	(58,897)	159,465	599,682	\$16.13
San Antonio	1,367	40,806,009	3,975,923	4,124,940	10.1%	691,144	723,143	291,993	\$18.85
San Diego	1,888	54,974,949	7,621,906	8,148,025	14.8%	486,890	444,193	223,505	\$24.34
San Francisco	1,404	64,322,772	7,878,627	8,338,515	13.0%	159,022	2,650	185,241	\$37.58
San Luis Obispo	145	1,666,962	111,837	111,837	6.7%	7,757	6,000	0	\$20.61
Santa Barbara/S	1,166	10,177,855	379,258	431,215	4.2%	50,137	0	150,000	\$24.83
Santa Cruz/Wat	410	5,229,606	543,178	543,178	10.4%	14,183	0	900	\$20.21
Savannah	466	5,690,751	651,596	651,596	11.5%	283,011	199,023	0	\$17.25
Seattle/Puget Sc	2,910	95,854,565	9,258,109	9,826,786	10.3%	373,298	112,379	103,764	\$24.06
Shreveport/Boss	88	2,543,736	250,854	292,861	11.5%	58,072	31,784	0	\$13.51
South Bay/San J	1,729	63,220,174	6,522,055	6,880,016	10.9%	1,664,759	954,734	1,115,984	\$28.14
South Bend/Mis	183	3,238,111	330,979	332,537	10.3%	(43,024)	10,103	0	\$15.13
Southwest Flori	1,648	19,538,155	3,151,595	3,179,752	16.3%	300,757	221,699	0	\$16.38
Spokane	988	15,918,852	1,512,053	1,527,551	9.6%	(32,283)	52,000	114,000	\$15.27
Springfield	384	5,241,615	631,570	631,570	12.0%	51,696	0	0	\$13.55
St. Louis	1,971	60,499,580	8,326,027	8,610,182	14.2%	(213,658)	18,014	20,100	\$16.55
Stockton/Modes	616	9,839,124	1,405,778	1,428,701	14.5%	82,704	46,192	0	\$14.83
Syracuse	688	15,895,073	1,965,566	2,043,583	12.9%	(30,270)	21,000	43,000	\$12.38
Tallahassee	1,522	17,729,975	1,442,676	1,462,055	8.2%	47,145	180,911	27,365	\$15.45
Tampa/St Peters	4,638	64,301,010	9,513,526	9,738,053	15.1%	229,162	239,225	47,223	\$17.22
Toledo	489	10,656,833	1,267,195	1,289,433	12.1%	(53,591)	0	0	\$11.61
Tucson	1,216	16,496,671	2,184,791	2,236,851	13.6%	44,968	113,072	20,000	\$18.52
Tulsa	714	29,458,337	4,254,191	4,290,571	14.6%	370,662	52,894	549,441	\$13.62
Utica/Rome	253	5,432,581	266,689	266,689	4.9%	(89,987)	0	0	\$10.95
Visalia/Portervill	141	1,046,555	112,911	112,911	10.8%	18,920	4,000	0	\$16.59
Washington	4,501	176,774,545	22,895,010	23,926,916	13.5%	(2,102,222)	176,265	72,143	\$29.32
West Michigan	1,928	38,485,047	5,029,060	5,089,017	13.2%	94,581	242,651	80,232	\$12.69
Westchester/So	2,026	60,472,099	7,295,546	7,649,109	12.6%	(456,126)	161,694	38,537	\$24.17
Wichita	622	13,837,566	1,259,220	1,270,289	9.2%	54,042	46,000	56,410	\$13.11
Wilmington	590	7,094,065	720,645	817,067	11.5%	82,824	38,701	34,305	\$14.98
Yakima	421	3,367,938	170,251	176,436	5.2%	(19,173)	0	0	\$11.96
Youngstown/W	424	5,537,431	505,240	511,240	9.2%	(125,558)	17,745	4,060	\$10.87
Totals	187,386	4,794,307,117	578,688,719	596,439,721	12.4%	27,058,919	16,312,290	13,735,750	\$19.55

Source: CoStar Property®

NATIONAL OFFICE MARKET



FIGURES AT A GLANCE

CLASS C MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Albany/Schenec	1,968	12,957,228	700,477	700,477	5.4%	24,767	0	0	\$12.12
Albuquerque	1,272	8,106,748	947,986	952,361	11.7%	(96,845)	0	0	\$11.66
Anchorage	306	2,243,388	138,283	138,283	6.2%	(14,165)	0	0	\$19.55
Asheville	329	2,181,541	289,355	289,355	13.3%	(71,354)	0	0	\$14.53
Atlanta	9,161	54,445,813	7,146,421	7,170,098	13.2%	141,513	0	0	\$13.98
Augusta/Richm	845	3,683,997	293,701	293,971	8.0%	(1,287)	0	0	\$9.24
Austin	1,891	14,590,405	821,627	834,040	5.7%	(98,769)	0	0	\$18.40
Bakersfield	554	3,638,904	193,930	193,930	5.3%	(4,081)	0	0	\$13.72
Baltimore	3,083	26,856,702	2,383,180	2,395,298	8.9%	112,367	0	0	\$17.56
Baton Rouge	1,366	10,243,030	1,339,984	1,345,558	13.1%	(50,579)	0	0	\$12.90
Beaumont/Port	575	3,963,840	141,149	141,149	3.6%	(35,848)	0	0	\$12.48
Birmingham	2,722	22,123,956	2,208,520	2,231,649	10.1%	246,171	0	0	\$12.78
Boise City/Namp	1,697	6,739,546	676,293	679,057	10.1%	(101,467)	0	0	\$10.49
Boston	7,358	81,436,839	4,880,290	4,962,735	6.1%	(137,023)	0	0	\$15.85
Bremerton/Silve	328	2,423,481	188,699	188,699	7.8%	3,547	0	0	\$14.23
Broward County	2,829	21,422,770	1,461,151	1,476,553	6.9%	(96,706)	0	0	\$18.18
Brownsville/Har	106	719,835	106,668	106,668	14.8%	24,141	0	0	\$10.62
Buffalo/Niagara	779	6,873,091	483,641	483,641	7.0%	(5,151)	0	0	\$10.64
Charleston WV	399	2,669,695	154,943	160,293	6.0%	18,288	0	0	\$12.45
Charleston/N C	1,466	7,515,755	320,927	320,927	4.3%	31,141	0	0	\$13.08
Charlotte	3,104	19,594,202	1,473,867	1,491,328	7.6%	111,142	0	0	\$14.11
Chattanooga	609	4,286,538	228,469	228,469	5.3%	39,706	0	0	\$11.39
Chicago	6,080	86,439,700	9,192,973	9,329,602	10.8%	368,333	0	0	\$16.30
Cincinnati	3,819	32,513,350	2,839,102	2,899,370	8.9%	(28,859)	0	0	\$12.25
Cleveland	4,694	46,536,361	3,793,621	3,934,697	8.5%	28,557	0	0	\$12.89
Colorado Spring	712	4,086,396	361,944	361,944	8.9%	10,537	0	0	\$11.79
Columbia	1,141	5,962,079	738,617	741,817	12.4%	(159,105)	0	0	\$11.15
Columbus	2,820	30,361,138	2,513,058	2,548,937	8.4%	196,114	0	0	\$14.12
Columbus GA	255	1,244,182	300,522	300,522	24.2%	(84,966)	0	0	\$5.93
Corpus Christi	252	2,144,490	262,641	262,641	12.2%	32,652	0	0	\$11.87
Dallas/Ft Worth	5,370	50,778,670	5,202,285	5,217,598	10.3%	326,603	0	0	\$14.60
Davenport/Moli	196	2,198,510	286,381	286,381	13.0%	42,558	0	0	\$10.70
Dayton	2,474	22,735,338	2,587,421	2,587,806	11.4%	(145,461)	0	0	\$12.18
Deltona/Dayton	686	2,643,030	206,864	206,864	7.8%	(35,228)	0	0	\$10.39
Denver	3,136	24,427,657	1,753,215	1,793,972	7.3%	197,664	0	0	\$14.38
Des Moines	366	3,483,279	393,224	395,524	11.4%	63,401	0	0	\$10.52
Detroit	5,426	44,424,568	6,811,204	6,840,753	15.4%	462,171	0	0	\$14.76
Duluth	362	2,840,027	210,627	210,627	7.4%	(16,069)	0	0	\$11.65
East Bay/Oaklan	3,766	29,526,382	2,177,764	2,202,274	7.5%	(269,535)	0	0	\$18.38
El Paso	1,912	12,707,024	862,848	927,592	7.3%	(7,796)	0	0	\$14.98
Erie	360	2,738,780	194,078	194,078	7.1%	12,133	0	0	\$9.80
Evansville	276	2,168,681	246,213	246,213	11.4%	95,655	0	0	\$9.93
Fayetteville	403	1,705,911	148,570	148,570	8.7%	(53,548)	0	0	\$12.28
Fayetteville/Spri	557	3,227,715	301,384	301,384	9.3%	50,147	0	0	\$12.07
Fort Smith	163	1,050,562	89,583	89,583	8.5%	19,422	0	0	\$9.94
Fort Wayne	591	5,596,190	482,736	482,736	8.6%	6,436	0	0	\$16.78
Fresno	2,070	17,298,239	1,383,334	1,388,319	8.0%	(62,735)	0	0	\$12.97
Green Bay	381	3,003,100	417,013	417,013	13.9%	40,663	0	0	\$9.00

