



LEE & ASSOCIATES

COMMERCIAL REAL ESTATE SERVICES



FEATURED MARKET REPORTS

THE LEE ADVANTAGE

Every Lee & Associates office delivers world-class service to an array of regional, national, and international clients - from small businesses and local investors to major corporate users and institutional investors. Our professionals combine the latest technology, resources, and market intelligence with their experience, expertise, and commitment to superior service to optimize client results.

WHAT SETS US APART?

Since 1979, Lee & Associates has reimagined the way that commercial real estate companies should be structured. Each Lee & Associates office is owned and operated by its professionals. As shareholders of the company, this separates us from our competition and creates one common goal; to provide seamless, consistent execution and value-driven market-to-market services to our clients.

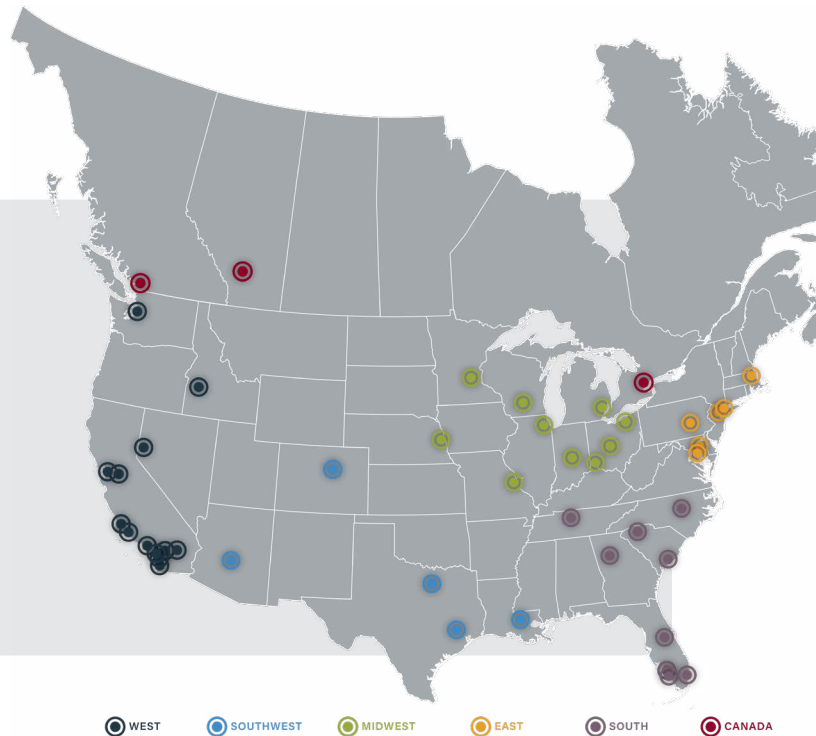
SERVICES TO MEET THE NEEDS OF OUR CLIENTS

Lee & Associates' offices offer a broad array of real estate services tailored to meet the needs of the company's clients in each of the markets it operates, including commercial real estate brokerage, integrated services, and construction services.

With specialty practice groups in each of these disciplines, our professionals regularly collaborate to make sure they are providing their clients with the most advanced, up-to-date market technology and information.

LOCAL EXPERTISE INTERNATIONAL REACH

With offices in 70+ markets across North America and a strategic international alliance with Gerald Eve, Lee & Associates has the ability to deliver first-class services to our clients both locally and internationally.



INDUSTRIAL OVERVIEW: RECORD RENT GROWTH, LOW SUPPLY

Relentless demand continued for warehouse-and-distribution space across North America in 2022. The year ended with a surge in fourth-quarter absorption along with more double-digit annual rent growth. While growth has slowed from the fever pitch of 2021, there have been no signs of significant deterioration in the fundamentals driving demand for industrial space. Inflation-adjusted retail goods sales and truck tonnage are at high levels, and containerized imports at U.S. seaports are posting seasonally adjusted all-time highs. At 10.6%, rent growth in the United States remains near the record highs hit in 2021 as the pace of recent quarterly gains has been moderating. In Canada, strong demand and low vacancy produced 2022 average rent growth of nearly 17% nationwide with increases of 20% in Montreal and 15% in greater Toronto.

In the U.S., there was a surge in tenant growth in the fourth quarter, whose 116.5 million SF of net absorption brought the total for 2022 to 402.6 million SF. In an average year prior to the pandemic, such a total would be record setting. For example, it's 136% more than the 170.5-million SF of growth in 2019. Instead, it represents a 22% year-over-year decline from the 516.6 million SF of Covid-driven record expansion in 2021.

In Canada, a similarly strong fourth quarter with 12.4 million SF of tenant growth pushed net absorption to 25.1 million SF for the year, down 40% from record-setting 2021. The average vacancy rate across its six largest markets was 1.9% in 2022. Owing to geographical limitations and land-use policy constraints the shortage of available land has become a major concern, particularly in the key Canadian markets of Vancouver and Greater Toronto.

In the U.S., the supply of buildings is set to grow by 4% in 2023, marking the fastest pace of supply growth in more than three decades. But given the likelihood of continued healthy demand and low supply of logistics space, there is little risk the new product will shift the market dramatically in the tenants' favor. Across the 391 largest U.S. metros there is approximately 1.2 billion SF of industrial space listed as available. In this same set of metros, there is about 640 billion SF of unleased space underway. Nevertheless, the enlarged pipeline of projects will fail significantly to ease the strained supply of available space, particularly in major coastal markets. The port cities of Savannah, Charleston, Houston and Miami dominate the top 20 U.S. markets for leasing as a percentage of inventory over the last two quarters as larger ships laden with Asian goods bypass West Coast ports and access East Coast markets through the widened Panama Canal. Leasing activity also is heightened along the Eastern Pennsylvania's I-81 corridor, including in the Lehigh Valley, which is benefitting from increased container traffic at the Port of Newark. Even with commercial mortgage rates virtually doubling over the course of a year, industrial sales and cap rates held up remarkably well in 2022. But transaction volume has been on the wane as the gap between buyer and sellers on property value has been widening, a trend that is expected to continue in 2023.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / SF ANNUAL		HIGHEST MARKET SALE PRICE / SF	
ON, Toronto	1.0%	CA, San Francisco	\$26.76	CA, San Francisco	\$507
BC, Vancouver	1.2%	CA, San Diego	\$21.24	CA, Orange County	\$363
FL, Fort Myers	1.5%	FL, Miami	\$18.48	CA, Los Angeles	\$344
CA, Orange County	1.8%	CA, Los Angeles	\$18.48	CA, San Diego	\$343
FL, Miami	2.0%	CA, Orange County	\$18.36	BC, Vancouver	\$329
U.S. Index	4.1%	U.S. Index	\$11.04	U.S. Index	\$157
Canada Index	1.5%	Canada Index	\$11.16 CAD	Canada Index	\$207 CAD

MOST SF UNDER CONSTRUCTION SF		LARGEST INVENTORY BY SF		LOWEST MARKET CAP RATE	
TX, Dallas-Fort Worth	84,928,032	IL, Chicago	1,357,399,023	CA, Inland Empire	3.8%
AZ, Phoenix	45,362,980	TX, Dallas-Fort Worth	1,073,902,583	BC, Vancouver	3.9%
CA, Inland Empire	40,892,679	CA, Los Angeles	947,577,893	CA, Los Angeles	4.1%
IL, Chicago	37,413,870	ON, Toronto	863,693,166	ON, Toronto	4.1%
GA, Atlanta	36,430,504	NY, New York*	850,596,910	CA, Orange County	4.2%
U.S. Index	671,831,444	U.S. Index	18,086,167,991	U.S. Index	6.0%
Canada Index	58,806,646	Canada Index	1,812,625,996	Canada Index	4.9%

* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
AB, Calgary **	2.6%	\$0.66**	\$120**	7,732,733	176,359,789	6.4%
AZ, Phoenix	4.9%	\$0.94	\$170	55,616,042	405,580,104	5.5%
BC, Vancouver **	1.2%	\$1.10**	\$313**	10,864,963	265,138,029	3.8%
CA, East Bay	4.4%	\$1.36	\$297	5,896,351	270,964,030	4.5%
CA, Inland Empire	2.2%	\$1.09	\$264	41,140,844	715,196,379	3.8%
CA, Los Angeles	2.7%	\$1.49	\$333	4,471,454	945,452,527	4.1%
CA, Orange County	1.8%	\$1.49	\$350	3,118,251	300,421,741	4.3%
CA, San Diego	3.3%	\$1.73	\$335	3,257,318	204,167,035	4.9%
CA, San Francisco	6.5%	\$2.21	\$490	5,759,124	95,901,018	4.5%
CA, San Luis Obispo	2.6%	\$1.30	\$212	10,366	9,154,109	5.2%
CA, Santa Barbara	3.3%	\$1.46	\$245	15,052	17,905,822	5.4%
CA, Stockton	6.3%	\$0.73	\$127	7,826,459	140,815,305	5.2%
CA, Ventura	2.7%	\$1.14	\$208	562,967	73,801,154	5.1%
CO, Denver	6.0%	\$0.95	\$187	8,654,557	270,183,681	5.9%
DC, Washington	4.1%	\$1.23	\$212	8,216,181	292,689,007	6.0%
FL, Fort Myers	1.5%	\$0.90	\$120	3,041,604	36,838,206	7.2%
FL, Miami	2.0%	\$1.47	\$242	8,718,684	259,690,441	5.0%
FL, Naples	1.3%	\$1.19	\$166	944,800	13,528,072	6.5%
FL, Orlando	3.1%	\$0.93	\$137	10,625,702	188,938,223	5.8%
GA, Atlanta	3.8%	\$0.68	\$103	39,522,936	790,239,886	5.8%
GA, Savannah	2.3%	\$0.61	\$114	32,009,273	98,971,621	5.9%
ID, Boise	3.1%	\$0.80	\$133	6,430,409	52,253,923	6.1%
IL, Chicago	4.0%	\$0.71	\$92	37,776,422	1,350,919,402	6.7%
IN, Indianapolis	4.6%	\$0.58	\$71	33,041,274	376,597,931	7.0%
MA, Boston	4.4%	\$1.19	\$183	7,540,749	358,110,784	5.9%
MD, Baltimore	5.4%	\$0.82	\$130	6,116,160	256,452,569	6.4%
MI, Detroit	3.9%	\$0.67	\$73	11,660,789	617,016,505	8.5%
MN, Minneapolis	3.0%	\$0.63	\$88	9,566,680	405,628,976	7.5%
MO, Saint Louis	4.1%	\$0.55	\$70	6,488,358	326,319,604	6.8%
NC, Durham	4.4%	\$0.85	\$135	2,322,627	47,491,505	6.1%
NC, Raleigh	3.4%	\$0.87	\$128	4,465,802	96,861,360	6.3%
United States Index	4.1%	\$0.92	\$157	671,831,444	18,086,167,991	6.0%
Canada Index	1.5%	\$0.93 CAD	\$207 CAD	58,806,646	1,812,625,996	4.9%

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
NE, Omaha	2.0%	\$0.61	\$82	2,333,542	103,217,850	7.3%
NJ, Atlantic City	3.5%	\$0.80	\$87	0	9,415,620	6.9%
NJ, Northern New Jersey *	2.6%	\$1.18	\$197	3,936,421	248,331,983	5.5%
NJ, Trenton	5.3%	\$0.77	\$167	1,258,120	42,974,678	5.6%
NJ, Vineland	4.3%	\$0.56	\$67	25,000	18,041,109	6.5%
NV, Reno	2.8%	\$0.73	\$129	6,367,517	109,297,561	5.2%
NY, Long Island	4.1%	\$1.43	\$204	1,515,607	182,482,147	6.8%
NY, New York *	4.0%	\$1.51	\$279	21,940,673	850,596,910	5.0%
OH, Cincinnati	2.9%	\$0.55	\$68	11,672,715	339,458,072	7.3%
OH, Cleveland	4.1%	\$0.50	\$51	7,149,403	354,123,530	8.6%
OH, Columbus	3.9%	\$0.61	\$82	22,144,369	341,582,262	6.2%
ON, Toronto **	1.0%	\$1.03**	\$237**	27,349,231	863,693,166	4.1%
PA, Harrisburg	2.7%	\$0.61	\$94	3,194,285	109,248,428	6.0%
PA, Lehigh Valley *	4.1%	\$0.66	\$120	5,016,092	160,483,978	5.7%
PA, Philadelphia *	4.7%	\$0.82	\$117	25,771,435	592,946,672	6.2%
SC, Charleston	2.4%	\$0.77	\$99	11,799,732	97,986,071	6.6%
SC, Greenville	3.5%	\$0.51	\$63	7,233,233	137,214,564	7.5%
SC, Spartanburg	3.9%	\$0.48	\$66	15,467,977	104,386,577	7.3%
TN, Nashville	2.9%	\$0.84	\$109	12,166,979	262,532,582	5.7%
TX, Dallas-Fort Worth	5.3%	\$0.73	\$116	84,928,032	1,073,902,583	5.5%
TX, Houston	5.4%	\$0.70	\$103	34,095,117	763,782,136	6.4%
WA, Seattle	4.2%	\$1.12	\$249	13,121,875	346,143,242	4.7%
WI, Madison	2.8%	\$0.59	\$76	469,723	73,526,115	7.2%
United States Index	4.1%	\$0.92	\$157	671,831,444	18,086,167,991	6.0%
Canada Index	1.5%	\$0.93 CAD	\$207 CAD	58,806,646	1,812,625,996	4.9%

* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

** Numbers shown are in Canadian dollars (CAD)



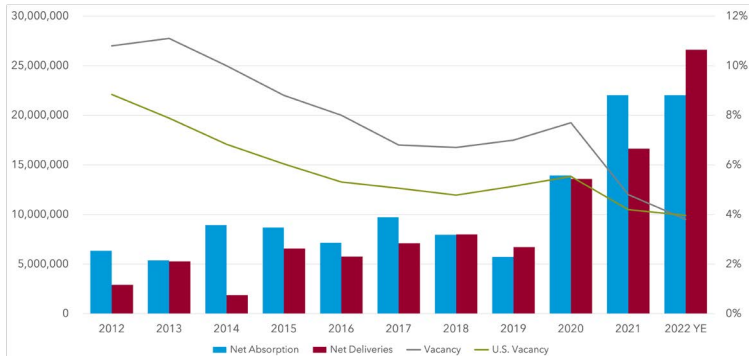
INDUSTRIAL MARKET OVERVIEW

CHRIS MCCHESENEY, *Director of Research*

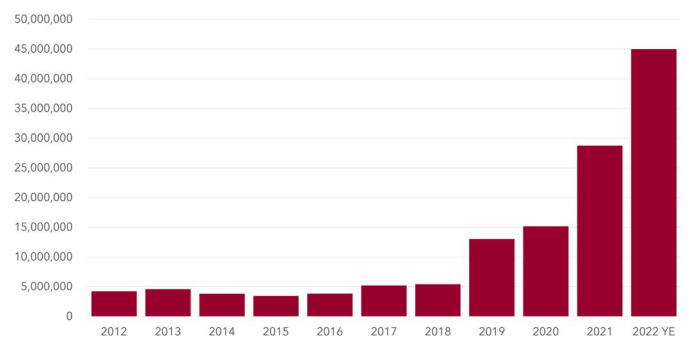
The Phoenix Industrial Market continues to fire on all cylinders as levels for net absorption, construction and rental rates ended the year at all-time highs. The Phoenix market absorbed 22 million square feet of space for the second year in a row, had 43 million feet under construction and the vacancy hovered around 4%. The strength of the Phoenix industrial market is expected to continue into 2023 even as some developers pause projects in the Valley due to rising inflation, increased interest rates and potential future economic obstacles.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ Monthly Net Absorption SF	4,525,312	3,525,026	6,705,477	7,051,589	5,863,242
◀▶ Vacancy Rate	3.90%	3.90%	4.0%	4.40%	4.80%
▲ Avg NNN Asking Rate PSF	\$10.56	\$10.08	\$9.48	\$9.12	\$8.64
▼ SF Under Construction	43,714,614	45,330,326	33,000,361	31,025,666	28,753,259
▲ Inventory SF	367,223,611	359,359,407	354,482,546	351,254,369	345,606,714

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
111 E. Broadway Road (4 Bldgs) Phoenix, AZ	407,408 SF	\$93,500,000 \$229.50 PSF	Westcore Properties ViaWest Group	Class B
7300 W. Detroit Street Chandler, AZ	196,791 SF	\$51,500,000 \$261.70 PSF	Marmon Properties Banner Health	Class A
5620 W. Lower Buckeye Road Phoenix, AZ	51,000 SF (on 42 Acres)	\$37,500,000 \$735.29 PSF	ArcBest Corporation FedEx Corporation	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Sarival & Bethany Home Road Litchfield Park, AZ	1,156,860 SF	WPT Capital Advisors	Logistics Plus, Inc.	3PL
SEC 99th Ave. & Buckeye Road Tolleson, AZ	763,410 SF	George Oliver Comp.	JA Solar	Solar
NEC Camelback Rd. & 152nd Ave. Glendale, AZ	599,486 SF	US Capital Development	Unical	3PL



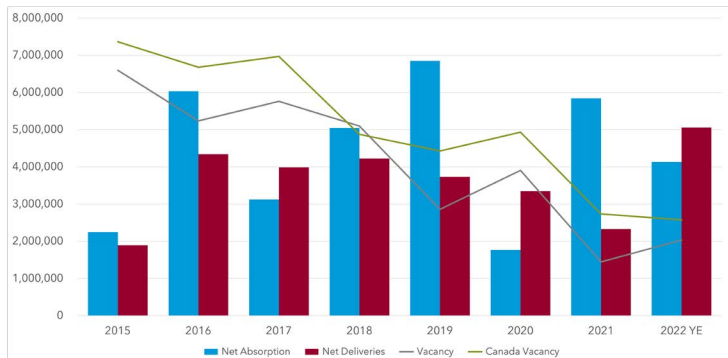
INDUSTRIAL MARKET OVERVIEW

NOLAN JACKSON, *Research Coordinator*

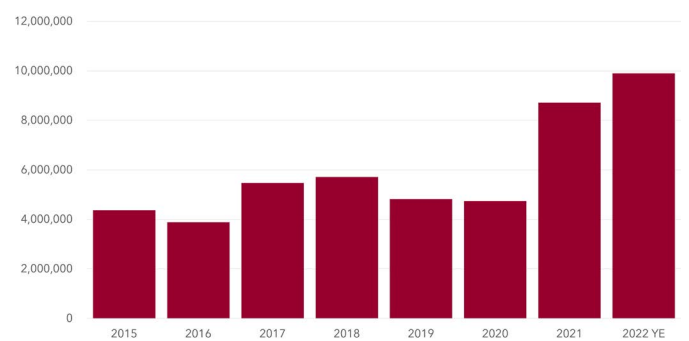
Vacancy rates remain near 1% and demand has yet to show signs of easing, positioning Vancouver among North America's tightest industrial real estate markets. The low vacancy rate and scarcity of developable land have continued to support lease activity and lease rate growth within the region. The Bank of Canada raised interest rates twice this quarter, increasing the overnight rate by 50bps on October 26th, and another 50bps on December 7th, resulting in a rate of 4.25%. Consequently, the cost to purchase has been climbing, shifting additional demand towards leasing. Activity within the lease market is expected to remain hot, while sales may pick up in 2023 as both inflation and interest rate hikes decrease.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	4,136,199	3,613,622	4,967,470	5,919,470	5,844,420
▲ Vacancy Rate	1.14%	1.06%	0.97%	0.75%	0.81%
▲ Avg NNN Asking Rate PSF	\$19.26	\$18.58	\$17.96	\$17.21	\$16.49
▼ SF Under Construction	9,902,341	11,035,141	10,357,375	9,262,468	8,717,384
▲ Inventory SF	266,809,421	265,098,422	264,217,476	262,957,542	261,750,503

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3333 Bridgeway Street Vancouver, BC	112,629 SF	\$38,250,000* \$340.00 PSF	Access Self Storage Inc. 0876242 B.C. Ltd	Class A
7950 Enterprise Street Burnaby, BC	49,447 SF	\$21,100,000* \$427.00 PSF	7950 Enterprise Street Holdings Ltd. Norco Management Inc.	Class C
851 & 855 Terminal Avenue Vancouver, BC	15,120 SF	\$14,800,000* \$979.00 PSF	FA (Terminal) Limited Partnership Sunshine Coast Education Grp Ltd	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
20580 & 20600 Maple Crescent Maple Ridge, BC	260,342 SF	Undisclosed	Trans Mountain Pipeline L.P.	Oil & Gas
19550 36 Avenue Surrey, BC	212,351 SF	Undisclosed	Mountain Equipment Company Ltd.	Retail
18750 28 Avenue Surrey, BC	193,000 SF	Undisclosed	IEM Industrial Electric MFG. (Canada) Inc.	Electrical Equipment Manufacturer

*All numbers shown are in Canadian dollars (CAD)



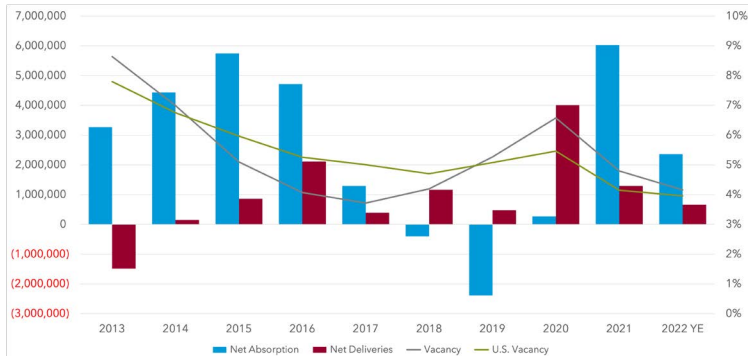
INDUSTRIAL MARKET OVERVIEW

CHRIS SCHOFIELD, SIOR, *Principal*

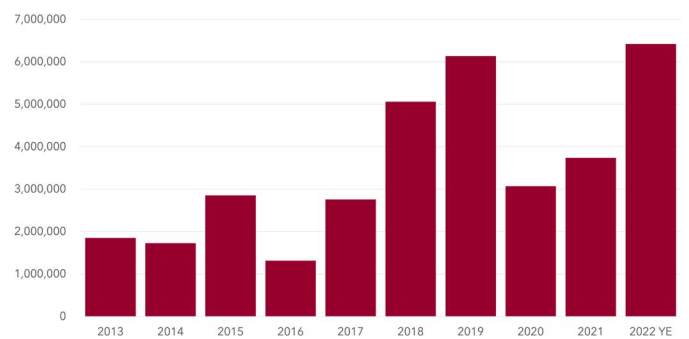
The overall industrial vacancy rate in the East Bay Area held steady at 4.2% in the fourth quarter of 2022. The combined average asking rental rates for industrial properties increased slightly to \$1.41 per square foot per month (NNN). Leasing velocity has started to slow as the 12 month net absorption for Q4 was just under 2.4 million square feet, down from 5.2 million square feet at the end of Q3. On the sale side, there is still very limited product for sale and the increase in interest rates have impacted valuations.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	2,361,899	5,199,217	6,399,152	5,658,925	6,023,076
◀▶ Vacancy Rate	4.2%	4.2%	4.5%	4.8%	4.8%
▲ Avg NNN Asking Rate PSF	\$16.92	\$16.68	\$16.32	\$15.96	\$15.60
▼ SF Under Construction	6,420,590	6,776,692	6,359,409	4,748,188	3,738,280
▲ Inventory SF	271,396,170	271,034,285	271,049,041	271,067,159	270,735,327

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1300 7th Street/1333 8th Street Oakland, CA	29,040 SF	\$7,300,000 \$251.38 PSF	SHVF 1300 7th St LLC Kumiva Group LLC	Class B
953-957 63rd Street Oakland, CA	28,908 SF	\$5,900,000 \$204.10 PSF	Edward Hemmat Lowell Street Properties	Class B
591 Montague Street San Leandro, CA	13,353 SF	\$4,300,000 \$322.03 PSF	JJPropco LLC ZA Investments LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6753 Mowry Avenue Newark, CA	268,538 SF	Link Logistics	RK Logistics	3PL
2701 W. Winton Avenue Hayward, CA	237,400 SF	Amazon (sublease)	RK Logistics	3PL
8350 Pardee Drive Oakland, CA	232,881 SF	Goodman	RTS Holdings, LLC	3PL



The Tri-Valley area includes the cities of Livermore, Dublin, and Pleasanton

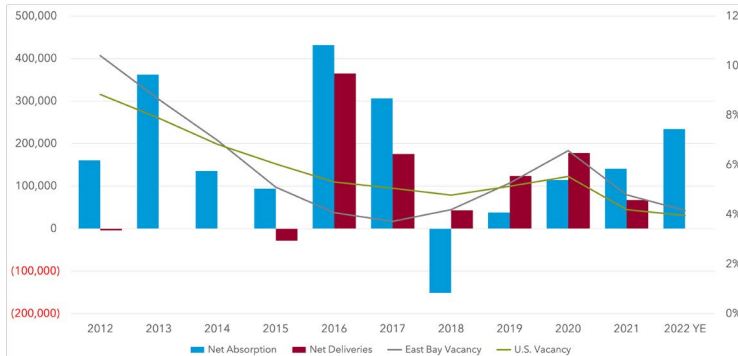
INDUSTRIAL MARKET OVERVIEW

SEAN OFFERS, SIOR, *Principal*

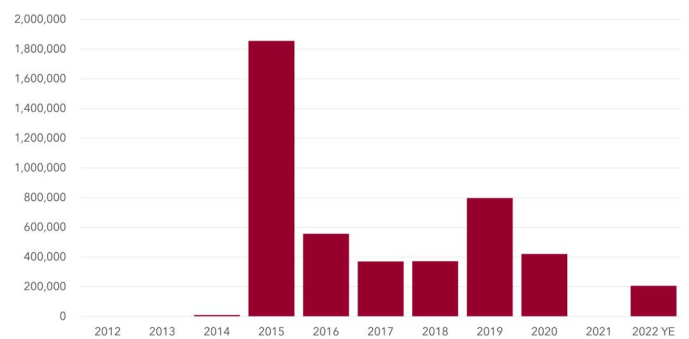
With approximately ±30 million square feet of Industrial space the Tri-Valley market continues to remain strong. A rise in interest rates combined with cautious investor and tenant demand lead to a slower pace, but the end of Q4 was business as usual. It remains a Landlord market with limited tenant options for functional space and rents at all-time highs. There has been a slight shift in landlord sentiment, and many landlords are more open to concessions such as tenant Improvement dollars and/or free rent. We believe these current conditions will continue through 2023 due in part to a lack of supply and continued strong demand.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	234,128	201,023	232,853	297,541	141,184
▼ Vacancy Rate	3.3%	3.6%	5.4%	5.2%	5.8%
▲ Avg NNN Asking Rate PSF	\$22.39	\$22.07	\$21.60	\$21.15	\$20.66
▲ SF Under Construction	206,900	195,500	185,500	163,500	-
◀▶ Inventory SF	28,133,848	28,133,848	28,133,848	28,133,848	28,133,848

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
355 South Vasco Road (Land) Livermore, CA	10 Acres	\$18,280,000 \$42.00 Per Acre	Three Pillar Communities Rosindo and Cora Salinas	Land

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7501-7587 Las Positas Road Livermore, CA	266,825 SF	Prologis	Performance Food Group	Restaurant Services
6150 Las Positas Road Livermore, CA	148,440 SF	Prologis	The Cary Company	Packaging and Containers
6013 Las Positas Road Livermore, CA	55,586 SF	Scannell Properties	Units Moving and Portable Storage	Portable Storage Containers



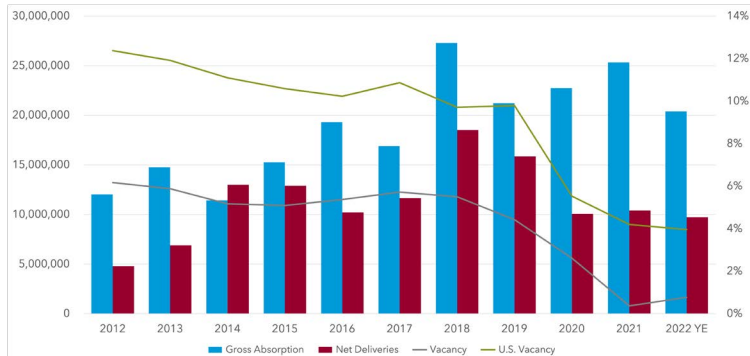
INDUSTRIAL MARKET OVERVIEW

CAROLINE PAYAN, *Director of Marketing & Research*

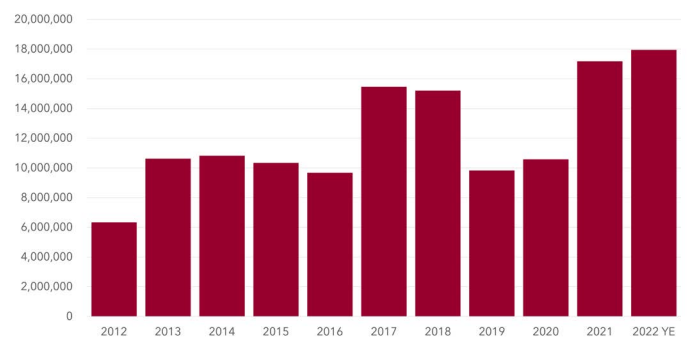
Just ended 2022 was one of the most prolific years in history with record prices, lease rates and deal flow. With many varying-size developments being delivered in the 4th quarter, vacancy rates seemed to have leveled off but are still below average and functional industrial product is hard to acquire. There is some evidence of a gradual slowdown as deals dipped slightly in Q4. Industrial demand remains strong, and investors are putting their money where their mouth is by moving forward with numerous industrial developments all over the East Valley. Many feel the industrial sector will pick up where it left off in the second half of 2023 as inflation and interest rates stabilize.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Gross Absorption SF	3,459,099	8,194,939	3,975,366	4,765,076	7,704,277
▼ Vacancy Rate	0.77%	0.79%	0.41%	0.56%	0.37%
▲ Avg GRS Asking Rate PSF	\$15.66	\$15.44	\$15.05	\$14.47	\$11.87
▼ SF Under Construction	17,944,921	19,712,800	22,365,124	17,179,286	17,182,301
▲ Inventory SF	277,669,509	275,895,042	275,150,149	269,073,857	266,855,100

GROSS ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
251 E. Rider Street Perris, CA	354,810 SF	\$90,000,000 \$253.66 PSF	GLP Capital Partners Blackstone	Class A
100 Walnut Avenue Perris, CA	205,589 SF	\$59,275,000 \$288.32 PSF	Ares Management 2253 Apparel, Inc.	Class A
3080 12th Street Riverside, CA	165,000 SF	\$26,000,000 \$157.58 PSF	3080 12th St, LLC SMX Property, LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3700 Indian Avenue Perris, CA	1,309,710 SF	Blackstone/Link	Hanes Brands, Inc. (Renewal)	Apparel
2510-2580 Walnut Avenue Rialto, CA	1,196,733 SF	Prologis	Under Armour, Inc. (Renewal)	Apparel
2600 E. John Street Banning, CA	1,000,000 SF	Banning Industrial, LP	Skechers USA, Inc.	Apparel



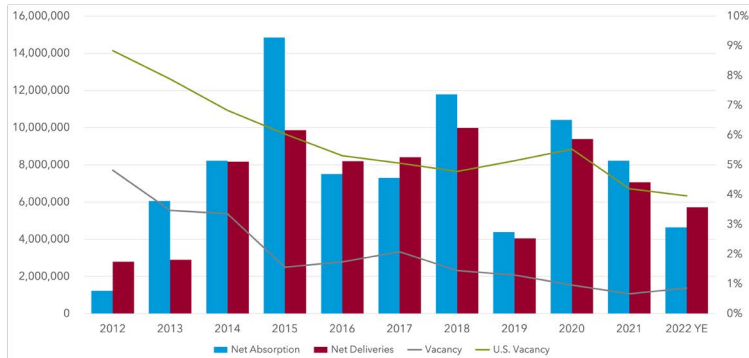
INDUSTRIAL MARKET OVERVIEW

KARLY KAZANJIAN, *Director of Marketing & Research*

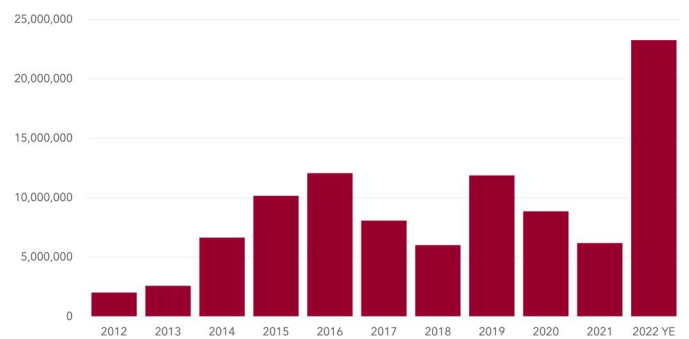
While minor fundamental adjustments have occurred, the industrial sector stays resilient despite economic concerns, and the Inland Empire West industrial market is no exception. Big box activity remains robust as the 3PL market continues to grow as companies find security in outsourcing distribution. Activity in the West has relaxed, however, the vacancy rate maintains record lows (under 1.0%) and lease rates continues to rise, with the Inland Empire leading the nation in rent growth. The sheer lack of available space to absorb in conjunction with less projects being delivered this quarter contributed to a negative net absorption. 73 buildings are currently under construction totaling over 23 million square feet.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(781,096)	1,319,814	1,367,935	2,738,816	877,446
▲ Vacancy Rate	0.86%	0.48%	0.33%	0.25%	0.59%
▲ Avg NNN Asking Rate PSF	\$20.77	\$20.28	\$15.66	\$14.28	\$14.98
▲ SF Under Construction	23,259,548	20,254,257	18,663,661	12,490,629	6,174,633
▲ Inventory SF	356,133,149	352,235,614	350,261,015	342,836,362	336,768,473

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3100 Milliken Avenue Eastvale, CA	760,829 SF	\$220,000,000 \$289.16 PSF	NFI Sares Regis Group	Class B
601 S. Rockefeller Avenue Ontario, CA	252,800 SF	\$74,888,000 \$296.23 PSF	Bridge Investment Group Truist Securities, Inc.	Class C
1925 S. Grove Avenue Ontario, CA	120,651 SF	\$55,000,000 \$455.86 PSF	EverWest Real Estate Investors EBS Realty Partners/Penwood REIM	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3450 Dulles Drive Jurupa Valley, CA	814,186 SF	BentallGreenOak	Nestle	Food & Beverage
11905 Landon Drive Jurupa Valley, CA	645,311 SF	AMB	Performance Team Freight Systems, Inc.	Logistics
15835 San Antonio Street Chino, CA	534,404 SF	John Hancock Life Insurance Company	Motivational Fulfillment & Logistics	Logistics



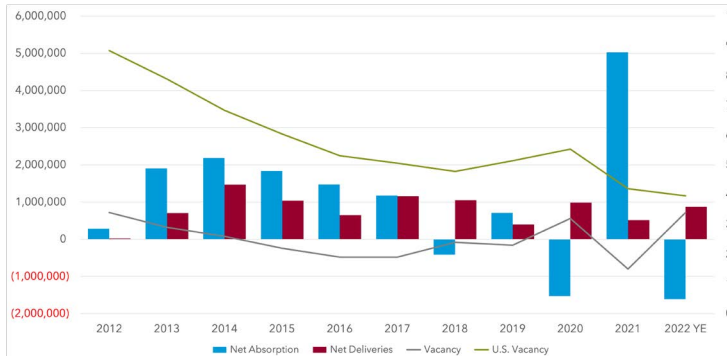
INDUSTRIAL MARKET OVERVIEW

LEJO MAMMEN, *Director of Technology & Market Research*

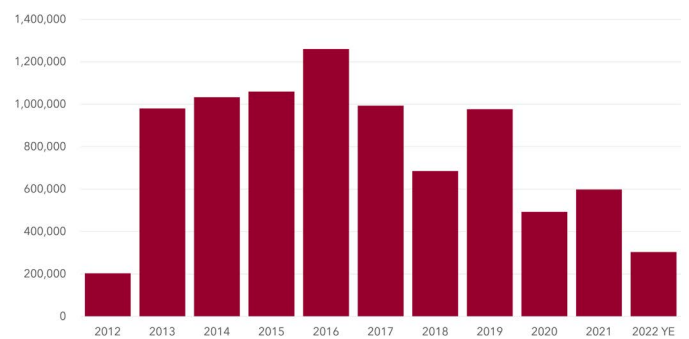
The Los Angeles Central Market ended the 4th quarter with a vacancy rate of 3.2%, which is up 80 basis points from the previous quarter. Approximately 304,000 square feet of industrial space is under construction, with over 800,000 square feet being planned. The average asking rate moved up slightly to \$20.16 NNN on an annual basis compared to the previous quarter. Rents for direct leases over 50,000 square feet in warehouses with clearances of 30 feet or more are leasing at \$21.48/SF annually, up 35% from a year ago. Industrial demand is heavily concentrated in the Vernon and Commerce micro markets, where food production and apparel manufacturing are the top industries.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(1,608,436)	(1,232,124)	1,356,741	179,372	1,012,750
▲ Vacancy Rate	3.2%	2.4%	1.8%	1.5%	1.9%
▲ Avg NNN Asking Rate PSF	\$20.16	\$19.20	\$17.52	\$17.52	\$16.92
▼ SF Under Construction	303,284	460,770	630,782	482,999	311,758
▲ Inventory SF	246,578,831	246,230,679	245,917,123	245,100,509	245,081,009

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8570-8600 Mercury Lane Pico Rivera, CA	244,780 SF	\$92,232,593 \$376.80 PSF	Bentall Green Oak MetLife	Class B
3700 E Olympic Boulevard Los Angeles, CA	218,000 SF	\$51,300,000 \$235.32 PSF	New Mountain Cap Venator	Class C
7125-7185 Rosemead Boulevard Pico Rivera, CA	111,639 SF	\$42,767,407 \$383.09 PSF	Bentall Green Oak MetLife	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7255 Rosemead Boulevard Pico Rivera, CA	202,629 SF	Cohen Asset Management, Inc	Pacific Logistics, LLC	Transportation and Warehousing
6108-6154 Peachtree Street Commerce, CA	162,294 SF	6118 Peachtree, LLC	Justman Packaging & Display	Manufacturing
8905 Rex Road Pico Rivera, CA	101,292 SF	Prologis	Vesta	Professional, Scientific, and Technical Services



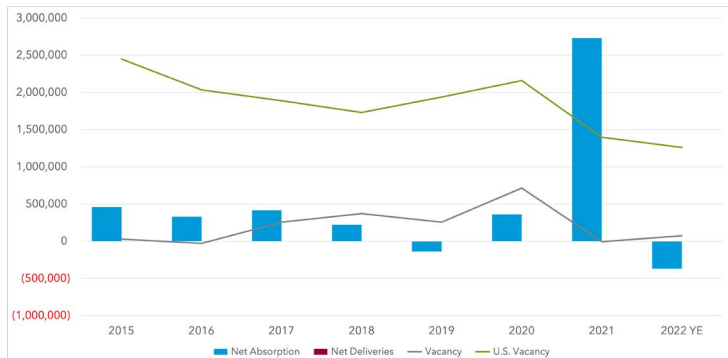
INDUSTRIAL MARKET OVERVIEW

MIKE TINGUS, *President*

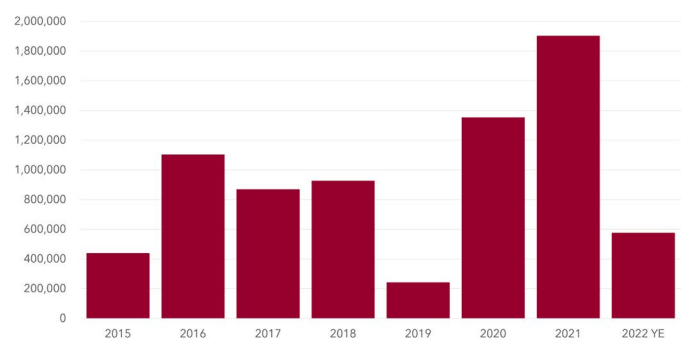
Lease rates, which have grown with momentum since the start of 2021, slowed a bit in Q4, gaining \$.03 per square foot after jumping \$0.13 per square foot in Q3 setting a new all-time high of \$1.60. As the market continues its pandemic-driven boom, industrial rents have now doubled in just six years. The vacancy rate, however, remained stable throughout 2022. As demand continues to outpace supply, leasing activity fell to 656,337 square feet, the slowest pace since the beginning of 2009. However, high demand boosted absorption after two quarters of negative net absorption. The market reached 210,204 square feet of net absorption in Q4 and 328,562 square feet for the year. Q4 ended with a record-shattering median price of \$322 per square foot.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(369,633)	(321,696)	(147,874)	3,407,062	3,092,291
▲ Vacancy Rate	1.88%	1.62%	1.65%	1.83%	1.84%
▼ Avg NNN Asking Rate PSF	\$20.04	\$20.76	\$19.44	\$18.60	\$17.76
▼ SF Under Construction	576,875	626,924	703,699	713,699	964,813
▲ Inventory SF	165,924,843	165,850,407	165,786,670	164,869,706	165,222,507

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
415 S Flower Street Burbank, CA	3,750 SF	\$2,150,000 \$573.33 PSF	Burbank Propety Investments LLC Kytash Enterprises LLC	Class C
18137 Parthenia Street Northridge, CA	3,750 SF	\$1,898,000 \$547.45 PSF	Chee Hian Tan Julian Georgescu	Class C
617 Jessie Street San Fernando, CA	2,863 SF	\$1,050,000 \$366.75 PSF	AAG Property Investments, LLC Jessie St, LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9350 Eton Avenue Chatsworth, CA	21,825 SF	Northwest Industrial Center, LLC	Film Illusions, Inc	Designers Costumes, Animatronics, etc
9667 Owensmouth Avenue, Ste B Chatsworth, CA	15,300 SF	Exclusive Real Estate Holdings, LLC	Eileen Grays, LLC	Lighting Fixtures
1901 1st Street San Fernando, CA	14,800 SF	TAC 1901, LLC	Win Partners, LLC	Distributors



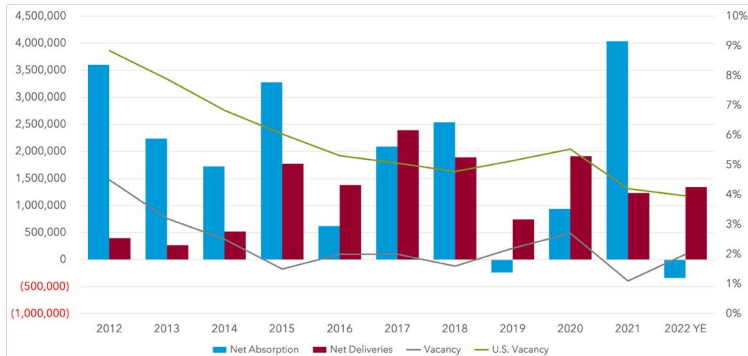
INDUSTRIAL MARKET OVERVIEW

LEJO MAMMEN, *Director of Technology & Market Research*

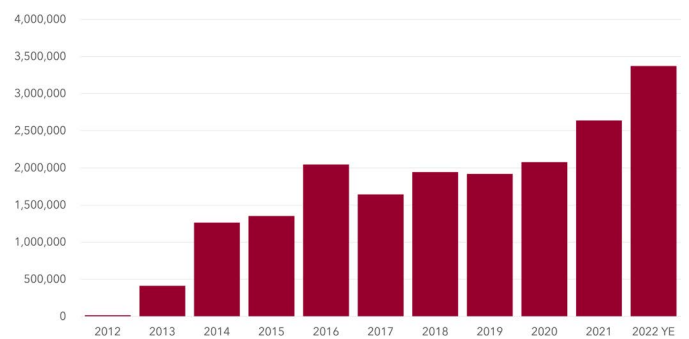
The San Gabriel Valley industrial market continues to be strong, with an overall vacancy rate of 1.9%. It is slightly higher than the previous quarter, up ten basis points. Average asking rents increased nearly 32% from a year ago, bringing the average to \$19.08 per square foot on an annualized rate. Construction activity remains strong, with 3.3 million square feet currently underway. The City of Industry represents about 72% of SVG's industrial base and is the micro-market of most of the new development of Class A warehouses and distribution space. All major occupiers fiercely compete for these spaces and these spaces command premium rates.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(1,114,741.00)	(476,921.00)	1,005,784.00	(356,032.00)	1,347,963.00
▲ Vacancy Rate	2.0%	1.9%	1.8%	0.9%	0.6%
▲ Avg NNN Asking Rate PSF	\$19.08	\$18.60	\$18.12	\$14.28	\$12.72
▲ SF Under Construction	3,376,415	1,277,735	2,232,494	2,207,003	2,516,343
▼ Inventory SF	172,274,051	172,382,129	171,204,928	170,988,970	170,679,630

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
13131 Los Angeles Street Irwindale, CA	529,866 SF	\$127,180,094 \$240.02 PSF	Prologis Duke Realty Corp	Class A
825 Ajax Avenue Industry, CA	430,078 SF	\$90,544,653 \$210.53 PSF	Prologis Duke Realty Corp	Class A
14724 Proctor Avenue Industry, CA	229,200 SF	\$48,253,653 \$210.53 PSF	Prologis Duke Realty Corp	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
21508-21622 Baker Pkwy Industry, CA	1,180,000 SF	Majestic Realty	Williams Somona	Retail
21921-21931 Industry Way Industry, CA	1,000,720 SF	Successor Agency to Industry	Ryder	Trucking
408 Brea Canyon Road Industry, CA	400,322 SF	Industry East Land, LLC	APL Logistics	Logistics