Source: CoStar Property®

CLASS C MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Greensboro/Wir	3,206	19,019,965	1,548,307	1,573,010	8.3%	180,614	0	0	\$10.80
Greenville/Spart	2,229	9,981,080	853,410	854,096	8.6%	(9,522)	0	0	\$11.14
Hampton Roads	1,579	9,191,172	752,282	752,282	8.2%	(549)	0	0	\$12.82
Hartford	3,930	30,441,367	3,018,232	3,022,297	9.9%	118,358	0	0	\$15.19
Hawaii	622	6,782,802	250,713	250,713	3.7%	13,613	0	0	\$22.49
Houston	3,076	41,058,664	4,520,691	4,552,787	11.1%	(75,836)	0	0	\$15.69
Huntington/Ash	425	3,030,396	206,490	206,490	6.8%	68,878	0	0	\$10.67
Huntsville	421	4,283,761	374,198	374,198	8.7%	1,070	0	0	\$12.12
Indianapolis	2,655	20,222,188	1,897,015	1,918,899	9.5%	193,448	0	0	\$13.39
Inland Empire (C	2,884	19,876,498	1,852,475	1,863,674	9.4%	(70,026)	0	0	\$13.79
Jackson	768	5,321,327	324,477	324,477	6.1%	51,197	0	0	\$12.02
Jacksonville (Flo	2,452	14,612,793	1,850,871	1,850,871	12.7%	102,483	0	0	\$15.06
Kansas City	2,106	20,943,612	2,038,727	2,074,393	9.9%	226,994	0	0	\$13.11
Killeen/Temple/	169	997,957	115,790	115,790	11.6%	(11,656)	0	0	\$7.83
Kingsport/Bristo	361	2,531,827	271,143	271,143	10.7%	(107,473)	0	0	\$11.08
Knoxville	2,179	17,116,406	586,442	621,423	3.6%	5,961	0	0	\$11.80
Lafayette	393	3,341,672	252,442	262,707	7.9%	60,056	0	0	\$13.10
Las Vegas	1,509	7,854,301	1,130,816	1,131,720	14.4%	(33,504)	0	0	\$14.09
Lexington/Fayet	598	4,223,980	290,617	290,617	6.9%	57,615	0	0	\$11.56
Lincoln	225	1,555,953	166,434	170,948	11.0%	(80,815)	0	0	\$10.83
Little Rock/N Lit	2,027	19,859,019	1,269,345	1,281,163	6.5%	(112,205)	0	0	\$13.46
Long Island (New	5,335	46,879,961	3,449,825	3,461,222	7.4%	(342,410)	0	0	\$22.41
Los Angeles	10,938	87,351,277	4,826,597	4,932,543	5.6%	(519,797)	0	0	\$23.26
Louisville	2,232	18,418,551	1,212,828	1,212,828	6.6%	47,999	0	0	\$12.79
Lubbock	977	5,495,069	221,757	221,757	4.0%	(42,374)	0	0	\$10.71
Madison	520	4,253,584	508,007	512,372	12.0%	(57,480)	0	0	\$8.99
Marin/Sonoma	1,523	8,864,328	398,722	412,240	4.7%	(17,917)	0	0	\$19.37
McAllen/Edinbu	140	1,108,254	79,521	79,521	7.2%	29,882	0	0	\$12.09
Memphis	1,419	12,747,249	1,630,512	1,630,512	12.8%	103,121	0	0	\$12.38
Miami-Dade Co	3,079	28,947,400	1,767,141	1,770,950	6.1%	108,393	0	0	\$21.50
Milwaukee	2,028	17,657,221	1,615,240	1,617,119	9.2%	318,988	0	0	\$10.69
Minneapolis	3,902	41,659,679	3,189,441	3,298,457	7.9%	(187,803)	0	0	\$15.01
Mobile	1,194	5,996,151	616,551	616,551	10.3%	(11,657)	0	0	\$10.81
Montgomery	742	5,520,468	392,593	406,059	7.4%	(31,467)	0	0	\$10.31
Myrtle Beach/C	504	2,241,285	153,097	156,780	7.0%	(27,361)	0	0	\$10.11
Nashville	2,834	20,267,418	1,351,423	1,365,036	6.7%	(39,948)	0	0	\$14.92
New Orleans/M	2,186	19,925,193	1,670,136	1,681,094	8.4%	(78,255)	0	0	\$14.42
New York City	2,114	79,431,577	4,379,537	4,469,876	5.6%	593,312	0	0	\$39.63
Northern New Je	10,066	81,718,021	9,379,664	9,481,322	11.6%	(432,335)	0	0	\$19.00
Ocala	438	2,988,785	173,942	174,082	5.8%	16,010	0	0	\$10.80
Oklahoma City	2,426	15,948,006	1,075,846	1,076,846	6.8%	22,418	0	0	\$11.71
Olympia	411	2,440,351	302,189	302,189	12.4%	22,179	0	0	\$14.58
Omaha/Council	888	7,555,074	491,700	491,700	6.5%	(14,597)	0	0	\$12.86
Orange County	2,606	22,003,475	1,670,956	1,702,520	7.7%	81,385	0	0	\$18.95
Orlando	4,765	26,903,142	2,430,868	2,447,131	9.1%	1,660	0	0	\$15.21
Palm Beach Cou	1,551	11,928,376	946,847	955,369	8.0%	95,935	0	0	\$19.63
Pensacola	1,340	7,056,106	523,551	523,551	7.4%	(11,203)	0	0	\$11.43
Peoria	202	2,065,149	256,033	256,033	12.4%	(24,268)	0	0	\$11.77

Source: CoStar Property®

NATIONAL OFFICE MARKET



FIGURES AT A GLANCE

CLASS C MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	11,062	95,639,825	9,362,825	9,465,929	9.9%	(1,157,715)	0	0	\$15.96
Phoenix	3,364	22,882,782	2,962,456	2,997,584	13.1%	(79,044)	0	0	\$14.66
Pittsburgh	3,758	25,385,879	1,956,410	1,959,606	7.7%	(18,750)	0	0	\$13.97
Port St Lucie/Fo	483	2,479,130	172,091	172,091	6.9%	10,571	0	0	\$14.52
Portland	3,491	24,738,571	2,040,827	2,077,010	8.4%	(264,245)	0	0	\$15.82
Portland/South I	1,193	9,919,761	698,003	703,130	7.1%	185,962	0	0	\$12.48
Providence	1,996	16,687,071	1,199,447	1,199,797	7.2%	(80,118)	0	0	\$16.33
Raleigh/Durham	2,218	14,315,015	811,047	816,308	5.7%	66,934	0	0	\$15.01
Reno/Sparks	715	5,906,674	864,187	864,187	14.6%	(39,308)	0	0	\$13.50
Richmond VA	1,741	13,200,121	1,054,237	1,064,102	8.1%	(126,237)	0	0	\$12.58
Roanoke	661	5,714,219	561,835	581,029	10.2%	36,435	0	0	\$12.66
Rochester	1,093	10,145,504	827,114	854,376	8.4%	48,688	0	0	\$12.15
Sacramento	3,368	33,074,020	4,874,192	4,887,371	14.8%	301,445	0	0	\$15.45
Salinas	523	3,321,358	198,445	201,363	6.1%	25,701	0	0	\$17.54
Salt Lake City	1,537	11,993,339	915,196	917,821	7.7%	5,727	0	0	\$12.29
San Antonio	1,905	15,696,803	1,109,225	1,125,256	7.2%	44,222	0	0	\$15.10
San Diego	3,217	25,854,006	2,266,697	2,297,658	8.9%	(56,623)	0	0	\$18.68
San Francisco	2,053	23,510,714	1,132,352	1,146,799	4.9%	168,817	0	0	\$29.00
San Luis Obispo	642	4,007,677	118,056	118,056	2.9%	28,994	0	0	\$16.26
Santa Barbara/S	243	1,225,849	103,214	104,664	8.5%	(32,785)	0	0	\$15.79
Santa Cruz/Wat	437	2,721,703	78,671	78,671	2.9%	7,774	0	0	\$17.06
Savannah	750	4,022,181	210,993	210,993	5.2%	21,845	0	0	\$15.84
Seattle/Puget Sc	4,282	30,281,581	1,979,512	2,011,901	6.6%	99,392	0	0	\$19.15
Shreveport/Boss	581	6,406,461	954,957	970,079	15.1%	(6,968)	0	0	\$11.48
South Bay/San J	2,693	23,286,912	1,881,998	1,908,164	8.2%	393,223	0	0	\$23.49
South Bend/Mis	532	4,215,351	207,663	209,563	5.0%	61,119	0	0	\$9.93
Southwest Flori	1,431	8,485,364	892,698	892,986	10.5%	63,913	0	0	\$13.36
Spokane	645	4,071,615	276,377	279,810	6.9%	27,071	0	0	\$11.50
Springfield	227	1,432,947	182,256	182,256	12.7%	47,787	0	0	\$10.49
St. Louis	2,999	32,521,375	3,333,177	3,350,310	10.3%	112,832	0	0	\$13.74
Stockton/Modes	1,195	8,466,386	899,677	903,995	10.7%	29,833	0	0	\$12.05
Syracuse	629	5,358,815	358,715	358,715	6.7%	(43,947)	0	0	\$10.40
Tallahassee	684	2,896,387	152,034	152,890	5.3%	76,856	0	0	\$12.16
Tampa/St Peters	7,546	47,618,626	5,118,562	5,161,724	10.8%	(578,661)	0	0	\$14.68
Toledo	2,026	17,028,476	1,725,842	1,726,676	10.1%	(58,283)	0	0	\$10.04
Tucson	1,172	5,023,881	403,447	407,307	8.1%	48,593	0	0	\$15.02
Tulsa	1,410	11,238,713	1,207,345	1,208,393	10.8%	(23,231)	0	0	\$11.33
Utica/Rome	314	2,862,204	145,507	145,507	5.1%	32,884	0	0	\$10.38
Visalia/Portervill	948	5,197,692	317,870	327,822	6.3%	50,649	0	0	\$13.31
Washington	4,189	37,064,847	2,639,554	2,677,111	7.2%	(57,290)	0	0	\$22.98
West Michigan	3,905	28,879,806	3,181,220	3,191,364	11.1%	(71,683)	0	0	\$10.16
Westchester/So	4,632	43,604,337	3,967,374	4,011,478	9.2%	(242,585)	0	0	\$21.07
Wichita	975	7,666,836	523,813	523,813	6.8%	82,400	0	0	\$9.24
Wilmington	1,128	4,327,746	294,003	294,003	6.8%	(39,240)	0	0	\$11.83
Yakima	164	858,049	79,845	79,845	9.3%	5,530	0	0	\$10.21
Youngstown/W	1,338	8,647,866	309,539	309,539	3.6%	41,399	0	0	\$9.39
Totals	283,284	2,330,061,028	203,172,729	205,249,766	8.8%	460,246	0	0	\$15.82

Source: CoStar Property®

NATIONAL OFFICE MARKET

FIGURES AT A GLANCE

TOTAL OFFICE MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
Albany/Schenec	3,665	55,645,732	4,005,506	4,086,846	7.3%	(122,114)	244,928	0	\$14.34
Albuquerque	2,919	37,230,181	3,955,128	4,025,276	10.8%	126,701	82,732	260,000	\$15.15
Anchorage	578	13,225,622	635,169	641,897	4.9%	(33,094)	9,000	56,000	\$26.64
Asheville	1,107	10,840,257	910,457	910,457	8.4%	133,829	30,679	15,516	\$17.09
Atlanta	15,234	298,912,453	45,814,632	47,534,151	15.9%	3,183,518	1,023,837	1,731,548	\$18.77
Augusta/Richm	1,601	13,275,376	1,207,512	1,207,782	9.1%	2,010	20,000	19,000	\$13.02
Austin	3,699	82,055,492	8,176,903	8,318,774	10.1%	1,702,544	255,959	171,468	\$25.72
Bakersfield	1,041	11,562,771	740,189	766,943	6.6%	32,171	9,500	27,500	\$17.44
Baltimore	6,094	134,226,142	15,372,156	15,939,834	11.9%	1,252,903	1,002,240	1,163,140	\$21.46
Baton Rouge	1,848	19,284,873	2,651,320	2,721,513	14.1%	265,551	268,298	0	\$15.40
Beaumont/Port	680	7,217,372	402,125	484,802	6.7%	(12,370)	0	20,000	\$15.22
Birmingham	3,527	53,520,094	5,195,140	5,339,296	10.0%	275,448	66,187	0	\$16.98
Boise City/Namp	2,817	27,881,826	3,290,294	3,396,971	12.2%	(158,146)	0	506,643	\$14.33
Boston	12,424	372,715,718	35,224,052	36,823,661	9.9%	4,047,192	1,227,976	5,612,898	\$20.26
Bremerton/Silve	478	4,756,604	480,076	483,391	10.2%	38,000	30,394	10,000	\$17.21
Broward County	4,074	68,170,232	8,503,570	8,750,090	12.8%	266,540	9,000	806,572	\$23.66
Brownsville/Har	267	2,904,066	469,838	469,838	16.2%	(133,287)	0	0	\$15.93
Buffalo/Niagara	1,600	35,416,591	3,019,655	3,107,557	8.8%	164,817	0	0	\$14.98
Charleston WV	961	12,425,093	679,539	684,889	5.5%	(34,091)	0	0	\$15.54
Charleston/N Cl	2,796	26,067,405	2,041,499	2,066,358	7.9%	397,527	244,706	142,444	\$17.71
Charlotte	5,274	98,550,771	11,712,721	11,955,910	12.1%	1,500,949	885,782	48,596	\$19.39
Chattanooga	912	15,735,539	1,412,907	1,456,853	9.3%	153,499	0	5,781	\$15.75
Chicago	12,615	460,342,158	61,502,788	65,310,067	14.2%	2,937,768	836,308	812,000	\$23.04
Cincinnati	4,971	94,692,909	12,272,409	12,530,466	13.2%	602,885	103,324	50,000	\$15.20
Cleveland	6,930	144,889,893	17,083,799	17,596,237	12.1%	459,465	1,285,924	1,263,866	\$16.80
Colorado Spring	1,687	28,134,381	3,522,598	3,675,593	13.1%	274,136	135,000	27,414	\$17.23
Columbia	2,616	33,355,661	3,557,270	3,597,028	10.8%	(379,548)	38,668	0	\$14.69
Columbus	4,142	95,261,450	9,606,133	9,807,952	10.3%	810,964	538,396	102,437	\$16.30
Columbus GA	435	5,589,496	649,635	649,635	11.6%	(80,211)	0	0	\$9.28
Corpus Christi	605	9,468,611	833,731	865,240	9.1%	115,922	10,000	0	\$14.39
Dallas/Ft Worth	10,465	339,764,394	50,635,081	52,736,805	15.5%	3,757,568	1,302,087	1,716,849	\$19.70
Davenport/Moli	411	6,719,914	905,381	910,791	13.6%	94,366	123,360	0	\$11.50
Dayton	2,994	42,204,001	6,538,799	6,690,943	15.9%	(28,870)	299,679	0	\$15.20
Deltona/Dayton	1,617	10,775,135	1,006,912	1,027,845	9.5%	(107,996)	4,500	0	\$13.89
Denver	7,229	185,366,071	21,855,959	22,333,556	12.0%	2,158,820	1,075,981	911,609	\$20.61
Des Moines	1,029	33,751,321	3,285,176	3,367,471	10.0%	76,698	231,932	65,647	\$13.96
Detroit	8,689	192,177,190	34,171,467	34,773,145	18.1%	1,948,739	153,728	78,052	\$17.82
Duluth	442	6,789,879	353,479	353,479	5.2%	17,691	0	0	\$13.80
East Bay/Oaklar	5,710	113,221,120	12,356,857	12,844,363	11.3%	977,351	516,082	132,675	\$22.59
El Paso	2,399	21,337,944	1,596,882	1,661,626	7.8%	122,179	23,562	53,178	\$15.93
Erie	720	8,797,868	392,792	392,792	4.5%	77,372	0	0	\$10.64
Evansville	686	10,811,819	1,080,348	1,081,698	10.0%	186,512	3,000	0	\$12.15
Fayetteville	906	6,173,373	622,650	634,918	10.3%	(39,589)	0	0	\$14.73
Fayetteville/Spri	1,064	12,418,516	1,489,344	1,502,515	12.1%	169,870	9,564	0	\$13.93
Fort Smith	440	4,351,671	213,159	213,159	4.9%	2,399	0	0	\$10.10
Fort Wayne	998	17,020,484	1,521,876	1,523,576	9.0%	(129)	8,950	0	\$14.92
Fresno	2,961	32,735,220	3,665,016	3,747,769	11.4%	(1,052)	20,752	66,678	\$17.70
Green Bay	900	13,489,213	1,566,456	1,577,696	11.7%	13,181	6,300	136,061	\$12.82