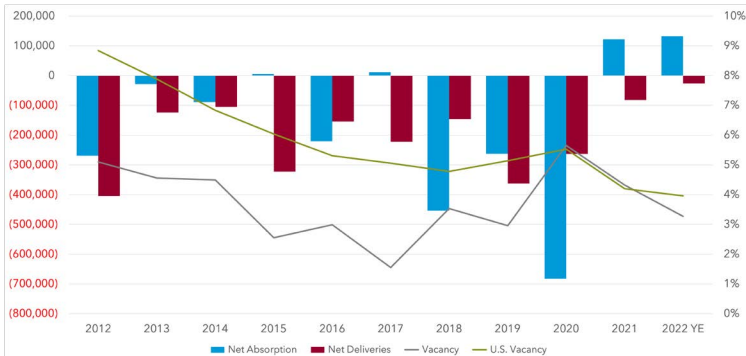
INDUSTRIAL MARKET OVERVIEW

DOUGLAS MARSHALL, SIOR, *Principal*

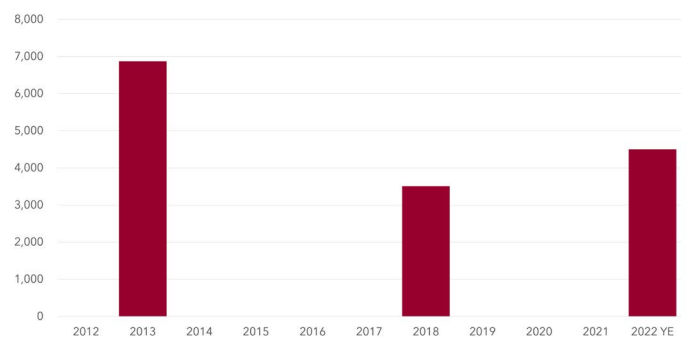
The industrial marketplace remains tight in the Westside of Los Angeles. Lease deals are taking longer and are harder to make. Tenants want short-term leases and lower rents. It is becoming a tenant's market as tenant demand, lease, and sale prices soften. In the past several decades, the industrial base has substantially decreased. Properties have been converted to creative space with industrial tenants migrating southward. Remaining buildings often have clear height, parking, or loading deficiencies. Demand comes from companies needing last-mile distribution space to serve nearby high-end residential customers. Gross asking rents range from about \$2.25 per SF to \$2.75 per SF for industrial space/flex space.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
◀ ▶ 12 Mo. Net Absorption SF	14,918,909	14,918,909	14,934,349	14,934,349	14,945,077
▲ Vacancy Rate	3.3%	3.0%	3.1%	3.4%	4.3%
▲ Avg NNN Asking Rate PSF	\$2.84	\$2.83	\$2.77	\$2.63	\$2.40
◀ ▶ SF Under Construction	4,500	4,500	4,500	4,500	4,500
◀ ▶ Inventory SF	14,918,909	14,918,909	14,934,349	14,934,349	14,945,077

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3740 Spencer Street Torrance, CA	6,625 SF	\$2,575,000 \$388.68 PSF	Sully Three LLC A&J Transmission & Auto Repair	Class C
632 Irving Avenue Glendale, CA	2,925 SF	\$2,200,000 \$752.14 PSF	Castex Rentals Dume Trust/Anthony M. Reed Trust	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
14710 Northam Street La Mirada, CA	45,000 SF	BPP Shiraz La Mirada LP	Crothall Laundry Services Inc.	Laundry
5731 Buckingham Parkway Culver City, CA	33,228 SF	Buckingham Heights Business Park, LP	Tieks	Footwear
535 W 130th Street Los Angeles, CA	12,772 SF	Brimel, LLC	Chameleon Chair, LLC	Furniture



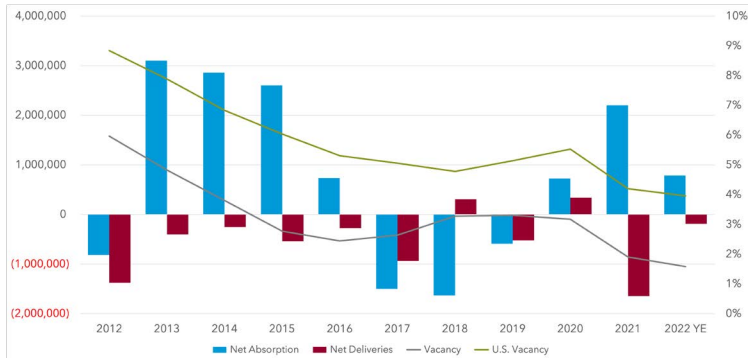
INDUSTRIAL MARKET OVERVIEW

JACK HALEY, *Principal*

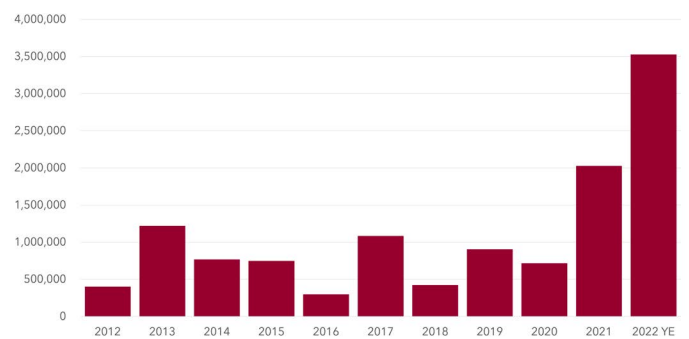
A fourth-quarter surge in demand for space drove the county's overall vacancy rate to a record low of 1.6% and lease rates continued their rise to unprecedented levels. Net absorption totaled 817,228 square feet in the fourth quarter and was 892,331 square feet for the year. After a stronger year of net growth in 2021, it was the second highest volume of annual growth since 2015. At the close of 2022, NNN asking rental rates averaged \$1.57 per square foot countywide, a record 18% year-over-year increase that follows a 13.7% jump in 2021 and 7.5% average annual rent growth the previous five years.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	746,723	264,314	(652,814)	429,807	357,193
▼ Vacancy Rate	1.6%	1.9%	1.9%	1.7%	1.9%
▲ Avg NNN Asking Rate PSF	\$18.96	\$18.48	\$17.64	\$16.56	\$15.96
▲ SF Under Construction	3,527,917	3,118,251	3,192,799	2,295,743	2,028,635
▼ Inventory SF	300,154,829	300,220,369	300,032,798	300,238,106	300,344,416

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10811 Bloomfield Los Alamitos, CA	229,644 SF	\$57,463,879 \$250.23 PSF	Prologis, LP Duke Realty Corporation	Class C
6280 Artesia Boulevard Buena Park, CA	218,640 SF	\$59,976,691 \$274.32 PSF	Prologis, LP Duke Realty Corporation	Class B
1050 S State College Boulevard Fullerton, CA	210,400 SF	\$52,564,000 \$249.83 PSF	1050 College Partners State College Buildings I, LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
601-605 W Dyer Road Santa Ana, CA	135,371 SF	Bloom Family Trust	Shinoda Design Center	Wholesaler
1225 W Imperial Highway Brea, CA	126,681 SF	Clarion Partners/ Pacific Industrial	Knight-Swift Warehousing & Fulfillment	3PL
19531 Pauling Foothill Ranch, CA	75,507 SF	Operon Group	3PL Fulfillment, Inc.	3PL



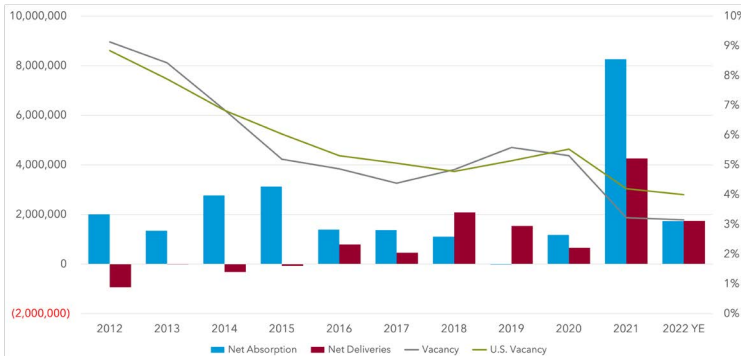
INDUSTRIAL MARKET OVERVIEW

SPENCER DOK, *Associate*

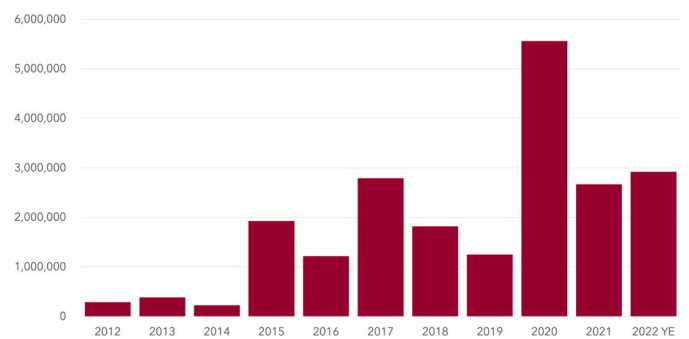
Demand for industrial space in San Diego remained strong as vacancy declined to a low of 3.2%. As such, average rents were up to \$1.77 per square foot. Cap rates for industrial product have largely remained steady around 4.9%. Average sale prices were up to \$343 per square foot. Pricing has been supported by increased manufacturing and distribution requirements in a low inventory environment. Developers continue to target the region's central submarkets for adaptive reuse and redevelopment opportunities of outdated office and industrial buildings, particularly to accommodate high demand for life science and multifamily product.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	1,844,556	3,612,467	8,125,553	8,566,982	8,261,537
▼ Vacancy Rate	3.2%	3.4%	2.7%	3.0%	3.2%
▲ Avg NNN Asking Rate PSF	\$1.77	\$1.74	\$1.68	\$1.63	\$1.58
▼ SF Under Construction	2,922,458	3,106,506	2,804,641	2,885,462	2,668,365
▲ Inventory SF	204,862,708	204,785,745	203,670,251	203,600,442	203,123,235

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8870 Liquid Court San Diego, CA	204,851 SF	\$64,300,000 \$313.89 PSF	LBA Realty Martin Brower Global	Class C
5959 Santa Fe Street San Diego, CA	131,299 SF	\$46,300,000 \$352.63 PSF	LBA Realty Anheuser-Busch	Class C
13100 Danielson Street San Diego, CA	129,910 SF	\$35,100,000 \$270.19 PSF	Lincoln Property Co James Sorenson	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5959 Santa Fe Street San Diego, CA	127,000 SF	LBA Realty	Anheuser-Busch	Beverage
7255 Otay Mesa Road San Diego, CA	105,457 SF	Hines	PCI Pharma Services	Pharmaceutical
3636 Gateway Center Avenue San Diego, CA	34,860 SF	San Diego Blood Bank	Tecnico Corporation	Shipbuilding



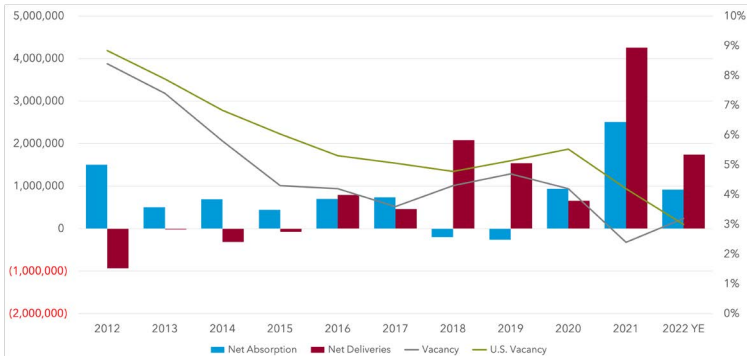
INDUSTRIAL MARKET OVERVIEW

TIM GOSSELIN, *Principal*

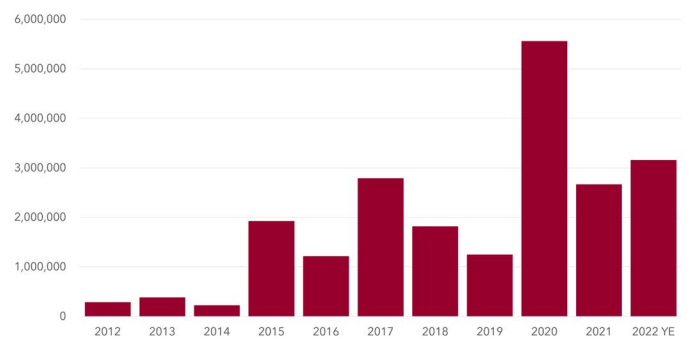
With new supply entering the market since mid-2022, the amount of available space has risen to its highest level since mid-2021. The median time on the market for available space in San Diego is trending near three months, which is about half of the length of time in the years prior to 2020. The number of tours has decreased in San Diego, especially for larger spaces. Large space users are being very cautious with a possible recession looming and are renewing their leases rather than looking for new space.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	1,817,283	3,612,467	8,125,553	8,566,982	8,261,537
▼ Vacancy Rate	3.20%	3.40%	2.70%	3.00%	3.20%
▲ Avg NNN Asking Rate PSF	\$18.00	\$17.76	\$18.48	\$19.80	\$21.60
▲ SF Under Construction	3,200,000	3,100,000	2,800,000	2,900,000	2,700,000
◀▶ Inventory SF	205,000,000	205,000,000	204,000,000	204,000,000	203,000,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8870 Liquid Court San Diego, CA	204,851 SF	\$64,300,000 \$313.89 PSF	LBA Realty Martin Brower Global	Class C
5959 Santa Fe Street San Diego, CA	131,299 SF	\$46,300,000 \$352.63 PSF	LBA Realty Anheuser-Busch	Class C
13100 Danielson Street Poway, CA	129,910 SF	\$35,100,000 \$270.19 PSF	New York Life Investments Spectrum Investments LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
0 Rancho Del Oro Drive Oceanside, CA	217,000 SF	Sudberry Properties	Ionis Pharmaceuticals	Professional, Scientific, and Technology
5959 Santa Fe Street San Diego, CA	131,299 SF	LBA Realty	Anheuser-Busch Sales	Manufacturing
7255 Otay Mesa Road San Diego, CA	105,457 SF	Hines	PCI Pharma Services	Manufacturing



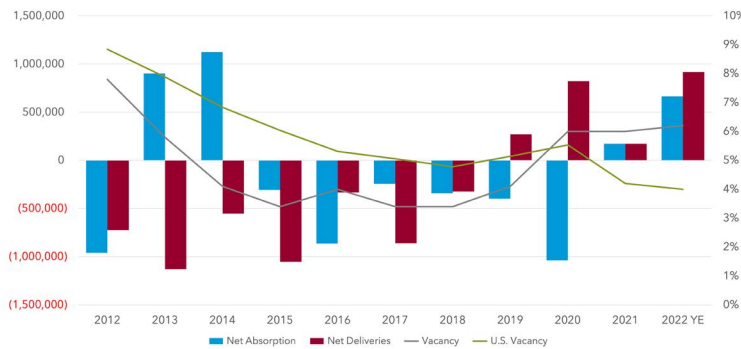
INDUSTRIAL MARKET OVERVIEW

CODY KOLLMANN, *Principal*

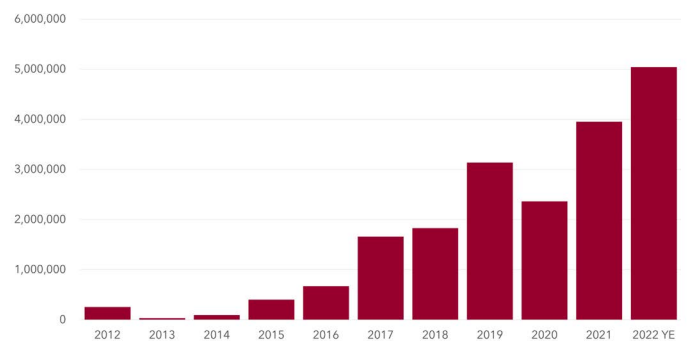
The industrial market in San Francisco continues to be the offensive catalyst in regards to market activity as Tech companies continue to think “remote first” and look to save capital. The warehouse market continues to be in hot demand for logistics and hardware companies that simply cannot operate in a remote environment. Tenants in the robotic, electric/autonomous vehicle industry such as Waymo, Cruise Automation, Span.io, and Ample, are looking for large blocks of industrial and land space. With the lack of supply regarding big plots of space, tenants continue to look outside of San Francisco to accommodate their growing footprint.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ Qtrly Net Absorption SF	184,113	(144,151)	278,689	(125,799)	430,561
▼ Vacancy Rate	3.9%	4.1%	4.2%	4.8%	4.6%
▲ Avg NNN Asking Rate PSF	\$21.90	\$21.51	\$21.14	\$20.76	\$20.26
▼ SF Under Construction	5,040,791	5,697,053	4,689,859	4,292,393	3,950,395
◀▶ Inventory SF	66,621,452	66,621,452	66,789,408	66,914,576	66,914,576

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
580 Crespi Drive Pacifica, CA	48,959 SF	\$735,000 \$15.01 PSF	Properties By The Sea Holdings LLC Crespi Fi Owner, LLC	Class C
860 San Mateo Avenue San Bruno, CA	11,100 SF	\$2,170,000 \$195.50 PSF	Rev Tr of Dimitrios & Angela Sogas Schroeder Family Trust	Class C
1240 Fitzgerald Avenue San Francisco, CA	10,000 SF	\$4,125,000 \$412.50 PSF	Undisclosed Mr. & Mrs. Kanabayashi	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1755 Rollins Road Burlingame, CA	83,674 SF	Goodman North America Management	Riggs Distributing Inc	Wholesaler
99 S Hill Drive Brisbane, CA	76,375 SF	William D & Claire A Spencer 1995 Living Tr	DHL Express	Warehousing
405 South Airport Boulevard South San Francisco, CA	57,516 SF	New Horizon	Tramo	Wholesaler



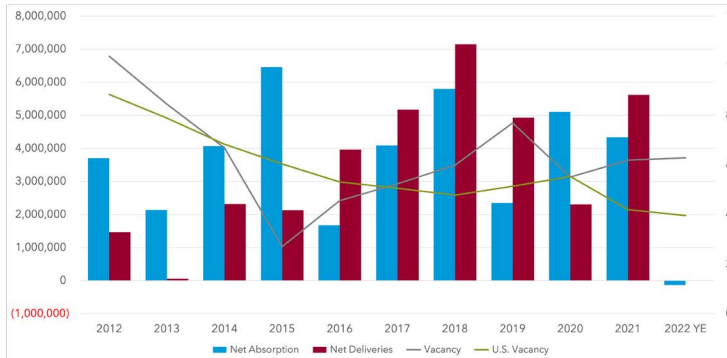
INDUSTRIAL MARKET OVERVIEW

JIM MARTIN, SIOR Senior Vice President

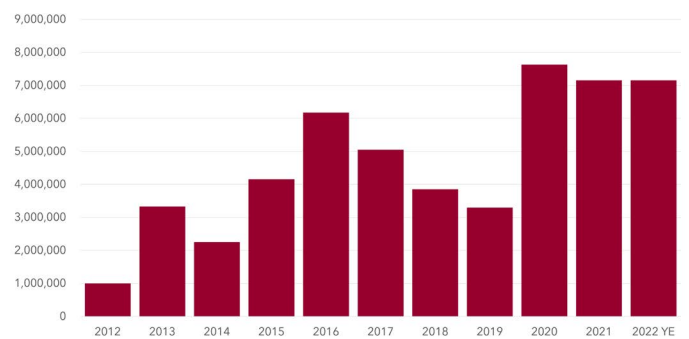
The year ended with the continued trends of positive absorption and full construction pipelines throughout the Central Valley. Asking and contract rents remain at all time highs with landlord concessions still minimal in general. New occupancies are being generated by both first time entrants into the market as well as expansion of existing tenants. Supply for owner/user purchase opportunities remains extremely tight, and despite high interest rates there remains a backlog of ready and willing buyers.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Qtrly Net Absorption SF	637,560	2,133,404	1,700,000	768,414	1,677,800
▼ Vacancy Rate	4.2%	5.5%	6.2%	7.8%	5.5%
▲ Avg NNN Asking Rate PSF	\$8.76	\$8.16	\$7.80	\$7.32	\$7.08
▼ SF Under Construction	8,278,460	8,482,064	5,500,000	8,201,466	9,953,565
▲ Inventory SF	196,450,000	195,375,600	194,670,000	193,856,220	191,802,460

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4900 Stoddard Road Modesto, CA	139,552 SF	\$21,900,000 \$157.00 PSF	MTC Distributing Mountains to Coast LLC	Class B
18231 Murphy Parkway Lathrop, CA	118,056 SF	\$30,250,000 \$256.00 PSF	Lowenberg Corporation Overton Moore	Class B
4441 Alitalia Way Stockton, CA	86,400 SF	\$10,500,000 \$121.53 PSF	Goodwill Industries Buzz Oates	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
440 Industrial Drive Stockton, CA	522,405 SF	Buzz Oates	Allen Distribution	3PL
3462 W. Yosemite Avenue Lathrop, CA	306,412 SF	Phelan	DCG Distribution	3PL
6751 W. Shulte Road Tracy, CA	195,741 SF	Prologis	McColister's Moving & Storage	Warehouse/ Distribution



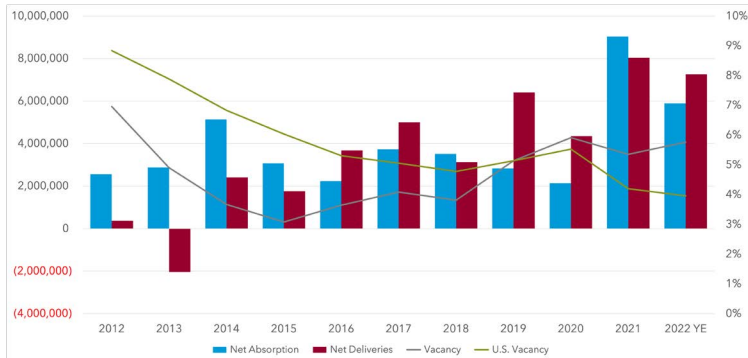
INDUSTRIAL MARKET OVERVIEW

RON WEBERT, SIOR, *Principal*

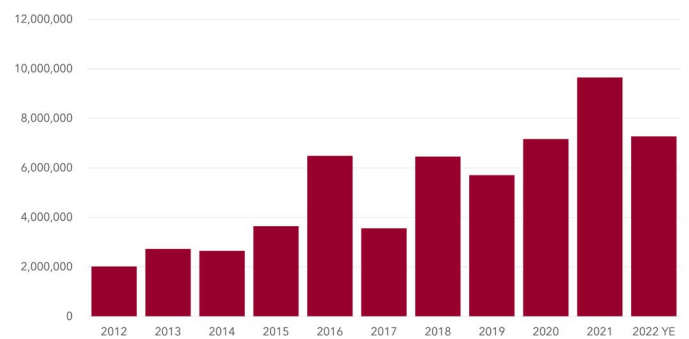
The Denver industrial market ended the year as predicted, with a slowdown in leasing and sales, a slight rise in vacancy rates, and lower absorption. We still have a record amount of Class A product to be delivered in 2023. However, on a positive note, there appears to be solid activity with several significant lease transactions to take place in the first 2 quarters of the year creating some solid absorption. Across the country, many developers are deciding to sit on the sidelines as the financial markets stabilize, the same will hold true for the Denver market. Sale prices are still well above the national average and the market saw close to \$2B in sales activity in 2022. With the interest rates still historically high, we should start to see this affect both pricing and volume.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	5,897,514	11,476,239	11,567,227	9,567,845	9,036,633
▲ Vacancy Rate	5.8%	5.5%	4.9%	5.4%	5.4%
▲ Avg NNN Asking Rate PSF	\$11.63	\$11.52	\$11.38	\$11.11	\$10.85
▼ SF Under Construction	8,327,836	8,888,730	8,888,730	8,863,903	8,628,801
▲ Inventory SF	271,527,770	270,087,514	266,613,760	264,684,246	264,118,640

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
11777 E 55th Avenue Denver, CO	172,400 SF	\$15,930,968 \$92.41 PSF	TA Realty J.P. Morgan Chase & Co.	Class B
11475 E 53rd Avenue Denver, CO	168,560 SF	\$17,069,032 \$101.26 PSF	TA Realty J.P. Morgan Chase & Co.	Class B
2075 W 64th Avenue Denver, CO	157,724 SF	\$34,246,121 \$217.13 PSF	Nuveen Corum Real Estate Group, Inc.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6225 N Denali Street Aurora, CO	170,294 SF	Hyde	PrimeSource	Consumer Goods
9300 E 46th Place Denver, CO	100,840 SF	Brookfield	Metrie	Services
4900 Kingston Street Denver, CO	68,674 SF	Gladstone Commercial Corporation	Integrated Power Services	Manufacturing



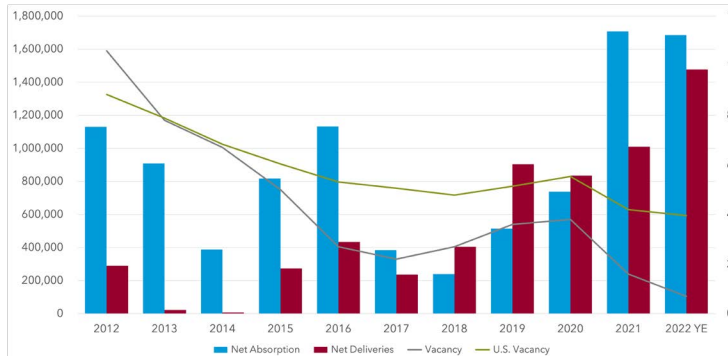
INDUSTRIAL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

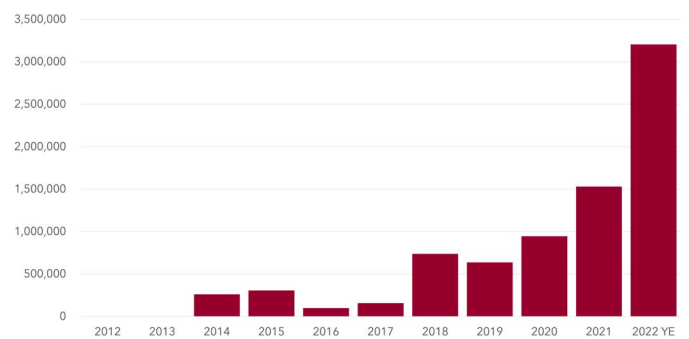
Industrial-related employment grew across the board in the Fort Myers region. The Construction industry added 1,100 jobs in the past 12 months for a 3.1% increase in employment. The Transportation, Warehousing, and Utilities industry added 100 new positions posting a 1.5% year-over-year (YOY) increase. The third-largest lease in the history of Lee County was signed to Ferguson, a plumbing and HVAC supplier, who took 252,860 square feet (sf) of Class A space at Tri-County 75. Tri-County 75 is a 72 acre, four building campus off I-75 in Fort Myers, developed by Glenstar and Columnar, a Traylor Capital Company. Net absorption was positive for another consecutive quarter paired with a 22.8% increase in leasing activity.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Qtrly Net Absorption SF	370,870	850,533	255,355	208,931	312,822
▼ Vacancy Rate	0.7%	0.8%	1.5%	2.0%	1.6%
▲ Avg NNN Asking Rate PSF	\$10.90	\$10.40	\$10.20	\$9.75	\$9.57
▲ SF Under Construction	3,204,474	2,866,618	3,120,089	1,540,292	1,530,057
▲ Inventory SF	37,174,057	36,840,747	36,146,775	36,056,755	35,697,013

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
126000/12650 Westlinks Drive Fort Myers, FL	136,370 SF	\$20,250,000 \$148.00 PSF	Sealy & Company Waeber Property Group	Class B
4599-4607 Fowler Street Fort Myers, FL	70,000 SF	\$7,200,000 \$103.00 PSF	Horizon Equities Fowler Street Development LLC	Class C
8951 Alico Trade Center Road Fort Myers, FL	35,387 SF	\$6,000,000 \$170.00 PSF	WestSide 2 LLC Seagate	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6195 Tri County Commerce Way Fort Myers, FL	252,860 SF	Glenstar	Ferguson	Plumbing and HVAC Supplier
10411 Meridian Center Parkway Fort Myers, FL	57,604 SF	Knott Realty Group	G & G Delivery Services	Transportation Services
2970 Cargo Street Fort Myers, FL	18,537 SF	Magic Bus LLC	Gulf Shore Cooling LLC	Air-Conditioning Contractor



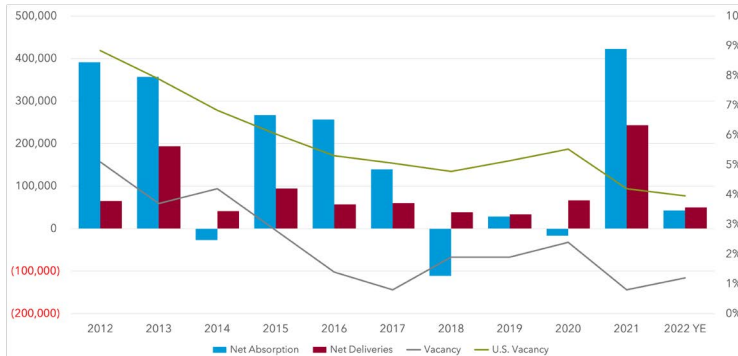
INDUSTRIAL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

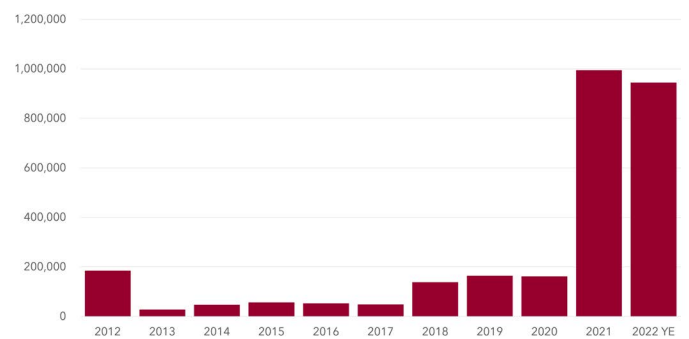
Job growth pertaining to the Naples industrial market continued as Construction employment rose 7.5% over the past 12 months. Manufacturing employment improved 5.8%, and the Transportation, Warehousing and Utilities sector added 100 new jobs for a 4.2% year-over-year (YOY) increase. Overall vacancy recorded 1.2% at the end of the year, remaining relatively unchanged. Average asking rent increased 5.6% YOY to \$15.03 per square foot, another historic high for NNN rents in Collier County. The submarket with the greatest rental increase was North Naples with an 8.4% rise to \$14.96 per square foot.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Qtrly Net Absorption SF	(15,351)	31,801	45,930	(19,665)	156,298
◀▶ Vacancy Rate	1.2%	1.2%	1.3%	1.2%	0.8%
▲ Avg NNN Asking Rate PSF	\$15.03	\$14.42	\$14.30	\$13.84	\$14.23
◀▶ SF Under Construction	944,800	944,800	944,800	978,062	994,615
◀▶ Inventory SF	13,539,891	13,539,891	13,539,891	13,506,629	13,490,076

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4206 Arnold Avenue Naples, FL	14,776 SF	\$2,750,000 \$186.00 PSF	4206 Arnold Venture, LLC 4206 Arnold Land Trust	Class C
6201 Lee Ann Lane Naples, FL	10,949 SF	\$3,175,000 \$290.00 PSF	Edgewater Partners, LLC Cook Legacy, LLC	Class B
1502 Rail Head Boulevard Naples, FL	6,060 SF	\$1,350,000 \$223.00 PSF	Stor-All Storage 1502 Rail Head LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4227 Enterprise Avenue Naples, FL	3,437 SF	Hendricks Commercial Properties, LLC	Redline Fitness	Fitness Center
5815 Washington Street Naples, FL	3,360 SF	Moni-Mari Inc.	Undisclosed	Undisclosed



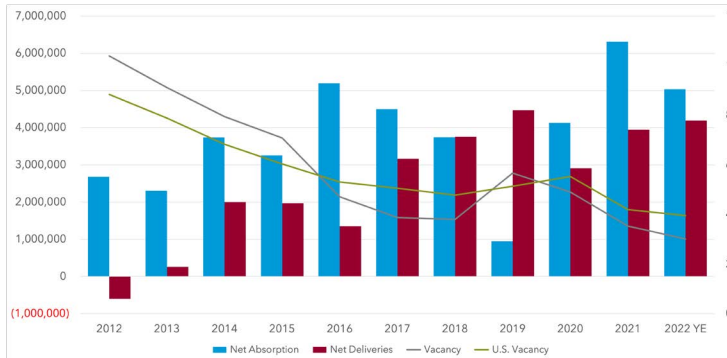
INDUSTRIAL MARKET OVERVIEW

DEREK RIGGLEMAN, SIOR, *Senior Vice President, Principal*

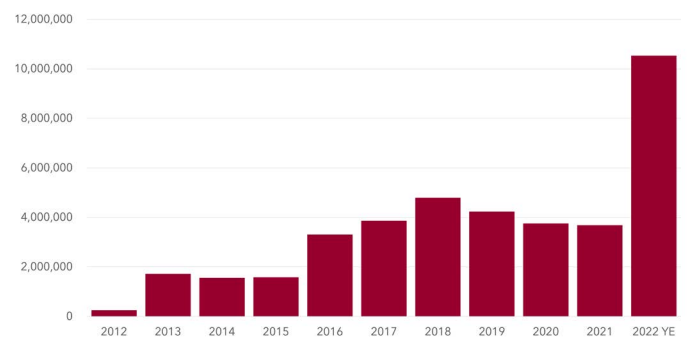
The Orlando industrial market yet again had a phenomenal year. Vacancy rates ticked down due to diminishing supply of second generation spaces, while inflation and overall bullishness in the industrial market pushed rental rates higher once again. Looking forward, we expect construction to slow significantly, and potentially an increase in vacancy rates caused by the majority of the properties under construction delivering this summer. While many tenants would hope that this will provide some rent relief, we don't expect a softening of rental rates unless the broader economic trends across the country, and globe, turn increasingly negative and in a very fast way.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	5,034,358	5,079,052	6,155,871	6,580,782	6,308,432
▼ Vacancy Rate	3.0%	3.6%	3.3%	3.6%	3.5%
▲ Avg NNN Asking Rate PSF	\$11.74	\$11.32	\$10.88	\$10.50	\$10.20
▲ SF Under Construction	10,530,158	10,250,691	8,745,258	4,967,318	3,687,724
▲ Inventory SF	190,655,024	189,216,939	188,208,168	187,800,042	186,464,366

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4041 Seaboard Road Orlando, FL	1,086,384 SF	\$115,500,000 \$106.32 PSF	Related Fund Management Starwood	Class B
2550 American Way Groeland, FL	425,039 SF	\$31,000,000 \$73.15 PSF	UBS Hanover Capital	Class A
2002 Directors Row Orlando, FL	181,930 SF	\$28,800,000 \$158.30 PSF	Brookfield Private Seller	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5050 Wesley Road Apopka, FL	546,829 SF	Exeter	Medline	Medical
88 W Taft Vineland Orlando, FL	540,399 SF	Brookfield	Sealy	Retail Distribution
821 N Old Lake Wilson Road Kissimmee, FL	295,460 SF	EastGroup	Mavis Discount Tire	Retail Distribution



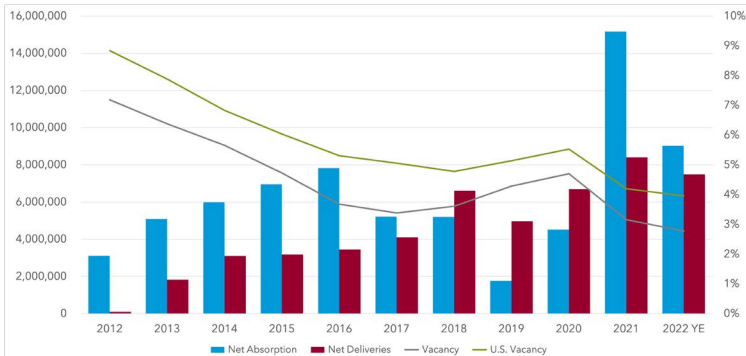
INDUSTRIAL MARKET OVERVIEW

WILLIAM DOMSKY, *Principal*

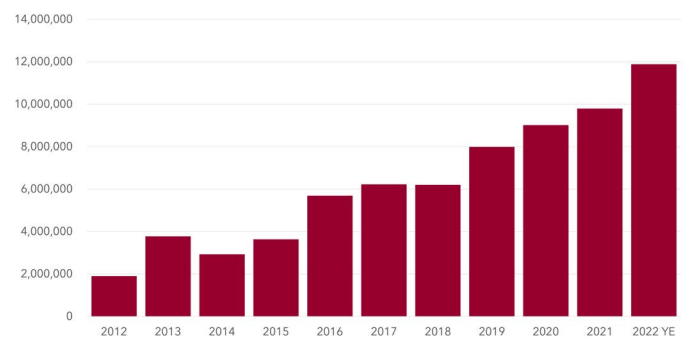
The South Florida industrial market holds as one of the most expensive in the country. Higher interest rates have brought some friction, but industrial buildings and land continue to sell and lease at a high volume with record prices. Vacancy is still at a historic low without much room left to tighten further. Leasing activity remains to stay strong even with higher rental rates. South Florida is supply-constrained and with only a slight increase in construction activity, there are no supply-side pressures on vacancy or rent likely to occur in the near term. A potential slowdown in the economy will be the true test. Concerns about inflation and slowing economic growth will persist throughout 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	9,027,800	11,380,474	13,423,216	13,854,339	15,169,166
▼ Vacancy Rate	2.4%	2.5%	2.6%	2.9%	3.0%
▲ Avg NNN Asking Rate PSF	\$14.13	\$13.15	\$12.55	\$11.97	\$11.56
▲ SF Under Construction	11,884,398	10,720,401	11,457,516	9,762,738	9,796,308
▲ Inventory SF	470,301,522	469,184,398	467,158,427	464,872,001	462,809,087

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
15998 Walgreens Drive Jupiter, FL	683,000 SF	\$78,000,000 \$114.20 PSF	MG3 Group Walgreens	Class B
3760 W 108th Street Hialeah, FL	536,050 SF	\$119,414,030 \$222.77 PSF	Prologis, LP Duke Realty Corporation	Class A
10300 NW 121st Way Medley, FL	501,224 SF	\$150,349,087 \$299.96 PSF	Prologis, LP Duke Realty Corporation	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15998 Walgreens Drive Jupiter, FL	683,000 SF	MG3 Group	Walgreens Distribution Center	Drug Store Retailer
4481 NW 147th Street Opa Locka, FL	300,000 SF	Miami-Dade County	Bombardier	Manufacturing
4123 W 91st Place Hialeah, FL	232,000 SF	USAA Real Estate & Codina Partners	All Glass Production	Manufacturing



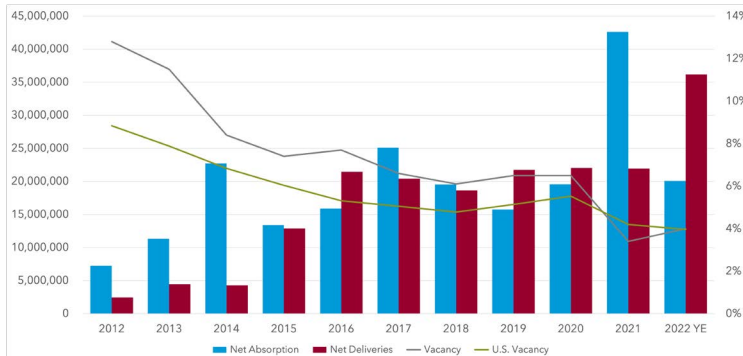
INDUSTRIAL MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

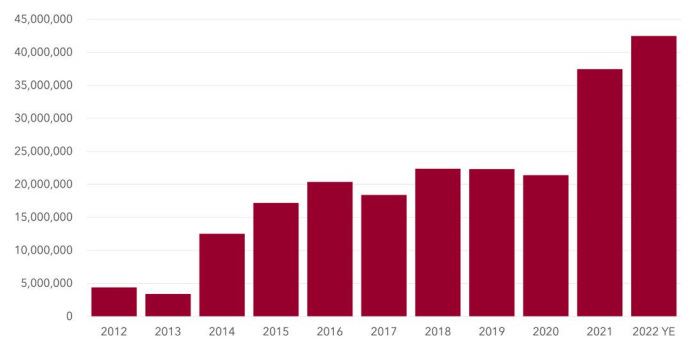
While demand for industrial space continues throughout Atlanta, there was a slight slowdown in Atlanta's industrial market in Q4 2022. Vacancies have risen slightly off of record lows reached in late 2021, ending Q4 2022 with a 30 basis point jump to 4%. While demand and leasing velocity remain strong, rising vacancy and availability should provide relief for new and expanding Atlanta tenants. The metro's development pipeline continues to thrive, ending Q4 at 42,488,685 SF under construction, with 24% of that being preleased. In 2022, 36,173,370 SF of new industrial inventory was added to the market, with 40% of it available for lease.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	20,074,856	30,719,093	30,468,619	34,740,123	42,629,610
▲ Vacancy Rate	4.0%	3.7%	3.6%	4.0%	3.4%
▲ Avg NNN Asking Rate PSF	\$7.90	\$7.05	\$6.18	\$5.98	\$5.70
▼ SF Under Construction	42,488,685	44,038,314	45,435,187	46,105,904	37,470,898
▲ Inventory SF	794,460,904	785,752,196	777,874,004	774,811,199	767,684,750

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
195 King Mill Rd McDonough, GA (part of portfolio sale)	1,504,800 SF	\$93,000,000 \$61.80 PSF	Growth Capital Partners Blackstone Real Estate Income Trust	Class A
150 Greenwood Industrial Pkwy Bldg 400 McDonough, GA (part of portfolio sale)	867,140 SF	\$68,719,333 \$79.25 PSF	Growth Capital Partners Blackstone Real Estate Income Trust	Class A
600 Riverside Pkwy, Bldg A Lithia Springs, GA	653,484 SF	\$63,400,000 \$97.02 PSF	FHR Capital, LLC Clarion Partners	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
980 Douglas Hill Road Lithia Springs, GA	1,110,960 SF	Prologis	Sam's West	Transportation & Warehousing
580 Raco Pkwy Pendergrass, GA	772,200 SF	GIC Real Estate	Home Depot	Retailer
480 Village Pkwy Pendergrass, GA	532,980 SF	AEW Capital Management	GFA Total Logistics Solutions	Transportation & Warehousing



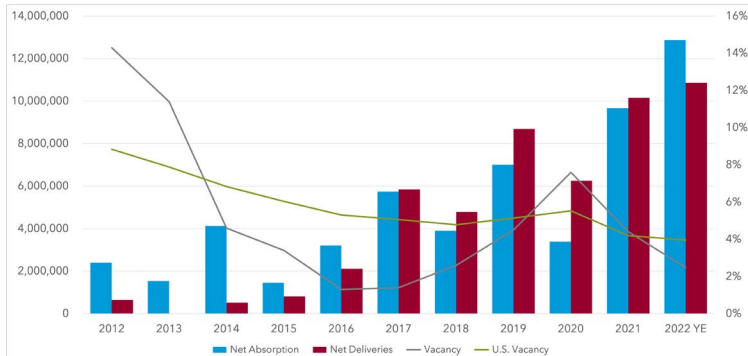
INDUSTRIAL MARKET OVERVIEW

KATE HUNT, *Senior Research Analyst*

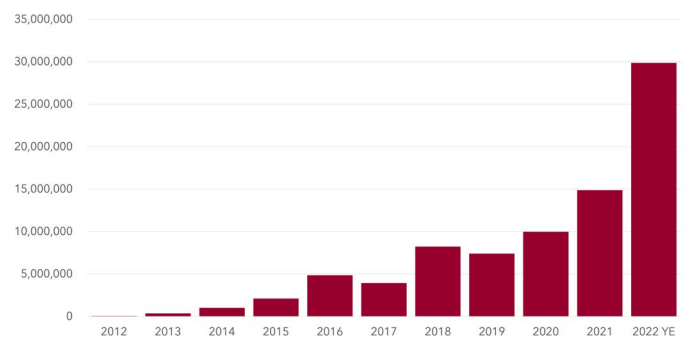
The rapid growth in goods spending and increased imports to the fast-growing Port of Savannah has led to record demand for industrial space in the Savannah market. Vacancy continues to trend downward, ending 2022 at 2.5%. Leasing activity, which reached record levels in the first half of 2022, slowed considerably in Q4 2022. There was 29,870,408 SF under construction in Q4, representing a 28% expansion of total inventory in the relatively small market. Lee Atlanta participated in the second largest transaction in Savannah for the quarter, representing Performance Team, an integrated logistics company, in a 1,004,400 SF lease located at Southeast Gateway, a building currently under construction.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	12,870,855	12,298,282	12,826,464	9,951,999	9,666,195
▼ Vacancy Rate	2.5%	2.7%	3.0%	2.8%	3.7%
◀▶ Avg NNN Asking Rate PSF	\$5.94	\$5.94	\$5.10	\$5.17	\$5.14
▲ SF Under Construction	29,870,408	28,009,878	23,829,810	23,133,206	19,220,506
▲ Inventory SF	105,921,435	100,717,357	97,690,069	91,562,472	84,159,651