Source: CoStar Property®

NATIONAL OFFICE MARKET



FIGURES AT A GLANCE

TOTAL OFFICE MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Greensboro/Wir	4,273	52,507,079	5,528,664	5,600,515	10.7%	442,288	222,563	50,000	\$13.80
Greenville/Spart	4,131	36,060,294	3,224,656	3,269,009	9.1%	549,690	37,624	175,000	\$14.32
Hampton Roads	3,234	47,952,455	5,686,739	5,782,780	12.1%	606,326	149,361	235,757	\$17.06
Hartford	5,291	85,760,003	9,313,952	9,403,696	11.0%	462,684	203,765	132,916	\$17.90
Hawaii	1,064	33,101,954	1,286,508	1,292,795	3.9%	225,409	8,700	0	\$32.07
Houston	5,857	269,093,907	29,759,106	30,907,025	11.5%	5,240,848	1,830,448	4,744,702	\$24.24
Huntington/Ash	1,026	9,276,566	457,316	468,971	5.1%	58,422	0	0	\$11.48
Huntsville	829	17,395,388	1,618,419	1,666,126	9.6%	155,963	158,902	153,000	\$15.03
Indianapolis	5,349	97,694,893	8,830,229	9,054,622	9.3%	834,680	23,049	359,784	\$16.27
Inland Empire (C	5,967	70,099,387	9,302,523	9,454,003	13.5%	942,369	194,461	577,583	\$18.46
Jackson	1,572	22,970,271	2,044,504	2,114,249	9.2%	51,240	0	189,464	\$16.39
Jacksonville (Flo	4,191	61,064,518	8,154,542	8,262,552	13.5%	626,800	152,282	2,607	\$16.86
Kansas City	4,071	110,813,249	14,052,883	14,346,097	12.9%	918,146	386,656	1,385,928	\$17.01
Killeen/Temple/	277	2,211,542	196,782	197,413	8.9%	65,768	60,000	0	\$9.78
Kingsport/Bristo	508	5,546,337	477,574	477,574	8.6%	(68,931)	26,000	0	\$12.55
Knoxville	2,857	34,092,268	2,605,092	2,678,755	7.9%	328,575	7,500	0	\$14.64
Lafayette	504	6,666,243	488,828	530,166	8.0%	148,990	0	0	\$14.84
Las Vegas	3,816	60,596,391	10,847,334	11,081,156	18.3%	1,065,652	492,274	335,399	\$19.48
Lexington/Fayet	1,171	17,267,645	1,843,393	1,872,045	10.8%	223,240	138,563	0	\$15.45
Lincoln	742	14,540,492	938,038	951,604	6.5%	(130,723)	46,116	47,295	\$13.87
Little Rock/N Lit	2,330	32,734,202	2,126,399	2,144,484	6.6%	(98,447)	67,800	0	\$14.64
Long Island (Ne	9,377	162,824,243	12,374,744	13,017,031	8.0%	1,795,097	1,031,976	231,151	\$26.42
Los Angeles	17,392	423,565,782	50,893,751	52,435,959	12.4%	1,790,413	1,409,890	1,675,174	\$28.26
Louisville	3,431	52,802,955	5,734,965	5,873,535	11.1%	631,784	598,055	414,483	\$15.46
Lubbock	1,172	10,595,077	521,366	529,301	5.0%	13,255	90,033	4,681	\$12.45
Madison	1,367	31,076,167	2,689,931	2,732,302	8.8%	79,359	25,000	416,500	\$16.17
Marin/Sonoma	2,540	29,864,945	3,192,197	3,651,957	12.2%	6,831	0	0	\$23.55
McAllen/Edinbu	454	6,342,426	605,611	605,611	9.5%	8,802	18,000	30,000	\$14.34
Memphis	2,678	51,445,179	6,159,028	6,281,314	12.2%	216,041	6,399	185,617	\$15.58
Miami-Dade Co	4,326	100,284,653	12,980,173	13,255,963	13.2%	1,220,592	294,115	278,334	\$28.70
Milwaukee	3,516	77,909,675	8,123,158	8,256,792	10.6%	824,218	276,900	93,035	\$15.80
Minneapolis	6,049	183,690,737	16,484,441	16,992,437	9.3%	348,189	755,230	852,169	\$17.53
Mobile	2,016	16,833,096	1,677,171	1,703,362	10.1%	(76,836)	0	0	\$11.96
Montgomery	1,183	15,370,684	1,564,068	1,584,526	10.3%	41,136	0	0	\$12.96
Myrtle Beach/C	775	5,855,858	530,178	541,984	9.3%	(25,576)	0	0	\$12.99
Nashville	4,282	73,266,016	5,775,618	6,195,686	8.5%	1,022,931	485,167	203,000	\$18.48
New Orleans/M	2,761	47,095,371	5,132,029	5,320,140	11.3%	317,318	2,481	0	\$16.42
New York City	3,930	544,800,444	35,215,107	40,159,184	7.4%	556,760	67,675	10,481,280	\$49.48
Northern New J	15,801	354,070,989	52,007,461	54,603,433	15.4%	(981,301)	925,784	926,537	\$23.09
Ocala	559	4,376,655	410,178	410,318	9.4%	10,372	12,102	0	\$11.26
Oklahoma City	3,878	53,256,151	4,628,534	4,658,697	8.7%	2,293,129	2,414,945	49,046	\$14.11
Olympia	826	9,045,066	962,838	1,041,750	11.5%	(23,753)	68,520	0	\$16.23
Omaha/Council	1,740	42,389,808	3,394,611	3,704,243	8.7%	34,792	321,598	1,213,487	\$17.09
Orange County	5,708	148,651,690	18,784,126	19,301,676	13.0%	1,838,861	140,767	1,126,475	\$22.23
Orlando	7,723	100,797,664	12,527,806	12,708,300	12.6%	765,911	226,519	104,376	\$18.05
Palm Beach Cou	2,746	54,569,650	8,555,414	8,681,074	15.9%	765,885	127,391	36,000	\$25.49
Pensacola	1,920	12,871,259	955,266	959,036	7.5%	85,622	0	0	\$12.30
Peoria	453	10,009,207	726,976	729,199	7.3%	142,646	0	0	\$12.81

Source: CoStar Property®

NATIONAL OFFICE MARKET

FIGURES AT A GLANCE

TOTAL OFFICE MARKET STATISTICS

Year-End 2012

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	19,566	395,717,268	44,725,209	45,945,048	11.6%	(147,596)	1,243,450	802,262	\$20.92
Phoenix	8,063	159,232,271	29,994,860	30,846,654	19.4%	3,272,354	1,228,054	375,482	\$19.95
Pittsburgh	6,281	121,436,955	9,401,922	9,547,293	7.9%	789,949	293,947	1,564,395	\$18.76
Port St Lucie/Fo	928	8,905,938	1,234,094	1,251,578	14.1%	(1,753)	12,436	5,066	\$16.67
Portland	5,055	94,018,533	9,193,002	9,662,466	10.3%	741,228	524,590	172,441	\$19.82
Portland/South I	1,651	22,743,836	1,924,928	2,007,763	8.8%	449,561	0	12,397	\$14.53
Providence	2,620	39,504,445	3,120,115	3,246,941	8.2%	288,691	91,763	104,500	\$18.11
Raleigh/Durham	4,571	89,174,449	10,518,254	10,866,855	12.2%	771,005	557,131	774,811	\$18.63
Reno/Sparks	1,447	17,320,793	2,583,994	2,688,061	15.5%	197,724	5,436	0	\$16.04
Richmond VA	3,077	60,764,564	6,386,288	6,889,201	11.3%	88,539	70,147	116,580	\$16.66
Roanoke	915	13,032,493	1,467,118	1,486,312	11.4%	29,889	49,992	0	\$14.36
Rochester	1,826	42,945,221	3,896,117	3,979,831	9.3%	92,926	84,387	134,000	\$13.58
Sacramento	5,321	105,073,428	16,413,272	16,674,560	15.9%	1,505,242	326,300	257,451	\$19.80
Salinas	765	7,715,723	562,372	572,787	7.4%	1,507	0	0	\$21.55
Salt Lake City	4,242	85,342,716	5,827,090	5,908,778	6.9%	634,603	583,003	982,654	\$18.27
San Antonio	3,353	68,392,844	6,842,347	7,173,856	10.5%	1,400,457	1,283,070	291,993	\$19.53
San Diego	5,360	112,722,804	13,597,944	14,385,281	12.8%	1,785,962	724,156	1,200,903	\$25.50
San Francisco	3,751	161,774,352	16,395,537	17,793,698	11.0%	1,461,137	478,303	530,579	\$39.24
San Luis Obispo	787	5,674,639	229,893	229,893	4.1%	36,751	6,000	0	\$17.87
Santa Barbara/S	1,411	11,505,904	482,472	535,879	4.7%	17,352	0	150,000	\$23.70
Santa Cruz/Wat	847	7,951,309	621,849	621,849	7.8%	21,957	0	900	\$19.85
Savannah	1,226	10,159,059	923,182	923,182	9.1%	402,201	271,095	0	\$17.68
Seattle/Puget Sc	7,441	182,107,276	17,754,261	18,939,436	10.4%	2,717,292	948,758	729,265	\$26.08
Shreveport/Boss	672	9,439,930	1,207,683	1,264,812	13.4%	50,592	31,784	0	\$12.34
South Bay/San J	4,524	106,361,068	11,315,082	11,989,163	11.3%	3,682,033	954,734	2,120,612	\$28.63
South Bend/Mis	731	8,805,347	739,034	742,492	8.4%	44,445	36,023	0	\$14.06
Southwest Flori	3,146	31,611,076	4,851,493	4,913,645	15.5%	360,853	221,699	0	\$16.99
Spokane	1,643	21,349,162	2,051,151	2,070,082	9.7%	30,023	52,000	114,000	\$15.41
Springfield	619	7,526,581	851,019	851,019	11.3%	117,945	0	0	\$13.17
St. Louis	5,206	132,295,325	15,847,783	16,321,698	12.3%	196,500	318,014	370,100	\$17.65
Stockton/Modes	1,825	19,427,561	2,565,009	2,592,250	13.3%	101,165	46,192	0	\$13.77
Syracuse	1,343	25,170,289	2,964,638	3,047,956	12.1%	(73,539)	21,000	43,000	\$13.10
Tallahassee	2,217	21,861,577	1,691,354	1,714,379	7.8%	111,718	180,911	27,365	\$15.68
Tampa/St Peters	12,398	143,613,804	18,971,482	19,520,431	13.6%	101,948	363,225	297,223	\$18.09
Toledo	2,528	30,674,849	3,417,331	3,440,403	11.2%	(95,538)	0	0	\$12.77
Tucson	2,406	23,914,659	2,853,076	2,914,766	12.2%	80,800	113,072	20,000	\$18.57
Tulsa	2,141	46,872,520	6,005,292	6,042,720	12.9%	388,705	52,894	549,441	\$13.72
Utica/Rome	571	8,697,225	492,196	492,196	5.7%	(137,103)	0	0	\$10.81
Visalia/Portervill	1,089	6,244,247	430,781	440,733	7.1%	69,569	4,000	0	\$14.10
Washington	9,992	461,763,860	58,113,436	62,563,960	13.5%	273,094	1,836,783	7,162,998	\$34.37
West Michigan	5,910	76,297,127	8,796,484	8,877,506	11.6%	554,405	624,651	80,232	\$12.44
Westchester/So	7,049	165,615,959	20,587,466	22,228,000	13.4%	(1,373,045)	376,420	300,182	\$27.55
Wichita	1,605	22,810,172	1,906,848	1,917,917	8.4%	136,553	46,000	56,410	\$12.15
Wilmington	1,733	12,419,556	1,110,038	1,222,028	9.8%	71,415	38,701	34,305	\$14.84
Yakima	585	4,225,987	250,096	256,281	6.1%	(13,643)	0	0	\$11.27
Youngstown/W	1,769	14,628,135	851,528	857,528	5.9%	(71,732)	17,745	4,060	\$10.57
Totals	487,126	10,267,209,269	1,171,543,032	1,218,529,068	11.9%	74,732,196	39,760,792	62,109,959	\$21.63

Source: CoStar Property®

NATIONAL OFFICE MARKET



FIGURES AT A GLANCE

CLASS A MARKET STATISTICS

Year-End 2012, Grouped by CBD vs Suburban

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
CBD	2,615	1,119,148,882	118,774,082	128,961,158	11.5%	9,134,574	4,041,387	18,197,275	\$31.65
Suburban	13,841	2,023,692,242	270,907,502	287,878,423	14.2%	38,078,457	19,407,115	30,176,934	\$25.72
Class A Totals	16,456	3,142,841,124	389,681,584	416,839,581	13.3%	47,213,031	23,448,502	48,374,209	\$27.33

Source: CoStar Property•

CLASS B MARKET STATISTICS

Year-End 2012, Grouped by CBD vs Suburban

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
CBD	14,813	905,305,548	96,007,681	99,258,480	11.0%	2,164,626	1,499,703	1,695,382	\$23.28
Suburban	172,573	3,889,001,569	482,681,038	497,181,241	12.8%	24,894,293	14,812,587	12,040,368	\$18.92
Class B Totals	187,386	4,794,307,117	578,688,719	596,439,721	12.4%	27,058,919	16,312,290	13,735,750	\$19.55

Source: CoStar Property•

CLASS C MARKET STATISTICS

Year-End 2012, Grouped by CBD vs Suburban

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
CBD	23,670	375,527,688	32,879,854	33,262,586	8.9%	1,050,942	0	0	\$19.97
Suburban	259,614	1,954,533,340	170,292,875	171,987,180	8.8%	(590,696)	0	0	\$15.22
Class C Totals	283,284	2,330,061,028	203,172,729	205,249,766	8.8%	460,246	0	0	\$15.82

Source: CoStar Property•

CLASS A&B MARKET STATISTICS

Year-End 2012, Grouped by CBD vs Suburban

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
CBD	17,428	2,024,454,430	214,781,763	228,219,638	11.3%	11,299,200	5,541,090	19,892,657	\$27.99
Suburban	186,414	5,912,693,811	753,588,540	785,059,664	13.3%	62,972,750	34,219,702	42,217,302	\$21.41
Class A&B Totals	203,842	7,937,148,241	968,370,303	1,013,279,302	12.8%	74,271,950	39,760,792	62,109,959	\$22.70

Source: CoStar Property•

CLASS A,B&C MARKET STATISTICS

Year-End 2012, Grouped by CBD vs Suburban

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
CBD	41,098	2,399,982,118	247,661,617	261,482,224	10.9%	12,350,142	5,541,090	19,892,657	\$27.14
Suburban	446,028	7,867,227,151	923,881,415	957,046,844	12.2%	62,382,054	34,219,702	42,217,302	\$20.38
Grand Totals	487,126	10,267,209,269	1,171,543,032	1,218,529,068	11.9%	74,732,196	39,760,792	62,109,959	\$21.63

Source: CoStar Property•

CLASS A MARKET STATISTICS*

Year-End 2012

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2012 4q	13,501	2,714,290,841	345,607,534	370,348,896	13.6%	12,928,272	46	6,014,311	168	43,925,522	\$28.19
2012 3q	13,455	2,708,276,530	352,755,594	377,262,857	13.9%	9,219,185	34	4,068,852	192	45,755,119	\$28.12
2012 2q	13,422	2,704,707,678	357,489,770	382,913,190	14.2%	10,957,859	25	3,462,518	198	45,567,825	\$28.09
2012 1q	13,398	2,701,485,160	364,470,538	390,648,531	14.5%	4,884,037	23	3,462,310	192	43,389,080	\$27.82
2011 4q	13,376	2,698,182,850	366,171,425	392,230,258	14.5%	8,092,653	28	3,078,995	171	35,307,594	\$27.72
2011 3q	13,348	2,695,103,855	370,738,757	397,243,916	14.7%	10,628,370	23	4,316,243	159	31,450,677	\$27.54
2011 2q	13,327	2,692,138,517	376,991,363	404,906,948	15.0%	7,070,466	29	3,292,544	147	30,636,682	\$27.60
2011 1q	13,298	2,688,845,973	377,973,473	408,684,870	15.2%	4,995,869	26	6,306,478	151	30,204,346	\$27.53
2010	13,273	2,682,644,495	375,635,704	407,479,261	15.2%	17,774,603	166	29,773,768	140	30,974,402	\$27.63
2009	13,107	2,652,870,727	355,508,902	395,480,096	14.9%	(3,076,698)	359	58,403,217	198	47,388,043	\$27.78
2008	12,751	2,594,872,472	298,432,151	334,405,143	12.9%	18,375,929	552	69,328,274	443	88,926,237	\$30.02
2007	12,202	2,526,694,371	254,390,793	284,602,971	11.3%	52,822,987	460	58,414,041	656	110,330,153	\$29.69
2006	11,747	2,469,506,988	247,061,537	280,238,575	11.3%	68,621,320	351	46,951,994	587	95,424,779	\$27.86
2005	11,404	2,423,545,126	263,226,156	302,898,033	12.5%	69,189,789	243	34,064,264	453	75,234,719	\$26.02
2004	11,161	2,389,480,862	287,090,983	338,023,558	14.1%	66,078,395	230	36,906,729	322	59,530,573	\$25.54
2003	10,935	2,353,757,246	303,940,895	368,378,337	15.7%	34,699,650	245	47,882,042	278	56,974,458	\$25.28

Source: CoStar Property® * Select markets included in this historical chart - see Methodology page.