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2 Grange Road Savannah, GA	1,798,798 SF	\$47,314,134 \$26.30 PSF	United States Sugar Corporation Louis Dreyfus Company, LLC	Class C
1008 Gateway Pkwy Bldgs 1H & 1F* Wentworth, GA	1,100,000 SF	\$116,000,000 \$105.45 PSF	TerraCap Management, LLC Broe Real Estate Group	Class A
1514 Old Dean Forest Rd Bldgs A&B* Garden City, GA	826,250 SF	\$113,000,000 \$136.76 PSF	Stream Realty Partners, LP AEW Capital Management	Class A

*Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
0 Belfast Keller Road Richmond Hill, GA	1,200,000 SF	Rayonier	Hyundai Mobis	Manufacturing
380 Fort Argyle Road - Bldg 2 Savannah, GA	1,004,400 SF	Conor Commerical Real Estate	Performance Team	Transportation & Warehousing
1100 Logistics Parkway Rincon, GA	442,606 SF	Becknell	Lecangs	Transportation & Warehousing



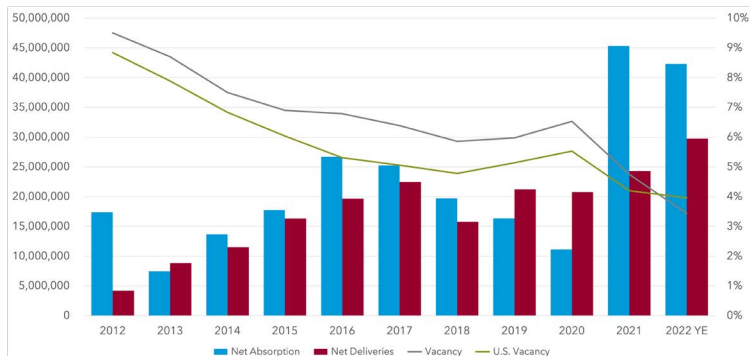
INDUSTRIAL MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

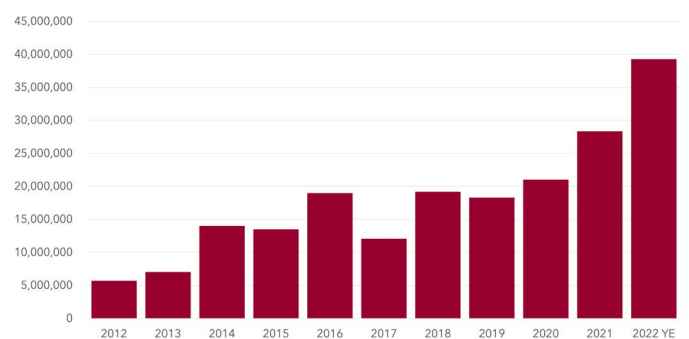
The vacancy rate remained low at 3.43% in Q4 2022. Net absorption of 6.7 million SF was 39.2% lower than the third quarter's volume of 11.0 million SF. Demand dropped during the fourth quarter due to limited industrial supply rather than a drop in tenant demand. Under construction development measured 39.2 million SF. Speculative construction represents 86.6% of all active projects. As this record amount of speculative development is delivered over the coming quarters, the markets' vacancy rate will rise. In the meantime, users that need space quickly need to act fast because the market today is tight.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	6,703,768	10,993,166	9,806,866	14,897,482	11,005,141
▼ Vacancy Rate	3.43%	3.55%	3.63%	4.13%	4.75%
▲ Avg NNN Asking Rate PSF	\$8.36	\$8.13	\$8.01	\$7.20	\$7.02
▲ SF Under Construction	39,279,715	34,635,639	34,121,171	30,130,839	28,346,562
▲ Inventory SF	1,377,061,055	1,371,789,943	1,361,376,518	1,358,296,098	1,350,781,516

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
31 Building Portfolio Chicago Metro Area, IL	1,400,000 SF	\$100,000,000 \$71.43 PSF	Clear Height Properties Rothbart Realty	Class B & C
5 Building Portfolio Chicago, IL	827,458 SF	\$16,750,000 \$20.24 PSF	IDI Logistics Ogden Development, LLC	Class C
3 Building Portfolio Elgin & Aurora, IL	797,194 SF	\$76,300,000 \$95.71 PSF	Fayez Sarofim & Co. Link Logistics	Class A & B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
30350 S. Graaskamp Boulevard Wilmington, IL	1,019,200 SF	Elion Partners	PrimeSource	Distribution
200 N. Gary Avenue Roselle, IL	487,437 SF	EQT Exeter	RIM Logistics	Logistics
2580 Prospect Court Aurora, IL	410,150 SF	Link Logistics	Nippon Express	Logistics



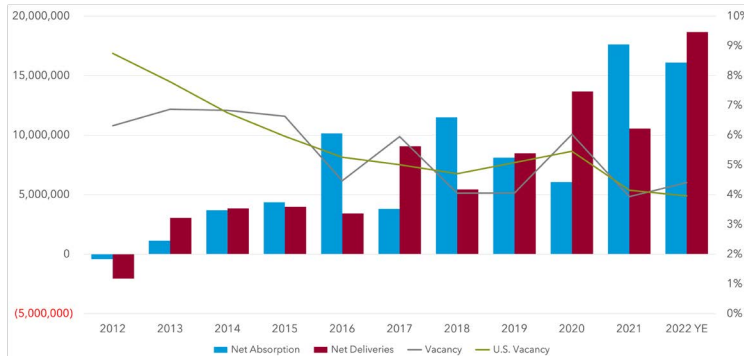
INDUSTRIAL MARKET OVERVIEW

DANIEL ROOT, *Associate Broker*

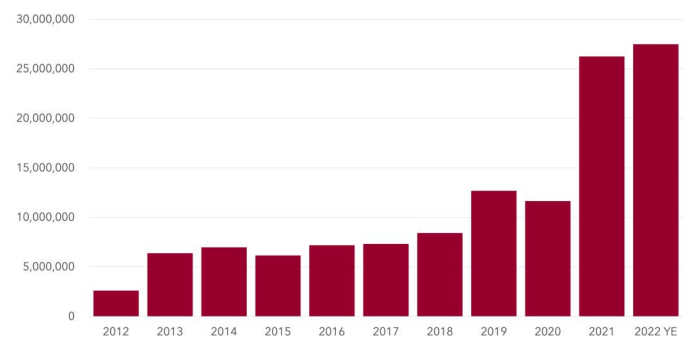
The Indianapolis Industrial market has experienced unprecedented growth over the last 2 years. Rental rates have increased 17.8% in just 24 months due to record demand, and low vacancy. Developers have rushed to meet the demand, currently over 27 million SF is under construction and over 18.2 million SF has been completed in the last 12 months in the Indianapolis market. Modern bulk warehousing makes up the majority of this new construction, and a vast amount of these projects are being built on a speculative basis, with no end user lined up. Deliveries outpaced absorption in Q4 22, and if this trend continues, the risk of over supply could be imminent.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	16,100,076	17,317,996	18,384,440	23,462,182	17,628,750
▲ Vacancy Rate	4.41%	3.92%	3.86%	3.38%	3.93%
▲ Avg NNN Asking Rate PSF	\$7.00	\$6.88	\$6.76	\$6.59	\$6.36
▼ SF Under Construction	27,490,862	30,346,119	28,457,061	24,405,521	26,256,261
▲ Inventory SF	386,464,329	381,071,564	376,629,863	373,772,827	367,793,554

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
9955 AllPoints Parkway Plainfield, IN	1,200,420 SF	\$99,322,369 \$82.74 PSF	Prologis, LP Duke Realty Corporation	Class A
319 Warrior Trail Whiteland, IN	1,131,167 SF	\$104,067,364 \$92.00 PSF	Gary A. Edwards Hines/Crescent Partners	Class B
N. County Road 1000 E & I-74 Brownsburg, IN	826,771 SF	\$52,625,226 \$63.65 PSF	Prologis, LP Duke Realty Corporation	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3501 South 500 East Whitestown, IN	679,108 SF	Undisclosed	ITS Logistics	Logistics and Distribution
1772 Gateway Point Drive Clayton, IN	433,104 SF	Undisclosed	DHL	Transportation and Warehouse
6161 Decatur Boulevard Indianapolis, IN	382,664 SF	Aireit Decatur DC LLC	LSC Communications	Manufacturing



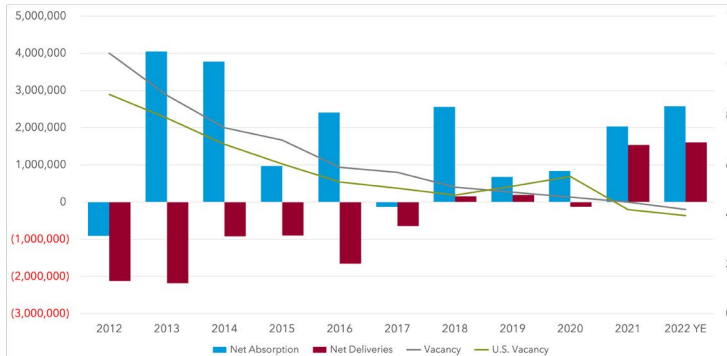
INDUSTRIAL MARKET OVERVIEW

TY JANNEY, *Managing Principal*

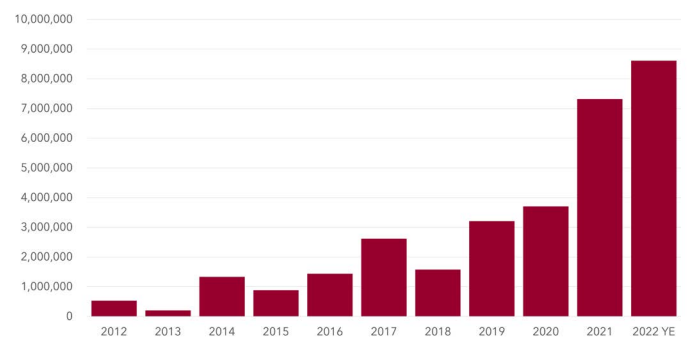
The greater Boston Industrial market held steady in the 4th quarter of 2022 at 4.2% overall vacancy and asking lease rates averaging \$14.58/SF NNN. Headline leases were signed by 24M at 140,000 SF, Lasership, Inc. at 96,000 SF and Iron Mountain at 92,000 SF. Total annual absorption (for 355M SF in total inventory) was approximately 1.6M SF with minimal change in vacancy rate over the 12 month period. Sales volume, which reached \$3.4B in 2022 in a market that has averaged \$1.4B in industrial trades over the past 10 years, tells the real story. Industrial users seeking small and large blocks continue to compete for availability across all submarkets as the construction pipeline begins to stabilize.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	2,576,503	2,436,126	3,643,781	3,378,022	2,345,768
▼ Vacancy Rate	4.20%	4.30%	3.9%	3.9%	4.2%
▲ Avg NNN Asking Rate PSF	\$14.58	\$14.38	\$14.45	\$13.63	\$13.13
▲ SF Under Construction	8,609,028	8,214,136	6,335,111	6,556,402	5,541,497
◀▶ Inventory SF	355,507,059	355,507,059	355,257,541	353,118,205	351,556,212

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
180 Charles Street Malden, MA	63,000 SF	\$24,450,000 \$388.10 PSF	Quaker Lane Capital The Hershberg 2021 Charitable	Class C
290 N Beacon Street Brighton, MA	34,802 SF	\$18,000,000 \$517.21 PSF	IQHQ Bosgton Light & Sound	Class C
186 Railroad Avenue Revere, MA	32,208 SF	\$7,600,000 \$235.97 PSF	Route 1A Owner, LLC OK Ventures Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
26 Dartmouth Street Westwood, MA	140,000 SF	The Seyon Group	24M	Manufacturing
200 Fallon Road Stoneham, MA	95,559 SF	William Hassett	Lasership, Inc.	Transportation & Warehousing
96 High Street Billerica, MA	91,737 SF	Ram Management Company, Inc.	Iron Mountain	Information Management Co



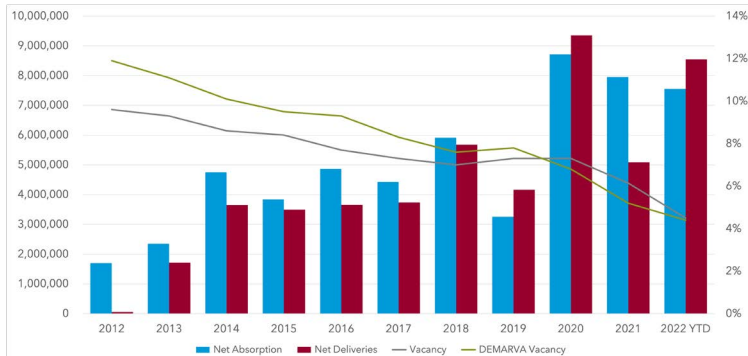
INDUSTRIAL MARKET OVERVIEW

TOM WHELAN, *Principal*

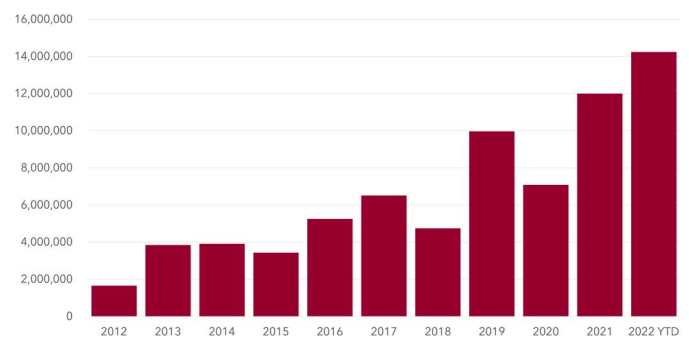
In the fourth quarter, the Greater Baltimore market remained robust. Limited infill supply kept the vacancy rate consistent, and the construction pipeline remains strong. Delivered pre-leased properties assisted in continuing the years trend of net absorption being over 1,000,000 square feet per quarter. Due to the low supply, several projects began construction or were announced. Rent growth has leveled off to an extent but rental rates remain at all-time highs, especially for class A product. Economic concerns led to a decrease in sales, but despite this, we anticipate the Greater Baltimore industrial market to remain strong in 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Net Absorption SF	1,144,028	2,319,785	2,373,676	1,714,222	3,517,315
▲ Vacancy Rate	4.50%	4.41%	3.97%	4.18%	3.97%
▼ Avg NNN Asking Rate PSF	\$7.87	\$7.90	\$7.66	\$7.28	\$7.45
▲ SF Under Construction	13,009,628	12,890,943	15,071,873	12,372,563	12,000,273
▲ Inventory SF	269,085,614	267,399,601	264,139,166	262,227,227	258,902,800

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Duke Realty Portfolio Baltimore, MD	2,440,529 SF	\$229,995,453 \$94.24 PSF	Prologis Duke Realty	Class A
8711 Westphalia Road Upper Marlboro, MD	362,880 SF	\$76,523,329 \$210.88 PSF	Capital Electric Trammell Crow	Class A
2701 Wilmarco Avenue Baltimore, MD	161,000 SF	\$21,200,000 \$131.68 PSF	NorthBridge The Colad Group	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5250-5330 Holabird Avenue Baltimore, MD	244,304 SF	BentallGreenOak	BIW	Logistics
1713 E Patapsco Avenue Baltimore, MD	241,962 SF	NorthPoint Development	Amazon	Retailer
1601 Wicomico Street Baltimore, MD	168,655 SF	1788 Holdings	Transdev	Transportation



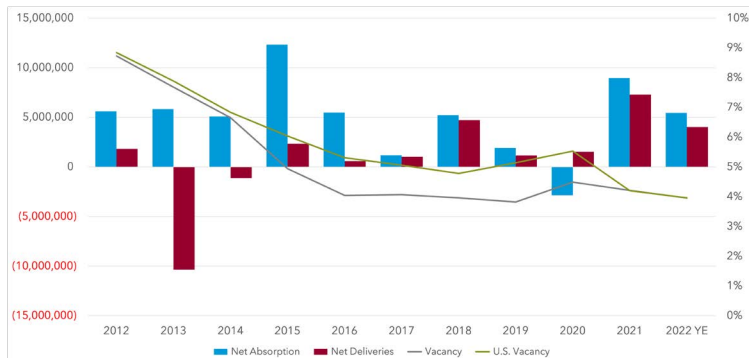
INDUSTRIAL MARKET OVERVIEW

JON SAVOY, CCIM, SIOR, *President*

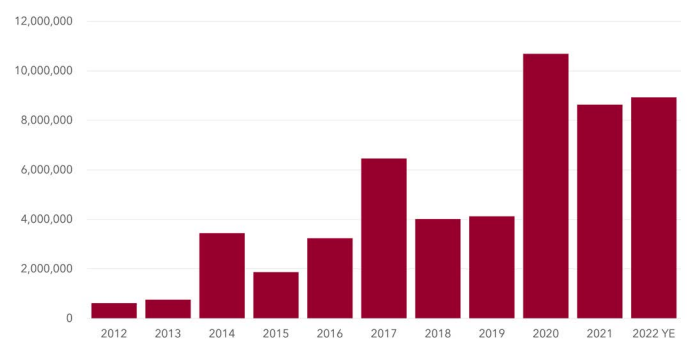
During the fourth quarter of 2022, the Detroit Industrial Market stayed extremely active. Vacancy rates were at 4%, a slight decrease from 4.1% during the third quarter of 2022. Existing lease rates have also shown a steady growth and show no signs of decreasing anytime soon due to high user demand. Fast-scaling startup Our Next Energy Inc. is planning a \$1.6 billion electric vehicle battery plant in Van Buren Township. Kansas City-based NorthPoint Development LLC is planning two speculative construction developments totaling nearly 1.5 million square feet in Harper Woods and Romulus.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	5,440,834	3,185,431	8,039,284	8,366,629	8,946,686
▼ Vacancy Rate	4.0%	4.10%	4.50%	4.50%	4.20%
▲ Avg NNN Asking Rate PSF	\$8.25	\$8.15	\$8.07	\$7.91	\$7.71
▼ SF Under Construction	8,932,928	9,727,293	8,644,838	6,657,966	8,633,883
▲ Inventory SF	616,932,187	614,544,542	616,830,642	616,052,495	612,910,388

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
30990 S. Wixom Road Wixom, MI	231,579 SF	Undisclosed	TOCA Football, Inc. Total Sports Co.	Class B
2800 W. 14 Mile Road Royal Oak, MI	211,505 SF	\$12,600,000 \$59.57 PSF	Symmetry Property Management Comau, Inc.	Class B
13231 23 Mile Road Shelby Township, MI	156,536 SF	\$15,800,000 \$100.62 PSF	Undisclosed Fori Automation, Inc.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6334 Lynch Road Detroit, MI	433,261 SF	Greater Development, LLC	Undisclosed	Undisclosed
12100 Inkster Road Redford, MI	138,912 SF	Stag Industrial, Inc.	Vatech America, Inc.	Medical
17950 Dix Toledo Road Brownstown, MI	135,751 SF	Ashley Capital, LLC	General Motors, Inc.	Automotive



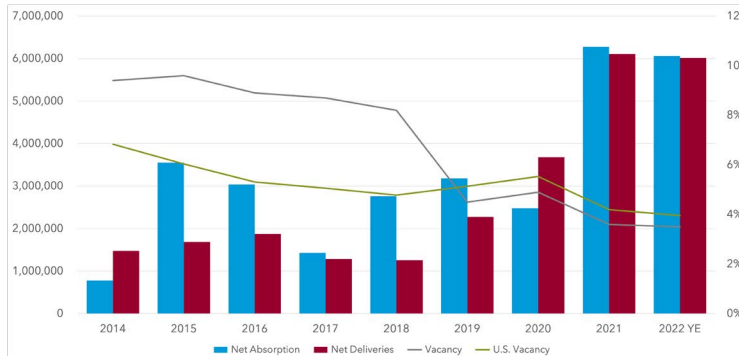
INDUSTRIAL MARKET OVERVIEW

NATHAN ARNOLD, *Principal*

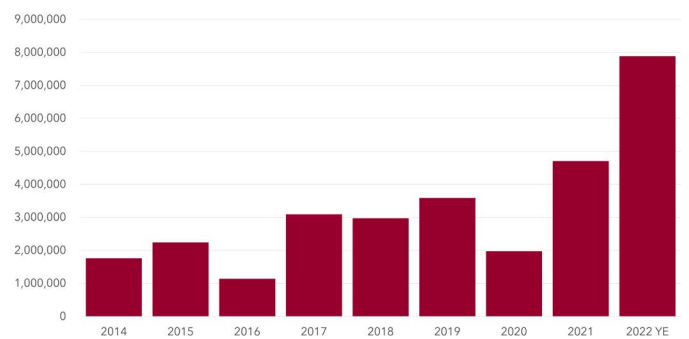
4th Quarter 2022 proved to be a strong ending to the year for the Twin Cities industrial market. Although interest rates climbed to over 7%, we continued to see activity similar to prior quarters. Although tenant activity stayed relatively stable, net absorption was lower than Q3 by 800,000 SF leading our vacancy rate to climb from 3.30%- 3.50% and our average asking rate to drop a modest seven cents. Most all of the speculative developments have come to a complete halt with the exception of buildings that were already in progress. Single Owner-User building sale activity has seen a slow down with the challenge in the Debt markets. the equity markets.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	1,210,144	2,189,981	2,300,277	2,641,201	2,563,144
▲ Vacancy Rate	3.50%	3.30%	4.00%	3.90%	3.60%
▼ Avg NNN Asking Rate PSF	\$7.30	\$7.37	\$6.73	\$6.73	\$6.51
▼ SF Under Construction	7,885,799	8,254,782	7,156,531	4,825,000	4,887,762
▲ Inventory SF	275,202,187	273,326,058	272,864,543	268,507,876	267,363,719

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6203 111th Street W Bloomington, MN	589,650 SF	\$54,000,000 \$91.58 PSF	Orton Development First Industrial	Class B
9555 James Avenue S Bloomington, MN	114,667 SF	\$14,000,000 \$122.09 PSF	i3investors Hoyt Properties	Class A
7300 49th Avenue N New Hope, MN	120,400 SF	\$10,700,000 \$88.87 PSF	Investcorp Artis REIT	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4200 Round Lake Blvd. W Arden Hills, MN	166,500 SF	Scannell Properties	Colder Products	Freshwater Business
1885-1985 Douglas Drive N Golden Valley, MN	126,244 SF	ADEMCO INC.	Gunner Electric	Service industry
12501 Dupont Avenue S Burnsville, MN	115,888 SF	Capstone Quadrangle	ACME Tools	Tool industry