CLASS B MARKET STATISTICS*

Year-End 2012

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2012 4q	117,692	3,392,168,771	432,912,327	447,028,945	13.2%	7,864,668	105	2,793,262	242	9,480,999	\$20.77
2012 3q	117,591	3,389,819,634	438,452,101	452,544,476	13.4%	4,387,616	104	2,661,995	310	11,457,921	\$20.61
2012 2q	117,499	3,388,087,130	441,306,078	455,199,588	13.4%	4,005,434	80	2,044,629	362	11,878,999	\$20.58
2012 1q	117,424	3,386,432,047	443,294,597	457,549,939	13.5%	3,774,708	91	2,960,280	357	10,916,326	\$20.57
2011 4q	117,346	3,384,244,679	444,494,882	459,137,279	13.6%	7,678,838	113	2,178,449	314	10,948,075	\$20.62
2011 3q	117,248	3,384,814,673	452,137,092	467,386,111	13.8%	8,974,727	106	2,939,632	350	11,487,775	\$20.46
2011 2q	117,157	3,383,413,701	459,297,135	474,959,866	14.0%	1,351,677	88	2,168,400	374	12,454,499	\$20.41
2011 1q	117,074	3,381,452,985	458,425,991	474,350,827	14.0%	(390,945)	145	2,758,035	369	12,286,576	\$20.53
2010	116,943	3,379,494,267	455,451,316	472,001,164	14.0%	5,842,254	627	11,844,643	379	11,100,819	\$20.77
2009	116,352	3,369,882,995	446,855,170	468,232,146	13.9%	(23,761,701)	1,552	28,507,193	571	14,162,954	\$20.97
2008	114,844	3,343,168,615	396,962,482	417,756,065	12.5%	16,269,958	3,106	52,156,143	1,389	29,398,940	\$22.37
2007	111,786	3,294,841,784	365,273,774	385,699,192	11.7%	38,432,350	3,960	58,928,218	2,761	51,589,354	\$22.18
2006	107,911	3,240,833,522	349,455,447	370,123,280	11.4%	60,976,829	3,802	56,742,099	3,675	60,885,100	\$20.84
2005	104,161	3,188,429,305	356,229,168	378,695,892	11.9%	72,388,209	3,262	51,365,565	3,478	58,090,964	\$19.99
2004	100,950	3,140,671,151	374,396,225	403,325,947	12.8%	40,899,552	2,639	40,631,732	2,847	49,562,590	\$19.42
2003	98,360	3,103,551,525	367,880,031	407,105,873	13.1%	11,797,594	2,160	37,828,850	2,179	38,891,620	\$19.37

Source: CoStar Property® * Select markets included in this historical chart - see Methodology page.

TOTAL OFFICE MARKET STATISTICS*

Year-End 2012

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2012 4q	309,465	7,682,481,077	919,836,345	960,231,950	12.5%	21,666,227	151	8,807,573	410	53,406,521	\$23.12
2012 3q	309,332	7,674,729,116	933,943,581	974,146,216	12.7%	12,997,449	138	6,730,847	502	57,213,040	\$22.95
2012 2q	309,223	7,670,356,962	941,875,250	982,771,511	12.8%	13,935,401	105	5,507,147	560	57,446,824	\$22.93
2012 1q	309,134	7,665,633,628	949,926,997	991,983,578	12.9%	9,569,167	114	6,422,590	549	54,305,406	\$22.84
2011 4q	309,052	7,660,537,280	954,025,432	996,456,397	13.0%	15,288,401	141	5,257,444	485	46,255,669	\$22.95
2011 3q	308,940	7,658,223,193	965,741,280	1,009,430,711	13.2%	21,331,366	129	7,255,875	509	42,938,452	\$22.70
2011 2q	308,849	7,654,994,997	981,992,591	1,027,533,881	13.4%	7,049,758	117	5,460,944	521	43,091,181	\$22.72
2011 1q	308,755	7,650,085,481	981,178,566	1,029,674,123	13.5%	4,177,655	173	9,078,403	520	42,490,922	\$22.82
2010	308,618	7,642,164,631	975,519,090	1,025,930,928	13.4%	21,821,450	800	41,653,012	521	42,089,111	\$23.12
2009	307,910	7,603,878,160	945,815,563	1,009,465,907	13.3%	(43,984,736)	1,961	87,271,974	776	61,585,598	\$23.29
2008	306,080	7,520,187,417	822,708,114	881,790,428	11.7%	25,428,162	3,822	122,744,951	1,876	118,644,511	\$24.99
2007	302,441	7,404,585,122	738,558,820	791,616,295	10.7%	89,874,805	4,713	119,729,267	3,562	163,061,107	\$24.87
2006	297,941	7,293,743,620	714,314,929	770,649,598	10.6%	130,806,539	4,545	106,633,241	4,512	158,329,707	\$23.39
2005	293,563	7,195,526,996	739,112,906	803,239,513	11.2%	149,558,543	4,044	89,562,814	4,279	136,267,858	\$22.17
2004	289,679	7,113,711,912	788,089,875	870,982,972	12.2%	108,248,046	3,525	82,594,125	3,649	113,006,649	\$21.71
2003	286,323	7,039,435,118	797,330,885	904,954,224	12.9%	46,886,462	2,940	89,617,072	3,043	100,409,067	\$21.75

Source: CoStar Property® * Select markets included in this historical chart - see Methodology page.

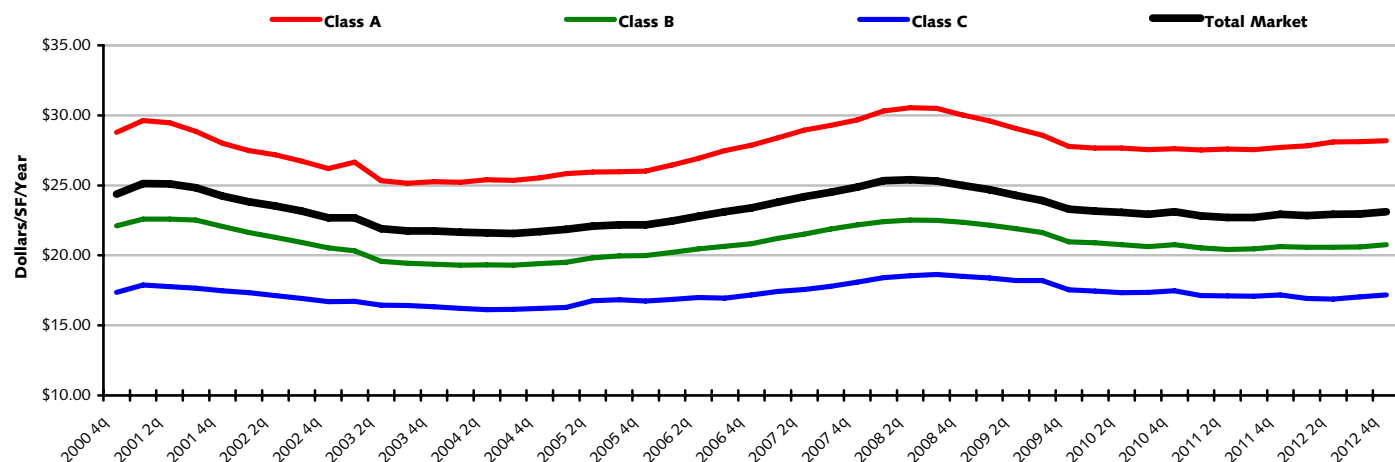
NATIONAL OFFICE MARKET



LEASING ACTIVITY

HISTORICAL RENTAL RATES*

Based on Full-Service Equivalent Rental Rates

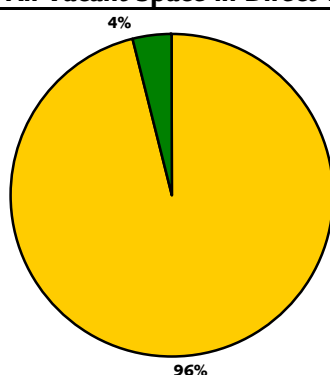


Source: CoStar Property® * Select markets included in this historical chart - see Methodology page.

VACANCY BY AVAILABLE SPACE TYPE

Percent of All Vacant Space in Direct vs. Sublet

Direct
Sublet

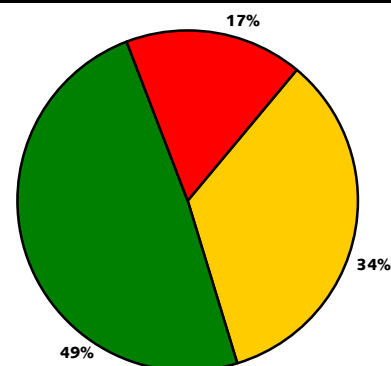


Source: CoStar Property®

VACANCY BY CLASS

Percent of All Vacant Space by Class

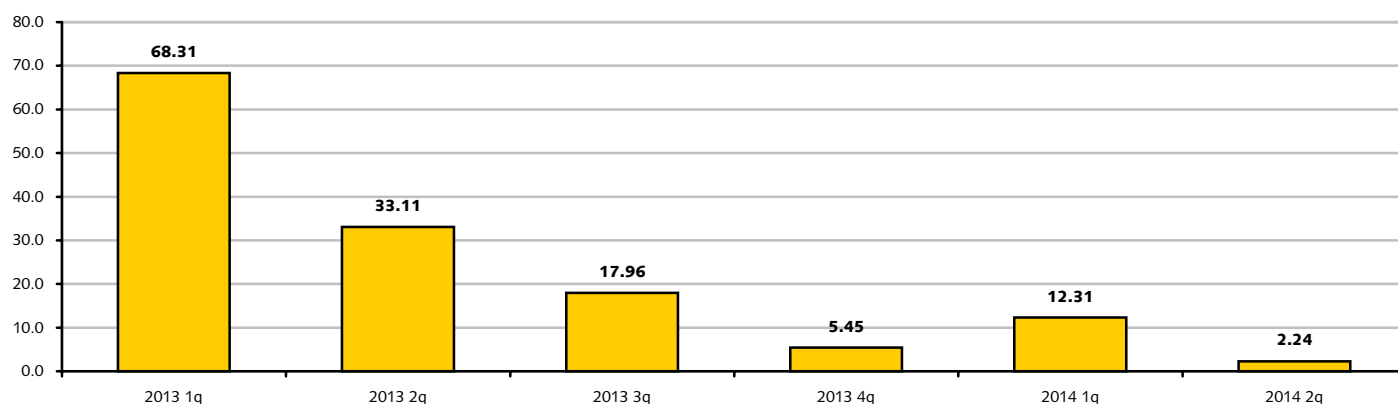
Class A
Class B
Class C



Source: CoStar Property®

FUTURE SPACE AVAILABLE

Space Scheduled to be Available for Occupancy in the Future*



* includes Under Construction Spaces Source: CoStar Property®

SELECT TOP OFFICE LEASES Based on Leased Square Footage For Deals Signed in 2012

Building	Market	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 One Astor Plaza*	New York City	1,605,043	2nd	Viacom Inc.	CBRE	SL Green Realty Corp.
2 One New York Plaza*	New York City	1,152,763	2nd	Morgan Stanley Smith Barney LLC	Newmark Knight Frank	Brookfield Office Properties, Inc.
3 80 Park Plaza*	Northern New Jersey	854,226	3rd	Public Service Enterprise Group, Inc.	Colliers International NNJ LLC	Wells Real Estate Funds
4 The Merchandise Mart	Chicago	572,000	3rd	Motorola Mobility Holdings, Inc.	CBRE	CBRE
5 20555 SH 249	Houston	497,130	1st	Noble Energy Inc.	Grubb & Ellis	CBRE
6 601 Lexington Avenue*	New York City	490,527	2nd	Citibank, N.A.	CBRE	Jones Lang LaSalle
7 Metropoint Business Center	Minneapolis	469,820	4th	Wells Fargo Bank	Jones Lang LaSalle	Cushman & Wakefield, Inc.
8 50 S 10th St*	Minneapolis	449,233	1st	Target	Keewaydin Real Estate Advisors	CBRE
9 64 Perimeter Ctr E	Atlanta	434,513	2nd	State Farm Insurance Company	N/A	Cushman & Wakefield of Georgia, Inc
10 Regent Commons	Dallas/Ft Worth	415,141	3rd	State Farm Insurance	Cassidy Turley	Cassidy Turley
11 AON Center*	Chicago	396,406	4th	Aon Corporation	Jones Lang LaSalle	Jones Lang LaSalle
12 US Bancorp Center*	Minneapolis	391,446	4th	US Bancorp	Nelson, Tietz & Hoye, Inc.	Piedmont Office Realty Trust, Inc.
13 100 Church St*	New York City	372,520	2nd	New York City Law Department	CBRE	Newmark Knight Frank
14 St. John's Center*	New York City	372,382	2nd	Bloomberg L.P.	CBRE	Eugene M. Grant & Co.
15 5400 University Ave*	Des Moines	363,485	1st	FBL Financial Group, Inc.	Direct Deal	Direct Deal
16 U.S. Trust Bldg*	New York City	362,907	1st	Bank of America Merrill Lynch	Cushman & Wakefield, Inc.	The Durst Organization
17 Random House Tower*	New York City	362,200	2nd	Random House, Inc.	Cassidy Turley	SL Green Realty Corp.
18 One World Trade Center	New York City	349,852	3rd	U.S. General Services Administration	Studley	JRT Realty Group, Inc.
19 1 Chase Manhattan Plz*	New York City	337,000	2nd	Milbank	Cushman & Wakefield, Inc.	Newmark Knight Frank
20 Wells Fargo Center*	Los Angeles	328,829	3rd	Wells Fargo Bank	Cushman & Wakefield, Inc.	MPG Office Trust, Inc.
21 Hearst Tower	Charlotte	322,000	2nd	Bank of America	Direct Deal	Direct Deal
22 Parmer @ Tech Ridge	Austin	320,596	3rd	General Motors, Co.	N/A	CBRE
23 The Concourse	Hampton Roads	315,000	2nd	Amerigroup Corp	N/A	CBRE Hampton Roads
24 LyondellBasell Tower*	Houston	310,178	1st	LyondellBasell Industries	CBRE	Crescent Real Estate Equities LLC
25 Market Street 1701*	Philadelphia	309,234	1st	Morgan, Lewis & Bockius LLP	N/A	N/A
26 Windy Point II	Chicago	300,686	4th	Catamaran Corporation	N/A	Jones Lang LaSalle
27 Fifth Third Center*	Charlotte	297,000	2nd	Bank Of America	N/A	N/A
28 400 E Stewart Ave	Las Vegas	295,753	2nd	Zappos.com, Inc.	Jones Lang LaSalle	Direct Deal
29 1011 Galatyn Parkway	Dallas/Ft Worth	291,469	3rd	State Farm	Cassidy Turley	Jones Lang LaSalle
30 290 E John Carpenter Fwy	Dallas/Ft Worth	286,922	4th	VHA	N/A	Jones Lang LaSalle
31 1221 Broadway	East Bay/Oakland	274,428	4th	Clorox Co.	Direct Deal	Direct Deal
32 Burlington Research Center - Building 2	Boston	274,110	2nd	Green Mountain Coffee Roasters, Inc.	Cushman & Wakefield, Inc.	Richards Barry Joyce & Partners
33 The National Tower Bldg*	New York City	264,692	2nd	Ross Dress For Less	Studley	Direct Deal
34 200 Hudson St	New York City	257,580	2nd	Havas	Newmark Knight Frank	Cushman & Wakefield, Inc.
35 400 S Jefferson St	Chicago	233,000	2nd	The Hillshire Brands Company	N/A	CBRE
36 One MacArthur Ridge	Dallas/Ft Worth	227,075	1st	Christus Health	CBRE	CBRE
37 2 Penn Plz*	New York City	225,045	1st	Information Builders, Inc.	SL Green Realty Corp.	Vornado Office Management Inc.
38 3438 Peachtree Rd NE	Atlanta	222,730	4th	The William Carter Company	Cushman & Wakefield of Georgia, Inc	Crescent Resources, LLC
39 250 West 55th Street	New York City	217,028	4th	Kaye Scholer, LLP	CBRE	CBRE
40 Pinnacle Westchase	Houston	209,482	1st	Phillips 66	N/A	Stream Realty Partners, L.P.