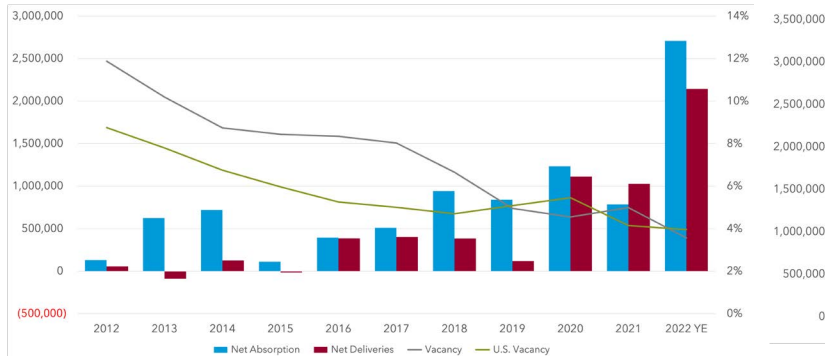
INDUSTRIAL MARKET OVERVIEW

MARLENE SPRITZER, SIOR, CCIM, J.D., *Vice President*

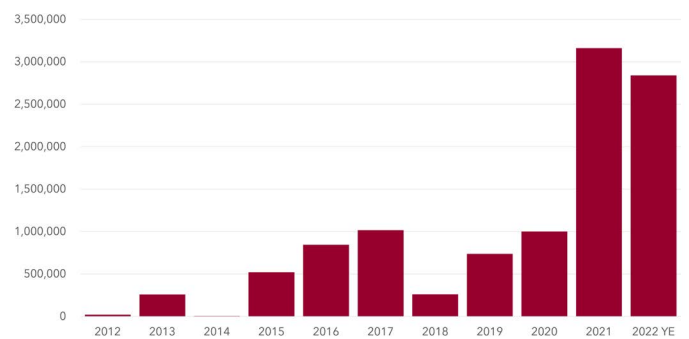
The Raleigh-Durham industrial market continued to see rising rental rates and a low vacancy rate of 3.19% in 4Q2022. The market has nearly 5 million SF under construction. Strong interest continues; however, there have been fewer buyers as some investors and developers are pausing as interest rates rise and loan-to-value ratios require more money down. Demand for life sciences space remains strong with over 10 million SF of potential space in the pipeline including new construction and conversions, with 1.6 million SF currently under construction; however, it is possible that some of the proposed space may be built as another product type.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	2,708,617	2,715,125	1,551,935	1,439,006	785,525
▲ Vacancy Rate	3.6%	3.4%	4.8%	4.6%	5.0%
▲ Avg NNN Asking Rate PSF	\$10.38	\$10.16	\$9.90	\$9.62	\$9.34
▲ SF Under Construction	2,840,432	2,473,499	2,866,601	3,478,327	3,160,608
▲ Inventory SF	47,263,309	47,120,709	46,600,354	45,244,354	45,119,430

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1805 TW Alexander Drive Durham, NC	324,838 SF	\$32,686,632 \$100.62 PSF	Prologis, LP Duke Realty Corporation	Class A
1757 TW Alexander Drive Durham, NC	219,055 SF	\$22,040,000 \$100.62 PSF	Prologis, LP Duke Realty Corporation	Class A
78 TW Alexander Drive Durham, NC	142,600 SF	\$21,410,000 \$224.14 PSF	Oxford Properties Group Davidson Craven Development	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
933 Ellis Road Durham, NC	130,850 SF	Trinity Capital Advisors LLC	Undisclosed	Undisclosed
2520-2528 S Tri-Center Boulevard Durham, NC	45,129 SF	Clarion Partners	Undisclosed	Undisclosed
4324 S Alston Avenue Durham, NC	17,910 SF	Ticon Commercial	Undisclosed	Undisclosed



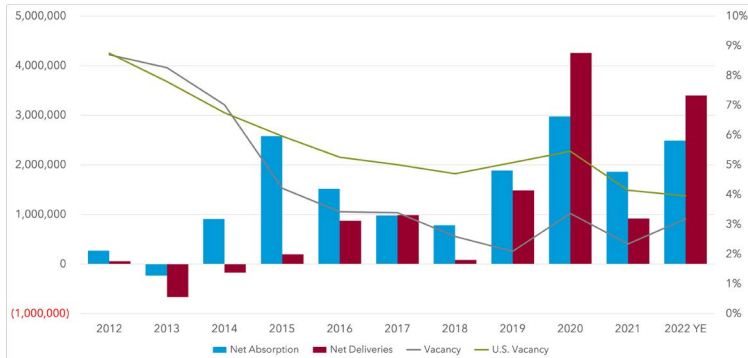
INDUSTRIAL MARKET OVERVIEW

MARLENE SPRITZER, SIOR, CCIM, J.D., *Vice President*

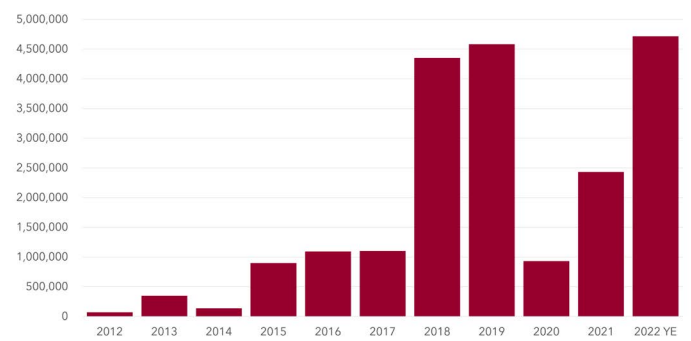
The Raleigh-Durham industrial market continued to see rising rental rates and a low vacancy rate of 3.19% in 4Q2022. The market has nearly 5 million SF under construction. Strong interest continues; however, there have been fewer buyers as some investors and developers are pausing as interest rates rise and loan-to-value ratios require more money down. Demand for life sciences space remains strong with over 10 million SF of potential space in the pipeline including new construction and conversions, with 1.6 million SF currently under construction; however, it is possible that some of the proposed space may be built as another product type.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	2,489,518	2,778,841	1,451,176	2,056,945	1,861,627
▲ Vacancy Rate	3.19%	2.58%	2.63%	2.46%	2.34%
▲ Avg NNN Asking Rate PSF	\$10.78	\$10.55	\$10.28	\$9.99	\$9.69
▼ SF Under Construction	4,716,667	5,034,222	6,026,179	4,830,621	2,433,653
▲ Inventory SF	97,642,069	96,633,948	94,981,567	94,444,120	94,244,088

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7300 ACC Boulevard Raleigh, NC	175,000 SF	\$18,000,000 \$102.86 PSF	Harry L Smith, Jr. Oakwood Partners, LLC	Class B
1201 N Greenfield Parkway Garner, NC	165,921 SF	\$14,900,000 \$89.79 PSF	Prologis, LP Duke Realty Corporation	Class A
501 Innovation Avenue Morrisville, NC	153,990 SF	\$19,270,000 \$125.14 PSF	Prologis, LP Duke Realty Corporation	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5100 Jones Sausage Road Garner, NC	65,002 SF	Beacon Development Company	Undisclosed	Undisclosed
5100 Jones Sausage Road Garner, NC	64,549 SF	Beacon Development Company	Undisclosed	Undisclosed
1400 Mechanical Boulevard Garner, NC	24,700 SF	Daily Vita	Undisclosed	Undisclosed



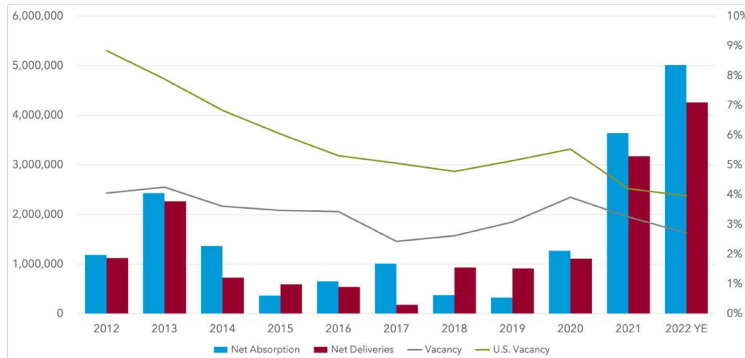
INDUSTRIAL MARKET OVERVIEW

AMMAR ABU-HAMDA, Associate

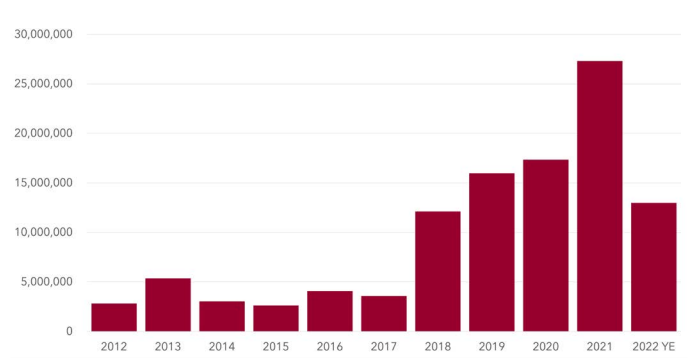
Industrial rents in the Omaha Market rose at a 6.5% annual rate during 2022, and have posted an average annual gain of 5.4% over the past three years. In addition to 8.9 million SF that has delivered over the past three years (a cumulative inventory expansion of 9.5%), there is 2.7 million SF currently under construction. Vacancies in the metro continued their downward trend and currently sit at 2.01% at the end of Q42022, Nonfarm payrolls increased at an annual rate of 3.2%, a gain of about 16,000 jobs

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	341,666	1,116,953	48,887	560,189	2,374,366
▼ Vacancy Rate	2.01%	2.29%	3.09%	3.44%	3.20%
▲ Avg NNN Asking Rate PSF	\$7.28	\$7.21	\$7.10	\$6.96	\$6.81
▼ SF Under Construction	2,739,142	2,760,642	2,295,502	5,184,318	5,215,804
◀▶ Inventory SF	103,000,000	103,000,000	103,000,000	99,800,000	99,000,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
9202 F Street Omaha, NE	267,495 SF	\$22,500,000 \$84.00 PSF	Gordmans Distribution G & I IX Specialty	Class B
10711 Olive Street La Vista, NE	161,140 SF	\$10,839,000 \$67.00 PSF	Vertical Cold Storage United States Cold Storage	Class B
8376 N 72nd Omaha, NE	141,816 SF	\$57,368,723 \$405.00 PSF	Amazon Scannell Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9202 F Street Omaha, NE	186,405 SF	FFVI NE Omaha LLC	Airlite Plastics	Industrial
9009 S 135th Street Omaha, NE	165,052 SF	Arun Agarwal	UPS	Industrial
14910 Gold Coast Road Omaha, NE	150,280	R & R Realty	Ford Storage & Logistics	Industrial



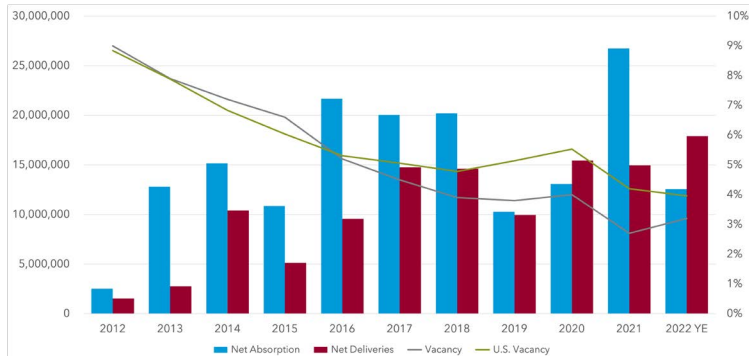
INDUSTRIAL MARKET OVERVIEW

MICHAEL MALMSTONE, *Real Estate Analyst*

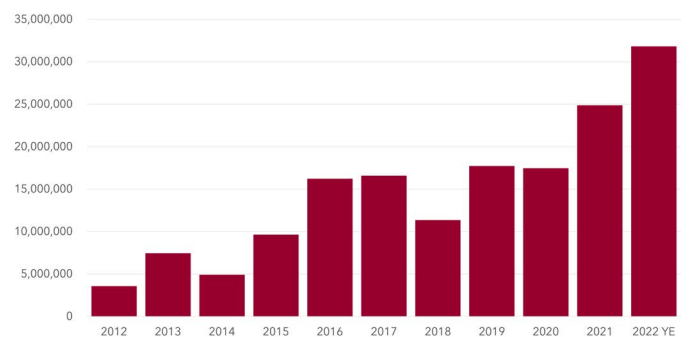
Q4 saw record rents at \$12.31 PSF NNN, the 32nd consecutive quarter of growth, 2% QoQ and 18.7% YoY. Some landlords are starting to breakup larger blocks of available space, especially in newly delivered product as well as taking shorter term leases. 6.4MM SF was leased, the lowest amount in almost 15 years, in 5.0 months on average. Net absorption clocked 2.6MM SF, the lowest in nine quarters. Vacancy and availability each up 50 bps QoQ, at 3.2% and 6.8% respectively. Sales volume grew to \$3B, the highest since Q4 2021, up 144% QoQ and more than double the 5-year average. Cap rates compressed 70 bps to 6.1%, while pricing grew 20% to \$212 PSF. A near high of 31.8MM SF is under construction. 55MM SF is approved for development.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Qtrly Net Absorption SF	2,591,502	3,052,079	3,700,632	3,215,474	7,255,802
▲ Vacancy Rate	3.2%	2.7%	2.8%	2.8%	2.7%
▲ Avg NNN Asking Rate PSF	\$12.31	\$12.07	\$11.73	\$11.04	\$10.37
▼ SF Under Construction	31,821,480	36,457,507	33,154,316	29,483,111	24,880,108
▲ Inventory SF	1,010,207,556	1,002,674,901	1,000,032,770	996,175,378	992,305,244

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
221 Riverview Drive Perth Amboy, NJ	921,085 SF	\$101,728,932 \$110.44 PSF	Prologis, LP Duke Realty Corporation	Class A
980 High Street Perth Amboy, NJ	718,200 SF	\$79,321,365 \$110.44 PSF	Prologis, LP Duke Realty Corporation	Class A
429 Delancy Street Newark, NJ	661,741 SF	\$208,929,434 \$315.73 PSF	Prologis, LP Duke Realty Corporation	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
904 Cranbury South River Road Monroe, NJ	1,281,000 SF	Brookfield Property Partners	Home Depot	Materials
6 West Belt Parkway Wayne, NJ	507,727 SF	Driscoll Foods	Driscoll Foods	Grocery Stores
1365 Lambertson Road Hamilton, NJ	384,895 SF	Hilco Global	United Distribution Services	Logistics



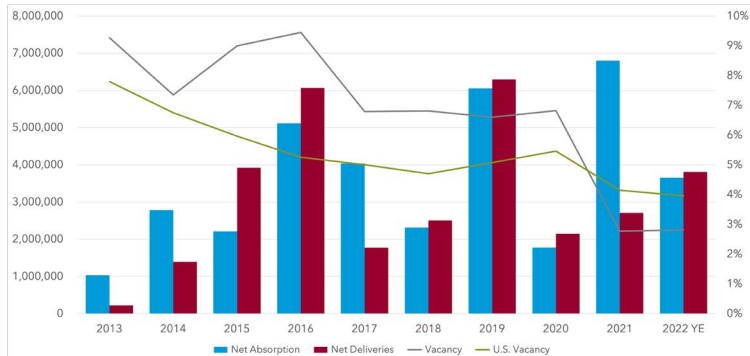
INDUSTRIAL MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

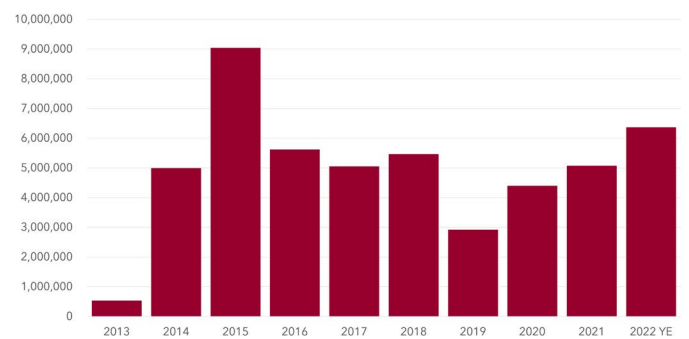
The demand pressure on the area is still very high, causing vacancy to drop further, although it has been fairly steady all year with a sub 3% vacancy. New construction is the primary source of inventory with pricing continuing to rise (although still below the National average) creeping up to an 8.3% rate annually. The interest rate hike has to cause further increases in pricing, while cap rates have to rise given that there is no real difference between that and the interest rates currently. Look for an interesting year as much of the new space has already been spoken for, but rising rates should cause some added vacancy especially in the sublease market. Overall, given our strong job growth market, which, coupled with the demand for space, should keep us going.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	3,655,979	5,108,580	4,364,748	4,547,195	6,801,829
▼ Vacancy Rate	2.8%	3.1%	2.5%	2.3%	2.8%
▲ Avg NNN Asking Rate PSF	\$8.77	\$8.59	\$8.44	\$8.29	\$8.07
▲ SF Under Construction	6,367,517	6,284,143	8,087,984	7,007,202	5,073,552
▲ Inventory SF	109,297,561	109,071,695	106,897,844	105,656,024	105,486,984

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
850 N Hills Boulevard Reno, NV	131,535 SF	\$20,341,000 \$154.64 PSF	B of A Leasing Ahold USA, Inc.	Class C
1 Eric Circle Verdi, NV	123,942 SF	\$16,600,000 \$133.93 PSF	Weber Metals Inc. Schlosser Forge Company	Class C
635 Demark Drive Reno, NV	19,200 SF	\$8,400,000 \$437.50 PSF	Doolittle Senior Center T Bar Services LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
850 N Hills Boulevard Reno, NV	131,535 SF	B of A Leasing	US Foods	Grocery, Wholesaler
445-449 E Glendale Reno, NV	20,028 SF	Blackstone	Undisclosed	Undisclosed
680 E Glendale Reno, NV	11,200 SF	Washoe Zephyr Props	Undisclosed	Undisclosed



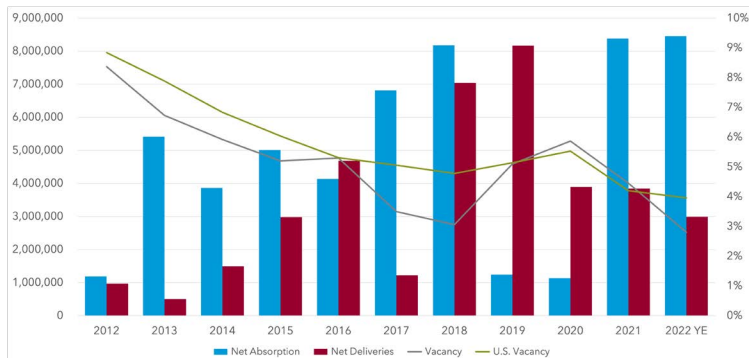
INDUSTRIAL MARKET OVERVIEW

PAUL SCHMERGE, *Senior Vice President*

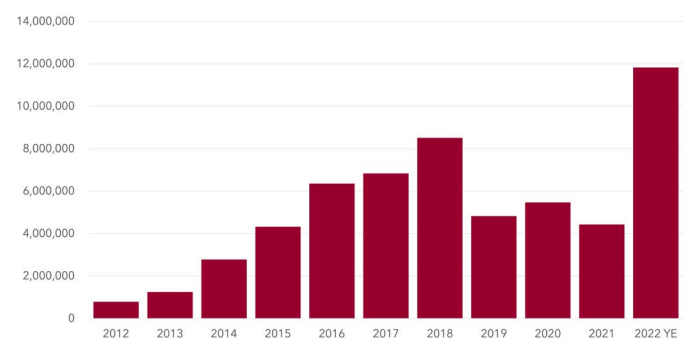
The year ended 2022 was a record year for the Greater Cincinnati industrial real estate market. There were over \$1.1 billion in trades recorded. Net absorption on a 12-month basis is over 8.2M SF. Cincinnati continues to be a prime destination for fulfillment and logistics users with demand outpacing supply. The Florence/ Richmond, KY submarket is the leader with over 3M SF in net absorption. This along with Tri-County in Ohio and N KY airport submarkets are the focus of construction projects in 2023. We have approximately 11.4M SF under construction. This inventory will relieve the upward pressure on pricing in a market under 3% vacancy.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	8,452,880	10,084,846	12,445,747	7,397,047	8,381,865
▼ Vacancy Rate	2.80%	3.09%	3.05%	4.16%	4.45%
▲ Avg NNN Asking Rate PSF	\$6.65	\$6.42	\$6.21	\$6.00	\$5.85
▲ SF Under Construction	11,828,715	10,676,259	8,434,142	6,128,637	4,430,914
▲ Inventory SF	339,302,072	338,356,038	338,189,038	337,642,037	336,312,888

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5265-5273 E Provident Drive West Chester, OH	744,530 SF	\$39,375,483 \$52.89 PSF	Prologis, LP Duke Realty Corporation	Class A
2305 Litton Lane Hebron, KY	646,468 SF	\$37,150,346 \$57.47 PSF	Prologis, LP Duke Realty Corporation	Class A
3001 Afton Drive Batavia, OH	617,760 SF	\$29,192,023 \$47.25 PSF	Prologis, LP Duke Realty Corporation	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2939-2979 Crescentville West Chester, OH	234,400 SF	Prologis, LP	SanMar Corporation	Wholesaler
5389 E Provident Drive Cincinnati, OH	220,000 SF	Prologis, LP	Herman Miller Furniture	Retailer
4330 Winton Road Cincinnati, OH	106,415 SF	Saturday Knight Ltd.	Harris Distributing	Professional, Scientific, and Technical Services

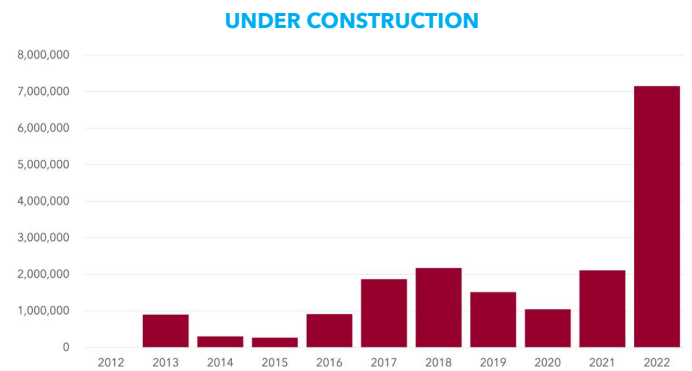
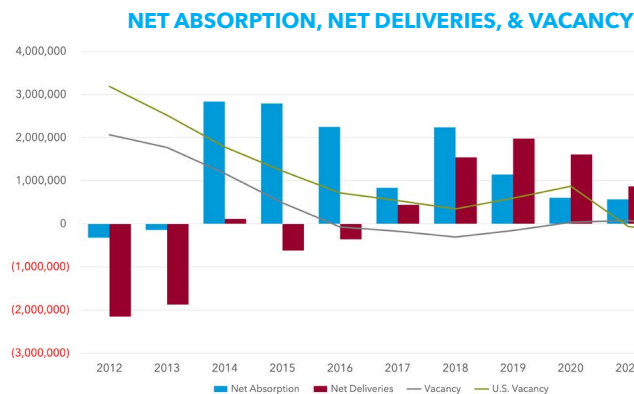


INDUSTRIAL MARKET OVERVIEW

CONNOR KROUSE, Associate

Cleveland's Industrial Market showed continued strength and stability in the 4th Quarter of 2022. Strong leasing volume and limited deliveries is keeping Cleveland's industrial market balanced heading into 2023. While construction activity is picking up in Cleveland with 7.1 million SF underway, it represents just 2.0% of existing inventory. Rent growth in Cleveland accelerated over the past 12 months and sits near an all-time high of an average of \$4.99. Sales volume are near record level in Cleveland; over the past 12-month period, industrial sales total \$625 million, 44% above the prior three-year average.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	804,819	644,000	743,000	917,000	536,016
▼ Vacancy Rate	4.14%	4.19%	4.20%	4.40%	5.00%
▼ Avg NNN Asking Rate PSF	\$4.99	\$5.14	\$5.07	\$4.95	\$4.80
▼ SF Under Construction	4,900,000	7,700,000	2,900,000	2,200,000	3,570,000
▲ Inventory SF	292,800,000	292,000,000	290,850,000	290,700,000	290,700,000



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10575 Memphis Avenue Brooklyn, OH	123,366 SF	\$53,911,290 \$437.00 PSF	SFG STPK LM Brooklyn, LLC Cleveland American Land, LLC	Class A
12901 Snow Road Parma, OH	88,918 SF	\$20,300,000 \$228.30 PSF	Setzer Properties XCL LLC XPO, Inc.	Class B
19681 Commerce Parkway Middleburg Heights, OH	125,500 SF	\$13,700,000 \$109.16 PSF	CC Pky Owner LLC The Dickman Company, Inc.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
700 Denison Avenue Cleveland, OH	150,000 SF	ICP LLC	Greenbridge	Packaging/ Distribution
9000 Rio Nero Drive Independence, OH	143,000 SF	DIG DEV Pleasant Valley, LLC	Faber Castell	Manufacturing
1755 Enterprise Parkway Twinsburg, OH	118,489 SF	Plymouth Industrial REIT, Inc.	reLink Medical	Distribution



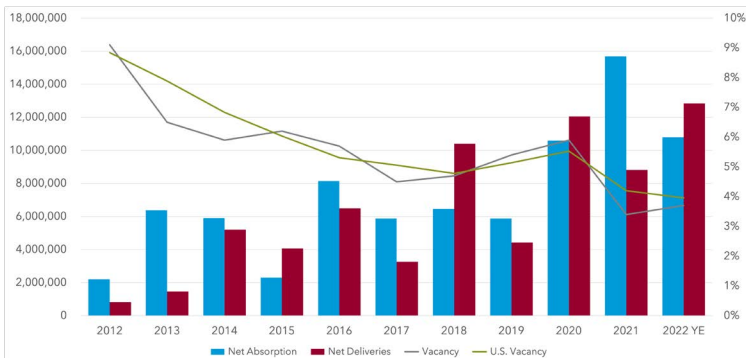
INDUSTRIAL MARKET OVERVIEW

MIKE SPENCER, SIOR, *Principal, Broker*

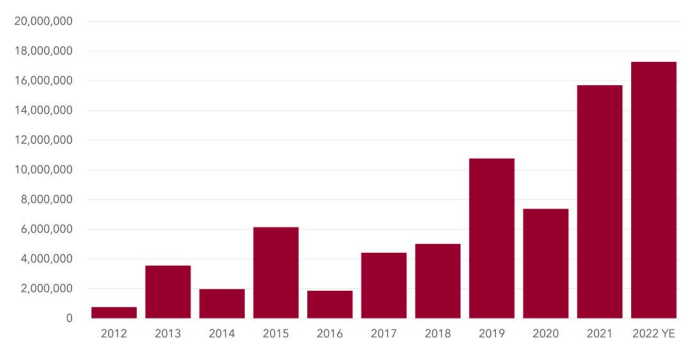
While investors, developers, and occupiers take a breath at year end, the market is predicted to continue its tremendous growth. Projects such as Intel and Honda's EV battery factory have generated unprecedented interest in the Columbus region. Innovation in core sectors and a growing smart manufacturing base are propelling our lead in population and job growth in the Midwest. Vacancy is still near all-time lows. With continued positive momentum and a pipeline as large as previous years, the breather will likely be short-lived in view of the demands being placed upon the Columbus region.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	910,201	3,599,463	2,619,124	3,612,009	3,824,776
▲ Vacancy Rate	3.70%	2.90%	2.90%	2.40%	3.40%
▲ Avg NNN Asking Rate PSF	\$6.12	\$5.74	\$5.24	\$4.93	\$4.59
▼ SF Under Construction	17,279,345	20,879,308	20,883,338	15,400,658	15,701,619
▲ Inventory SF	328,446,646	323,727,464	318,698,482	316,849,334	313,999,753

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
200 Heritage Drive Etna, OH	700,491 SF	\$57,321,179 \$81.83 PSF	Spirit Realty LP Ascena Retail Group	Class A
1050 Dearborn Drive Worthington, OH	416,446 SF	\$16,578,715 \$39.81 PSF	1050 Dearborn LLC Vertiv	Class B
1675 Watkins Road Columbus, OH	290,573 SF	\$9,600,532 \$33.04 PSF	Clear Height Properties Garrison	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8640 Global Way Etna, OH	303,219 SF	EQT Exeter	United Healthcare	Healthcare
5900 Meadows Drive, N Grove City, OH	269,831 SF	Starwood	CTDI	Communications
1600 Williams Road Columbus, OH	236,169 SF	Ind Logistics Prop Trust	ODW Logistics	Logistics



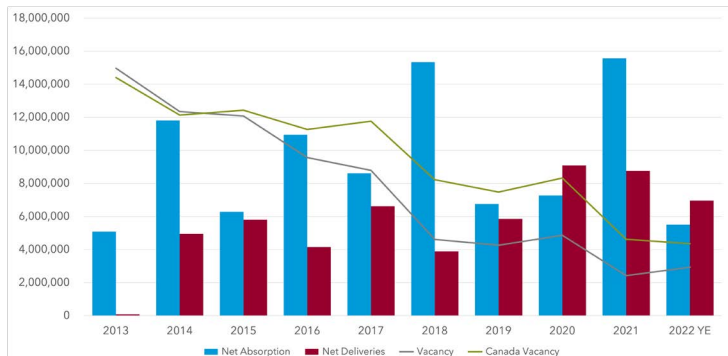
INDUSTRIAL MARKET OVERVIEW

ANTHONY CUTRARA *Vice President*, DANIEL SMITH, *Senior Vice President*

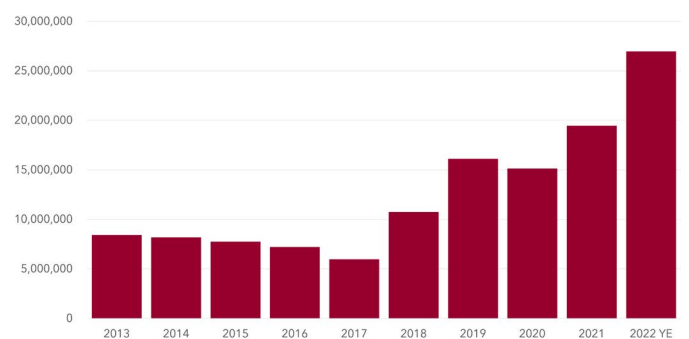
The GTA has the third-largest industrial market in North America. The strain on the market with a declining availability has driven rents to increase by 16.9% YoY to a record high of \$16.90 per square foot on average increasing the national average to \$15.20 per square foot as of Q4 2022(QTD). As competition for space increases, particularly in the logistics sector, rents will continue to grow. This trend is unlikely to change unless the market sees more large bay industrial space under construction. Supply chain issues and increasing construction costs have delayed many projects this quarter pushing delivery dates further out. One of the main forces driving the increase in rental rates is a constrained new supply pipeline.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	5,506,043	5,900,600	12,721,478	13,759,029	15,572,276
◀▶ Vacancy Rate	1.0%	1.0%	1.0%	1.0%	0.90%
▲ Avg NNN Asking Rate PSF	\$16.94	\$16.00	\$15.62	\$14.97	\$14.37
▼ SF Under Construction	26,971,707	27,068,012	24,586,795	23,598,138	19,468,550
▲ Inventory SF	864,072,291	862,327,023	861,129,805	857,883,127	857,062,164

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Brampton Industrial Facility Brampton, ON	855,979 SF	\$244,000.00* \$285.00 PSF	Crestpoint Owen Illinois	Class A
410 / Meadowvale Mississauga, ON	742,000 SF	\$294,300.00* \$396.35 PSF	LaSalle Undisclosed	Class A
GTA Portfolio Toronto, ON	908,360 SF	\$312,000.00* \$343.47 PSF	Pure Industrial Northlea Corp	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15 Bramalea Road Brampton, ON	373,757 SF	HPI Realty Management	Syncreon	Logistics
6250 Edwards Boulevard Mississauga, ON	236,000 SF	Orlando Corp	Nippon Express	Logistics
12000 Coleraine Drive Caledoon, ON	438,966 SF	HOOPP	DSV	Logistics/3PL

*All numbers shown are in Canadian dollars (CAD)



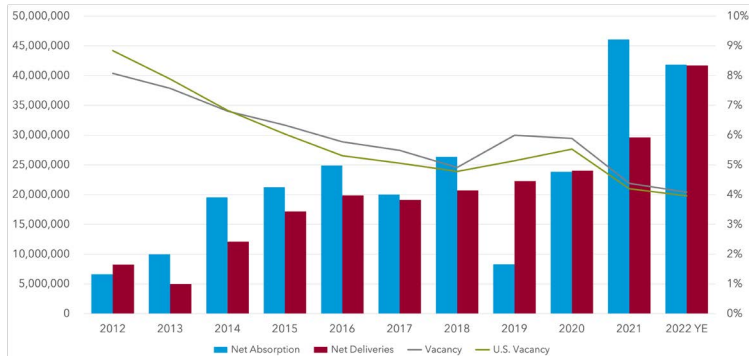
INDUSTRIAL MARKET OVERVIEW

THOMAS DOUGHERTY, *Research Analyst*

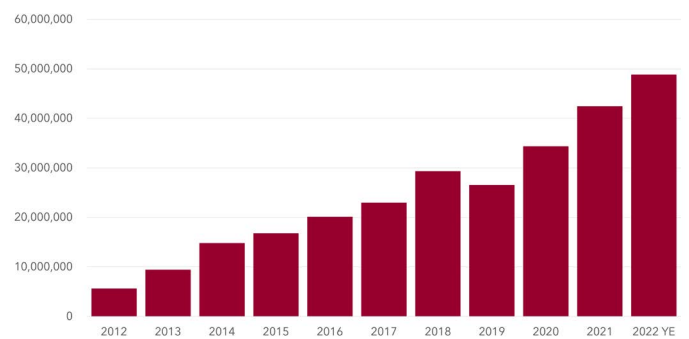
The Philadelphia Region Industrial Market saw a slowdown in the 4th quarter of 2022. Vacancy rate increased to 4.08%, up from the record low of 3.90% in the 3rd quarter. Net absorption increased to 41.8 MSF for 2022 YE, still below the levels achieved in 2021. There is currently 48.9 MSF under construction, a decrease from the 3rd quarter. Lower construction levels are expected to be the trend moving into 2023, as developers delay construction starts due to the current economic environment. A strong point in the 4th quarter was the increase in Avg NNN asking rate PSF from \$8.04 to \$8.26, signaling that demand, coupled with the low vacancy, still remains strong enough to drive up rents.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	41,833,344	40,698,118	49,820,727	48,927,981	46,069,945
▲ Vacancy Rate	4.08%	3.90%	4.00%	4.20%	4.38%
▲ Avg NNN Asking Rate PSF	\$8.26	\$8.04	\$7.96	\$7.60	\$7.31
▼ SF Under Construction	48,870,408	56,226,412	55,147,389	52,447,363	42,462,231
▲ Inventory SF	1,297,240,329	1,279,460,619	1,266,006,117	1,253,807,366	1,244,834,402

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
780 S Dupont Highway New Castle, DE	1,350,000 SF	\$246,751,514 \$182.78 PSF	PGIM, Inc. Stoltz Real Estate Partners	Class A
1610 Van Buren Road Easton, PA	1,106,442 SF	\$78,363,920 \$70.83 PSF	Prologis Duke Realty Corporation	Class A
1620 Van Buren Road Easton, PA	1,015,740 SF	\$71,939,937 \$70.83 PSF	Prologis Duke Realty Corporation	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2869 Route 22 Fredericksburg, PA	550,000 SF	Prologis	Spencer Gifts	Consumer Goods
433 E Moorestown Road Wind Gap, PA	427,919 SF	Link Logistics	Iron Mountain	Services
1051 Carson Court Palmer Township, PA	406,801 SF	Carson Companies	W.W. Grainger, Inc.	Industrial Supply



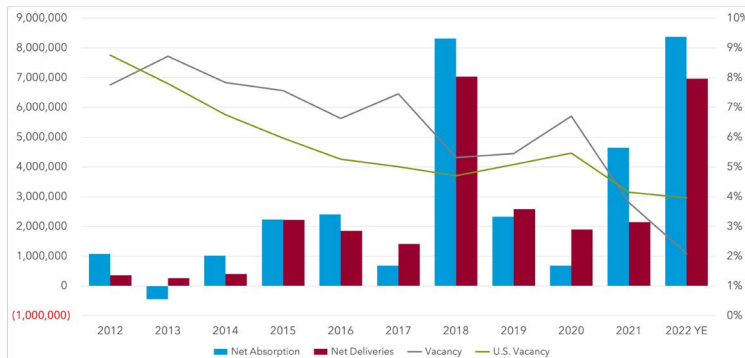
INDUSTRIAL MARKET OVERVIEW

THOMAS BUIST, *Vice President*

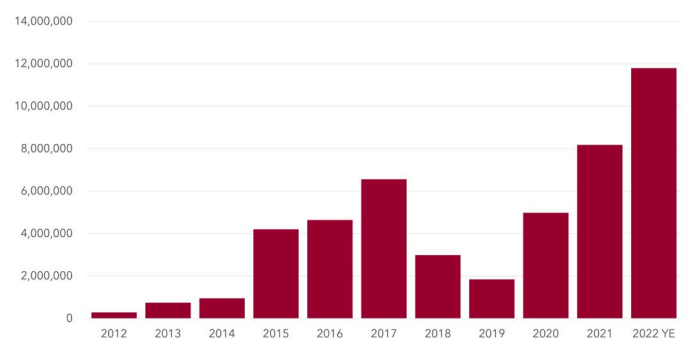
The improvements over the years to the Port of Charleston have proved effective and the latest completion of the 52-foot deep channel will make the port more competitive. This aligns with the continuing growth of major companies moving into Charleston such as Redwood Materials who recently announced a development of a 600-acre plant in Camp Hall. Additionally, 2023 is expecting about 11.38 million SF of new industrial space to be delivered, mostly in Berkeley County. 837,200 SF of new class-A space at Trade Park East was recently completed and sold for \$101.5 million, another testament to the competitive market.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	8,370,906	7,882,371	7,618,384	4,706,969	4,640,093
▼ Vacancy Rate	2.1%	2.2%	2.4%	2.9%	3.8%
▲ Avg NNN Asking Rate PSF	\$9.33	\$9.12	\$8.85	\$8.59	\$8.32
▲ SF Under Construction	11,799,732	8,612,848	8,609,076	9,586,716	8,175,401
▲ Inventory SF	97,986,071	96,580,374	94,996,412	91,776,216	91,025,523

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6901 Weber Boulevard Ladson, SC	342,160 SF	\$38,650,000 \$112.96 PSF	Dogwood Industrial Properties Trinity Partners	Class A
860 Main Road Johns Island, SC	180,000 SF	\$5,400,000 \$30.00 PSF	Undisclosed Stonoca Farms Corporation	Class C
6902 Weber Boulevard Ladson, SC	174,720 SF	\$22,180,000 \$126.95 PSF	Dogwood Industrial Properties Trinity Partners	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
0 Camp Hall Road Ridgeville, SC	157,500 SF	Berkeley County	Undisclosed	Undisclosed
320-328 Deming Way Summerville, SC	150,000 SF	Tri-Modal Transportation Services	Undisclosed	Undisclosed
2301 Charleston Regional Parkway Charleston, SC	42,500 SF	Power Generations Inc	Undisclosed	Undisclosed



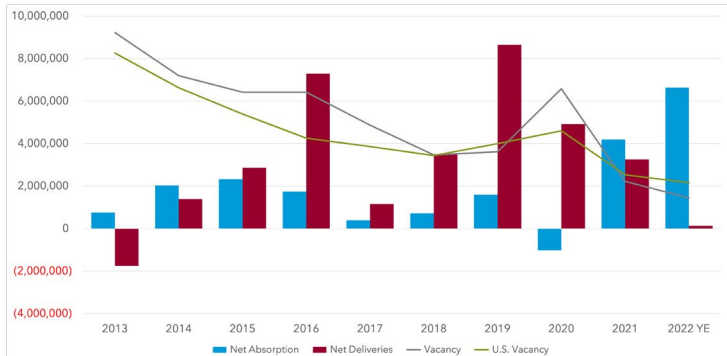
INDUSTRIAL MARKET OVERVIEW

RANDALL BENTLEY, CCIM, SIOR, *President*

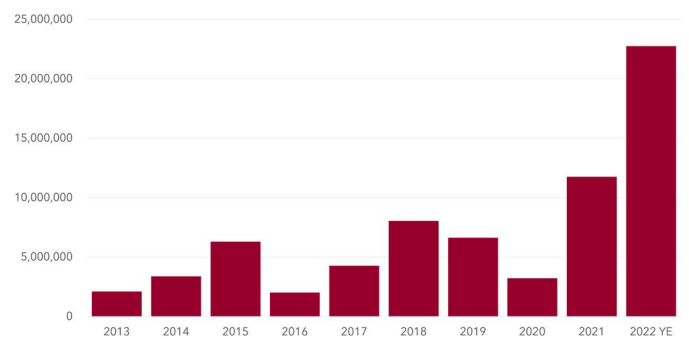
At year-end 2022, the Greenville/Spartanburg industrial market has shown substantial growth throughout the year. Ranked as one of the fastest growing areas of the US, the Carolinas have attained National attention in significant growth patterns across all sectors. Industrial space continues to be in high demand with a vacancy rate of 3.5%; however, over 22 million square feet of industrial space is currently under construction. The GSP market's ideal location continues to attract new industry with its interstate interface and short drive to Charlotte, Atlanta and Port of Charleston. The nearby Inland Port of Greer extends the Port of Charleston's reach 212 miles inland to the GSP market which provides convenient connection via interstate and railway to the rest of the Nation.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	6,634,251	10,695,269	12,337,828	10,618,254	9,843,152
▲ Vacancy Rate	3.50%	2.80%	3.10%	3.50%	4.10%
▲ Avg NNN Asking Rate PSF	\$4.92	\$4.78	\$4.67	\$5.36	\$4.41
▲ SF Under Construction	22,741,956	20,027,476	18,885,184	15,306,474	10,316,835
▲ Inventory SF	249,499,919	246,829,718	243,608,803	242,392,949	241,504,506

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
34 Commerce Drive Gaffney, SC	915,911 SF	\$80,500,000 \$87.89 PSF	LRC Properties Techtronic Industries No America	Class B
877 Torrington Road Clinton, SC	190,192 SF	\$10,584,595 \$55.65 PSF	Southpaw Ventures, LLC Ravine Park Partners	Class B
6997 Pelham Road Greenville, SC	108,912 SF	\$5,000,000 \$45.91 PSF	Cusino Law Bostik, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2415 N Highway 81 Anderson, SC	658,000 SF	Sage Park	Orian Rugs, Inc.	Retailer
550 Mason Farm Lane Geer, SC	303,580 SF	Walton Street Capital, LLC	Bonded Logistics	3PL
50 Peachview Boulevard Gaffney, SC	226,968 SF	STAG Industrial, Inc.	The Robert Allen Group	Manufacturing



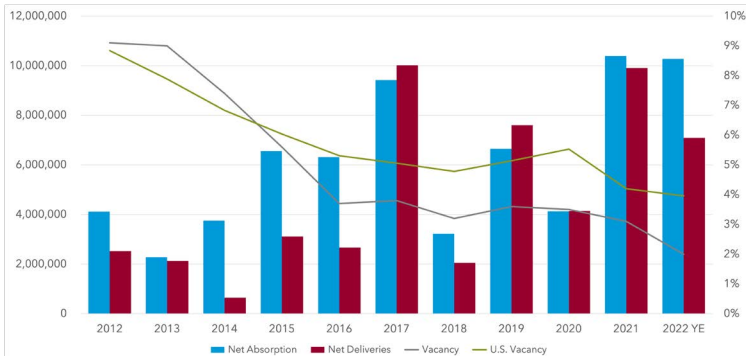
INDUSTRIAL MARKET OVERVIEW

JIM RODRIGUES, SIOR, *President*

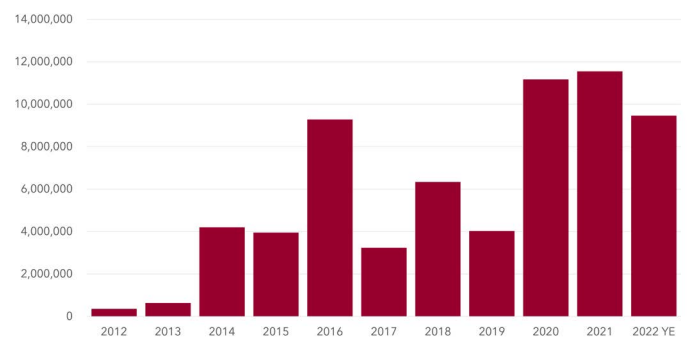
Robust industrial growth and expansion in Nashville resulted in year-end vacancy of 2.0% and 2022 net absorption of more than 10.2 million SF. Fourth quarter tenant demand remained strong, as McNeilus Trucking (844,480 SF), Armstrong Transfer & Storage (107,500 SF) and WestRock (100,880 SF) completed new leases. There is approximately 9.5 million SF under construction and a limited number of large buildings coming online before the end of 2023. Despite the delivery of 7.1 million SF of new space in 2022, tightening supply fundamentals led to notable asking rent inflation of more than 13% year-over-year.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	10,273,158	9,485,802	10,355,318	8,108,225	10,393,539
▼ Vacancy Rate	2.0%	2.4%	3.4%	4.5%	3.1%
▲ Avg NNN Asking Rate PSF	\$7.36	\$7.01	\$6.75	\$6.67	\$6.70
▼ SF Under Construction	9,459,843	11,113,261	12,924,833	9,661,991	11,551,724
▲ Inventory SF	249,068,024	248,077,701	244,062,966	243,365,126	239,909,019