Source: CoStar Property®

* Renewal

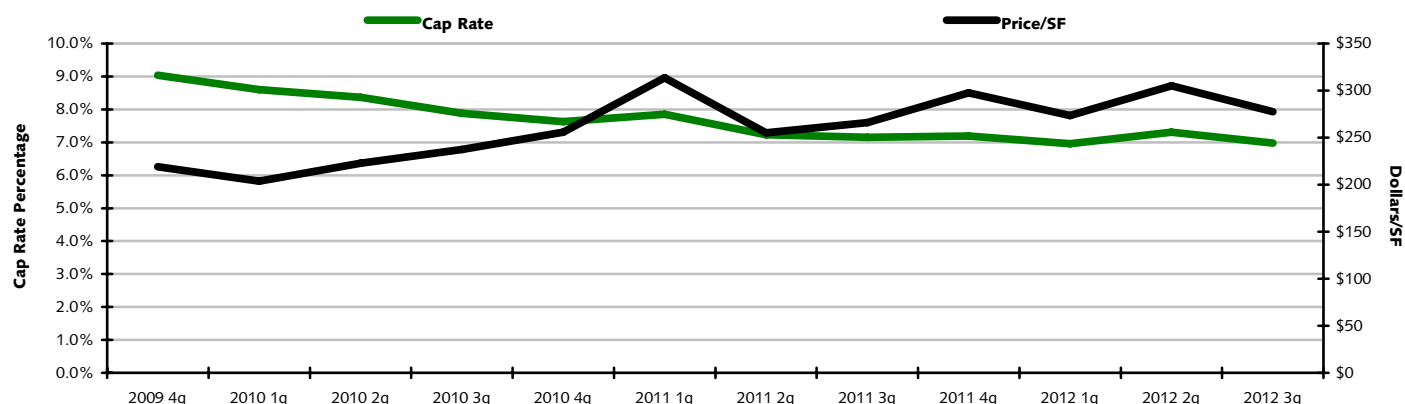
NATIONAL OFFICE MARKET



SALES ACTIVITY

THE OPTIMIST SALES INDEX

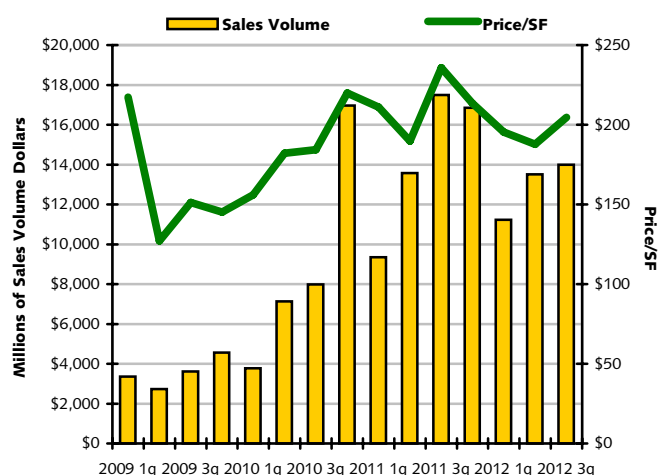
Average of Two Highest Price/SF's and Two Lowest Cap Rates From Each Region



Source: CoStar COMPS®

SALES VOLUME & PRICE

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

SALES ANALYSIS BY BUILDING SIZE

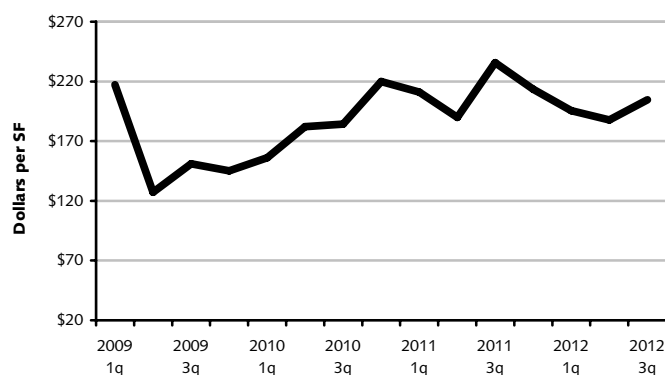
Based on Office Building Sales From Oct. 2011 - Sept. 2012

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 50,000 SF	4,844	56,607,156	\$ 8,522,350,805	\$ 150.55	8.35%
50K-249K SF	888	98,476,493	\$ 17,310,136,581	\$ 175.78	7.96%
250K-499K SF	171	58,216,104	\$ 12,838,419,458	\$ 220.53	7.20%
>500K SF	99	85,526,871	\$ 20,817,944,306	\$ 243.41	6.52%

Source: CoStar COMPS®

HISTORICAL PRICE/SF AVERAGE

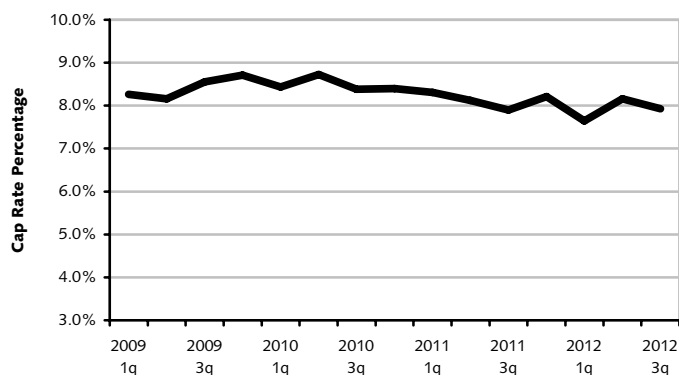
Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

HISTORICAL CAP RATE AVERAGE

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

SELECT TOP SALES

Based on Sales from October 2011 Through December 2012

1. 450 Lexington Ave



New York City

Price: \$720,000,000
 Price/SF: \$757.86
 Cap Rate: 5.67%
 RBA: 950,048
 Date: 9/11/2012
 Year Built: 1992
 Buyer: RXR Realty
 Seller: Dubai World

2. Shell Plaza



Houston

Price: \$550,000,000
 Price/SF: \$306.26
 Cap Rate: 6.5%
 RBA: 1,795,883
 Date: 8/10/2012
 Year Built: 1970
 Buyer: Enterprise Products Partners L.P.
 Seller: Hines

3. 1201 Third Avenue Building



Seattle/Puget Sound

Price: \$548,784,720
 Price/SF: \$461.16
 Cap Rate: 4.25%
 RBA: 1,190,000
 Date: 10/25/2012
 Year Built: 1988
 Buyer: MetLife Real Estate Investments
 Seller: Beacon Capital Partners

4. 1 Court Sq



Long Island (New York)

Price: \$481,000,000
 Price/SF: \$323.91
 Cap Rate: 7.25%
 RBA: 1,485,000
 Date: 7/18/2012
 Year Built: 1985
 Buyer: David Werner Real Estate
 Seller: JPMorgan Chase & Co

5. 555 Mission St



San Francisco

Price: \$446,500,000
 Price/SF: \$801.59
 Cap Rate: 4.3%
 RBA: 557,015
 Date: 6/7/2012
 Year Built: 2008
 Buyer: The Union Investment Group
 Seller: Tishman Speyer

6. 575 Lexington Ave



New York City

Price: \$360,000,000
 Price/SF: \$484.52
 Cap Rate: 4%
 RBA: 743,000
 Date: 10/19/2012
 Year Built: 1958
 Buyer: New York Life Insurance Company
 Seller: Silverstein Properties, Inc.

7. The Michelson



Orange County (California)

Price: \$277,000,000
 Price/SF: \$516.50
 Cap Rate: 5.5%
 RBA: 536,307
 Date: 8/30/2012
 Year Built: 2007
 Buyer: Manulife Financial
 Seller: Emmes Group of Companies

8. One South Wacker



Chicago

Price: \$221,000,000
 Price/SF: \$184.91
 Cap Rate: 6.7%
 RBA: 1,195,170
 Date: 12/6/2012
 Year Built: 1982
 Buyer: Harbor Group International, LLC
 Seller: TIAA-CREF

9. Hamilton Square



Washington

Price: \$198,000,000
 Price/SF: \$796.80
 Cap Rate: 4.9%
 RBA: 248,495
 Date: 6/1/2012
 Year Built: 1929
 Buyer: Commonwealth Partners
 Seller: Shorestein Properties, LLC