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
245 Couchville Industrial Boulevard Mount Juliet, TN	709,652 SF	\$55,700,000 \$78.49 PSF	Welcome Real Estate Services Westmount Realty Capital	Class A
7235-7241 Cockrill Bend Boulevard Nashville, TN	298,254 SF	\$33,000,000 \$110.64 PSF	TPG Global Lone Maple Investors	Class B
310 Great Circle Road Nashville, TN	107,000 SF	\$14,820,000 \$138.50 PSF	Lone Oak Nashville George Frederick Dettwiller II	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2120 Logistics Way Murfreesboro, TN	844,480 SF	Granite REIT Holdings	McNeilus Trucking	Manufacturing
200 Threet Industrial Road Smyrna, TN	107,500 SF	Hillwood	Armstrong Transfer & Storage	Moving, Storage & Logistics
7500 Eastgate Boulevard Mount Juliet, TN	100,880 SF	Prologis	WestRock	Manufacturing & Distribution



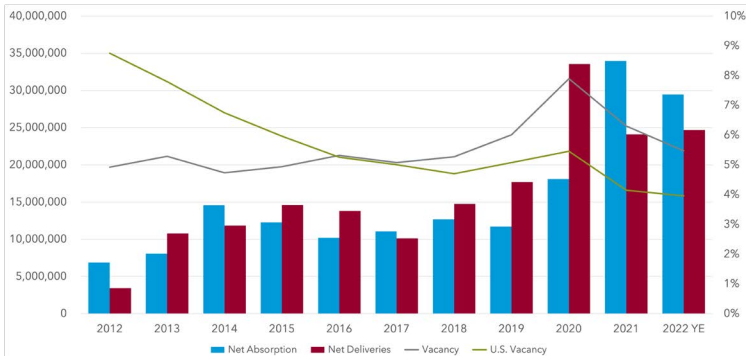
INDUSTRIAL MARKET OVERVIEW

JUSTIN TUNNELL, *Principal*

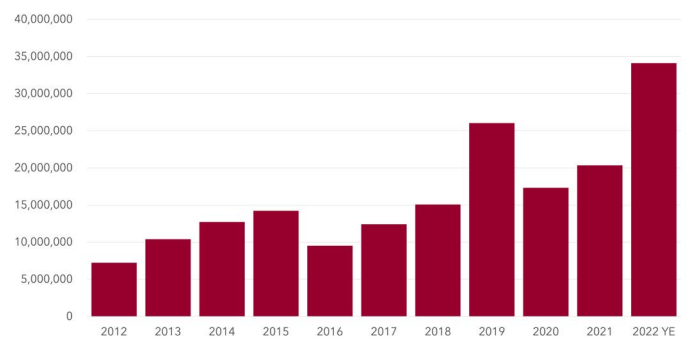
The industrial sector continued its record absorption driven mostly by multiple million-square-foot leases signed in the last quarter of the year. The increase in under construction properties continues to illustrate the positive outlook and strong demand for quality industrial product with 34M SF currently in the pipeline. Houston's Q4 Industrial vacancy rate remained historically low at 5.48 % which was well below Q4 2021 at 6.30 %. Metrics favored the premise of 2022 being a record-breaking year. The organization is currently tracking 27M SF of active requirements, of which 8M is between 100k-250k SF, another 8M between 250k-500k SF and 6.6M > 500k SF. Strong demand is predicted to continue in the first quarter of 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	29,471,446	33,418,941	43,721,996	38,498,996	33,957,872
▼ Vacancy Rate	5.48%	5.50%	5.30%	5.90%	6.30%
▲ Avg NNN Asking Rate PSF	\$8.46	\$8.39	\$8.32	\$8.18	\$8.09
▲ SF Under Construction	34,100,037	32,529,254	29,703,777	25,536,561	20,340,824
▲ Inventory SF	763,782,136	757,952,649	748,342,124	742,795,741	739,101,176

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4331 Underwood Road Pasadena, TX	600,000 SF	\$41,416,224 \$69.03 PSF	Prologis, LP Duke Realty Corporation	Class A
13001 Bay Area Boulevard Pasadena, TX	598,000 SF	\$41,278,170 \$69.03 PSF	Prologis, LP Duke Realty Corporation	Class A
16740 East Hardy Road Houston, TX	544,877 SF	Undisclosed	Niazi Management, Inc. Adam & Malik Development	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7505 Fisher Road Houston, TX	1,218,956 SF	TGS Cedar Port	Undisclosed	Retail Distribution
111 Empire Boulevard Houston, TX	1,039,060 SF	Stream Realty Partners	Undisclosed	Manufacturing
1519 Woods Road, Building 1 Houston, TX	836,120 SF	CBRE	Undisclosed	Manufacturing



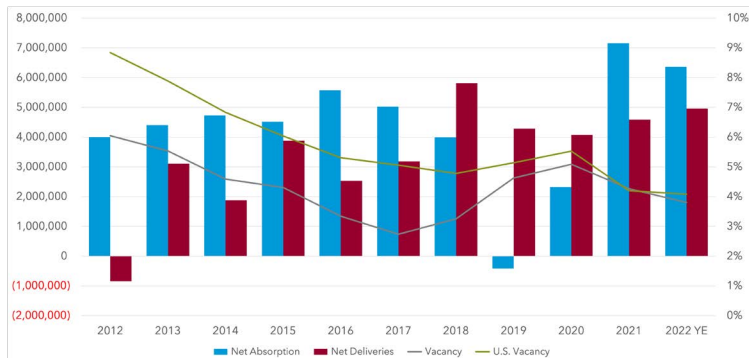
INDUSTRIAL MARKET OVERVIEW

VANESSA HERZOG, SIOR, CCIM, *Principal*

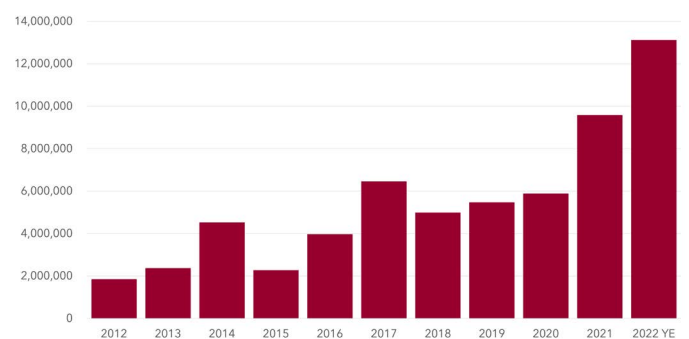
Leasing activity held steady as we closed out '22. A few industrial land sales closed (Panattoni and Vector Development), but below the high pricing in mid-2022. There were a few significant investments sales, and most notably the Pacific Gateway project for 260 million or \$316/SF. Users in the market planting new flags are Pape with a recent purchase in Fife and a new development in Federal Way (Kenworth). In Everett to Arlington, its Amazon, Wipro Aerospace and Zap Energy with recently signed leases. Speculative development is still active with projects started in 2022 and new 2023 deliveries and we expect lease and vacancy rate trends to hold.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	6,363,316	6,289,213	8,334,006	7,830,762	7,157,647
▼ Vacancy Rate	3.80%	4.25%	4.21%	3.94%	4.27%
▲ Avg NNN Asking Rate PSF	\$13.52	\$13.36	\$13.25	\$12.92	\$12.58
▲ SF Under Construction	13,121,875	11,852,309	10,084,632	9,382,949	9,586,874
▲ Inventory SF	346,157,332	345,436,870	343,971,500	342,110,160	341,194,840

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2700 Center Drive* Dupont, WA	1,016,109 SF	\$192,317,399 \$189.27 PSF	Prologis, LP Duke Realty Corporation	Class A
2900 Center Drive* Dupont, WA	747,488 SF	\$141,475,912 \$189.27 PSF	Prologis, LP Duke Realty Corporation	Class B
2800 Center Drive* Dupont, WA	494,900 SF	\$93,668,967 \$189.27 PSF	Prologis, LP Duke Realty Corporation	Class A

*Part of Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6750 S 228th Street Kent, WA	258,499 SF	Bridge Industrial	Undisclosed	Undisclosed
14585 SE Stewart Road Sumner, WA	168,083 SF	Investco LLC	ID Logistics	Professional, Scientific and Technical Services
2501 E Valley Road Renton, WA	165,755 SF	Graybar	Clarion Partners, 2501 East Valley Road LLC	Wholesaler



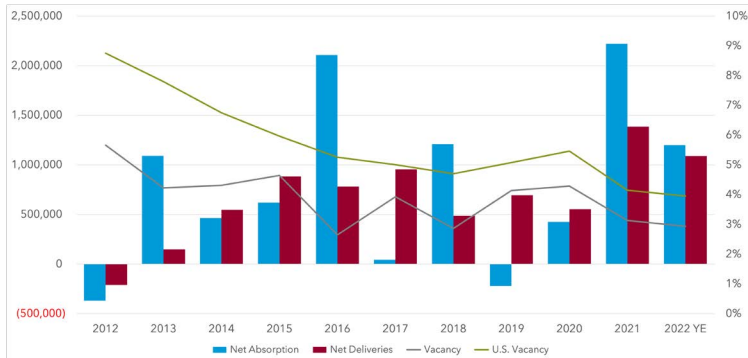
INDUSTRIAL MARKET OVERVIEW

CAMP PERRET, Vice President

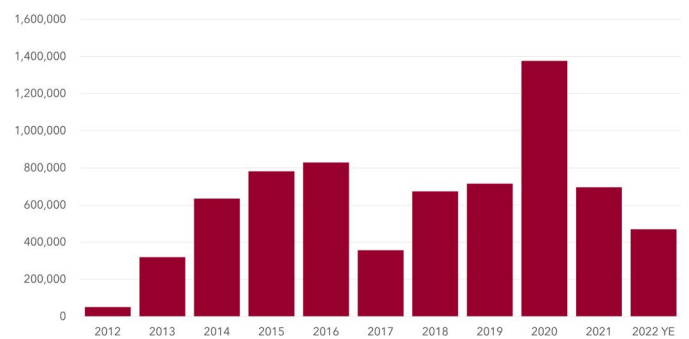
The Madison Industrial Market demand remains strong. Available square footage in the market is down 25% year over year, compressing the vacancy rate to 2.9% and leading to an all-time high for average rental rates. New construction has lagged behind the growing demand for warehouse and flex space. The market's strong demographics including above-average median household incomes, low unemployment rates and soaring population growth will continue to power industrial demand into the future.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	1,198,879	1,168,704	1,376,541	1,923,326	2,220,928
▼ Vacancy Rate	2.9%	3.4%	3.0%	2.9%	3.1%
▲ Avg NNN Asking Rate PSF	\$7.13	\$7.07	\$6.97	\$6.83	\$6.69
▼ SF Under Construction	469,723	935,586	1,070,223	788,023	695,898
▲ Inventory SF	73,526,115	73,054,252	72,645,992	72,519,592	72,436,967

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3401 E. Washington Avenue Madison, WI	110,000 SF	\$3,000,000.00 \$27.27 PSF	Wisconsin Housing Preservation Corp Sara Lee Corporation	Class B
2901 Packers Avenue Madison, WI	95,000 SF	\$3,180,000 \$33.47 PSF	Atisan Graham Real Estate Curran Properties LLC	Class B
205 Industrial Circle Stoughton, WI	92,000 SF	\$2,050,000 \$22.28 PSF	Sinobec Group North American Fur Auction	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1615 Commerce Drive Sun Prairie, WI	427,000 SF	STAG Industrial, Inc.	Colony Brands	Retailer
5487 N. Blue Bill Park Drive Madison, WI	270,000 SF	Poynette Development, LLC	Undisclosed	Undisclosed
2235 Eagle Drive Middleton, WI	130,228 SF	SARA Investment Real Estate	Quest Industries	Professional, Scientific and Technical Services

OFFICE OVERVIEW: HYBRID WORK, SLOWER GROWTH FORCES CUTS

Office demand in the United States ended the year with its largest quarterly deficit since Covid vaccines became available in early 2021. Hybrid work schedules have become the norm and companies are shedding space in anticipation of slowing growth and possible recession. Negative net absorption totaled 13.6 million SF in Q4, bringing the total for the year to negative 18.6 million SF. In the nearly three years since the lockdown, the slide has totaled 131.7 million SF, representing 1.6% of inventory and more than three average years of growth. Nearly 60 million SF of new supply is slated for delivery at the end of the first quarter.

Electronically monitored U.S. and Canadian workplaces show that employee traffic remains down as much as half overall compared to January 2020. That's where the broad similarities end. The vacancy rate at the end of 2022 is 12.7% in the U.S. and 8.7% in Canada, where demand has been positive over the last four quarters. The size of the U.S. Q4 contraction was unexpected. There had been more than 25 million SF of net absorption over the previous five quarters, for example, and gross leasing volume exceeded 100 million SF in each quarter this year but with increased requirements for smaller spaces.

Going into 2023, new headwinds are emerging, including widening fears of recession as the Federal Reserve remains resolved to curb high inflation with high interest rates that have slowed the economy. The anticipation of slowing has more companies making job cuts. The effects of steep layoffs in the once space-hungry technology sector hit West Coast markets hardest. Metros posting the most negative net absorption in 2022 were San Francisco at 5.3 million SF, Los Angeles' 3.7 million SF and 2.6 million SF in San Jose. Sublease space hit a record 230 million SF and is up more than 16% since Q4 2021.

Nationwide, transaction volume has fallen and the \$231 per SF average sale price of all office properties last year was down 14.2% from 2021 and off 16.5% from the average of the prior five years. Landlords aiming to cut costs also have been zeroing in on property taxes, the single largest expense. Owner appeals of tax assessments are up as much as 40%. Reduced property tax revenues cause cities and school districts to reduce services and could have implications for the \$4 trillion U.S. municipal bond market.

Continued tenant cutbacks will make it more challenging for building owners to service their mortgages. And with about 1.2 trillion in debt backed by office properties, widening distress could send tremors through the financial system.

Despite this gloomy backdrop there was growth in some markets. Chicago and Boston led top metros with the most 2022 growth with 2.6 million SF and 2.5 million SF respectively. And demand has held up well in some market segments. Among the newest properties - those complete since 2010 - tenant growth has been positive throughout the pandemic. Since Q1 2020 these properties have averaged 20 million SF of quarterly net absorption.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / SF ANNUAL		HIGHEST MARKET SALE PRICE / SF	
FL, Orlando	8.3%	CA, San Francisco	\$61.08	CA, San Francisco	\$778
OH, Cleveland	8.4%	NY, New York*	\$57.36	NY, New York*	\$673
ON, Toronto	8.9%	FL, Miami	\$46.72	BC, Vancouver	\$498
NC, Raleigh	9.0%	MA, Boston	\$42.48	MA, Boston	\$476
FL, Miami	9.5%	CA, Los Angeles	\$41.88	CA, Los Angeles	\$460
U.S. Index	12.7%	U.S. Index	\$35.16	U.S. Index	\$338
Canada Index	8.7%	Canada Index	\$26.16 CAD	Canada Index	\$286 CAD

MOST SF UNDER CONSTRUCTION SF		LARGEST INVENTORY BY SF		LOWEST MARKET CAP RATE	
MA, Boston	17,564,423	NY, New York*	975,280,821	BC, Vancouver	3.8%
NY, New York*	13,775,543	DC, Washington	519,827,719	CA, San Francisco	4.7%
ON, Toronto	11,616,145	IL, Chicago	509,669,746	NY, New York*	5.4%
TX, Dallas-Fort Worth	7,893,750	CA, Los Angeles	434,349,051	ON, Toronto	5.4%
DC, Washington	7,280,216	TX, Dallas-Fort Worth	416,210,243	CA, Los Angeles	5.5%
U.S. Index	134,209,083	U.S. Index	8,336,729,465	U.S. Index	6.9%
Canada Index	19,583,109	Canada Index	686,904,932	Canada Index	6.2%

* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
AB, Calgary **	17.2%	\$1.61	\$155	358,740	99,302,156	9.6%
AZ, Phoenix	15.2%	\$2.34	\$234	1,286,775	193,530,388	7.1%
BC, Vancouver **	4.8%	\$2.73	\$498	6,450,035	98,357,351	3.8%
CA, East Bay	13.0%	\$3.29	\$356	110,145	114,984,570	5.8%
CA, Inland Empire	6.1%	\$2.03	\$221	178,388	77,338,007	7.1%
CA, Los Angeles	14.6%	\$3.49	\$460	3,853,928	434,349,051	5.5%
CA, Orange County	12.6%	\$2.62	\$327	465,355	158,304,525	6.1%
CA, San Diego	11.0%	\$3.14	\$370	3,869,294	119,384,225	6.2%
CA, San Francisco	16.8%	\$5.09	\$778	2,563,033	189,370,146	4.7%
CA, San Luis Obispo	3.0%	\$2.34	\$278	36,039	6,502,990	7.2%
CA, Santa Barbara	6.4%	\$2.69	\$382	165,641	12,871,889	6.1%
CA, Stockton	4.8%	\$1.80	\$192	0	12,952,645	7.5%
CA, Ventura	11.2%	\$2.33	\$257	0	21,948,673	7.2%
CO, Denver	14.9%	\$2.41	\$259	2,643,056	183,850,999	7.0%
DC, Washington	15.6%	\$3.22	\$367	7,280,216	519,827,719	7.1%
FL, Fort Myers	4.5%	\$1.86	\$182	147,340	21,640,519	7.4%
FL, Miami	9.5%	\$3.81	\$397	4,194,115	113,670,708	5.8%
FL, Naples	5.3%	\$2.56	\$264	149,060	10,071,818	7.0%
FL, Orlando	8.3%	\$2.28	\$208	1,371,090	103,060,865	7.4%
GA, Atlanta	14.2%	\$2.31	\$233	4,700,878	334,556,777	7.0%
GA, Savannah	2.2%	\$1.96	\$188	47,438	12,362,233	8.4%
ID, Boise	4.6%	\$1.78	\$170	528,976	33,645,878	8.4%
IL, Chicago	15.3%	\$2.47	\$223	3,130,969	509,669,746	7.5%
IN, Indianapolis	9.0%	\$1.77	\$137	632,303	110,017,548	8.5%
MA, Boston	9.7%	\$3.54	\$476	17,564,423	368,551,549	5.9%
MD, Baltimore	11.6%	\$2.02	\$182	1,442,317	151,017,485	8.0%
MI, Detroit	12.2%	\$1.77	\$129	1,400,980	198,725,688	9.1%
MN, Minneapolis	10.9%	\$2.19	\$174	658,250	202,253,787	7.7%
MO, Saint Louis	11.0%	\$1.77	\$133	1,766,747	145,691,771	8.6%
NC, Durham	9.0%	\$2.24	\$245	798,625	36,121,026	7.1%
NC, Raleigh	9.0%	\$2.39	\$239	2,586,205	77,666,022	7.1%
United States Index	12.7%	\$2.93	\$338	134,209,083	8,336,729,465	6.9%
Canada Index	8.7%	\$2.18 CAD	\$286 CAD	19,583,109	686,904,932	6.2%

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
NE, Omaha	7.7%	\$1.98	\$150	479,935	47,552,842	8.9%
NJ, Atlantic City	6.7%	\$1.88	\$153	5,000	7,512,730	8.8%
NJ, Northern New Jersey *	13.9%	\$2.30	\$205	518,141	155,563,760	8.0%
NJ, Trenton	8.8%	\$2.43	\$186	0	32,040,291	8.2%
NJ, Vineland	8.5%	\$1.72	\$114	155,905	31,004,291	9.8%
NV, Reno	8.4%	\$2.04	\$212	450,538	17,247,726	7.6%
NY, Long Island	8.4%	\$2.55	\$203	129,036	99,307,183	7.9%
NY, New York *	12.6%	\$4.78	\$673	13,775,543	975,280,821	5.4%
OH, Cincinnati	10.0%	\$1.69	\$111	195,622	104,321,910	9.4%
OH, Cleveland	8.4%	\$1.60	\$116	1,385,808	109,198,472	9.7%
OH, Columbus	10.4%	\$1.79	\$129	1,435,124	116,183,172	8.6%
ON, Toronto **	8.9%	\$2.44	\$317	11,616,145	287,868,744	5.4%
PA, Harrisburg	3.3%	\$1.53	\$159	0	15,281,293	8.3%
PA, Lehigh Valley *	10.5%	\$2.25	\$191	2,178,131	324,190,695	8.0%
PA, Philadelphia *	7.3%	\$2.56	\$219	661,930	32,908,196	7.7%
SC, Charleston	7.4%	\$1.77	\$152	693,788	35,130,253	8.1%
SC, Greenville	4.2%	\$1.63	\$129	81,200	7,675,954	9.0%
SC, Spartanburg	11.8%	\$2.53	\$248	3,798,127	100,904,454	6.9%
TN, Nashville	17.6%	\$2.45	\$241	7,893,750	416,210,243	6.9%
TX, Dallas-Fort Worth	19.1%	\$2.40	\$233	5,026,543	349,392,815	7.7%
TX, Houston	5.7%	\$1.88	\$135	274,800	38,125,201	9.2%
WA, Seattle	10.5%	\$3.21	\$515	11,542,742	227,264,528	5.6%
WI, Madison	5.6%	\$1.88	\$140	244,800	38,086,219	9.0%
United States Index	12.7%	\$2.93	\$338	134,209,083	8,336,729,465	6.9%
Canada Index	8.7%	\$2.18 CAD	\$286 CAD	19,583,109	686,904,932	6.2%

* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

** Numbers shown are in Canadian dollars (CAD)



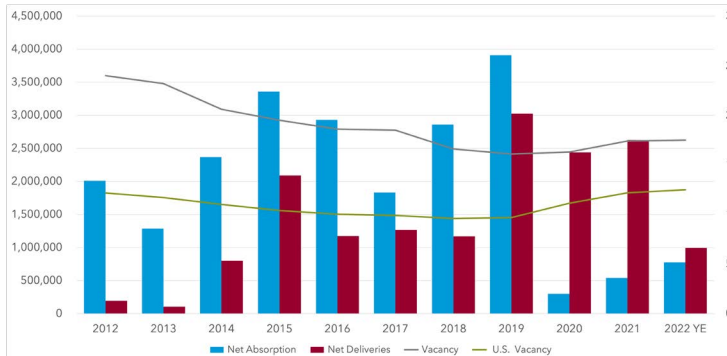
OFFICE MARKET OVERVIEW

CHRIS MCCHESENEY, *Research Director*

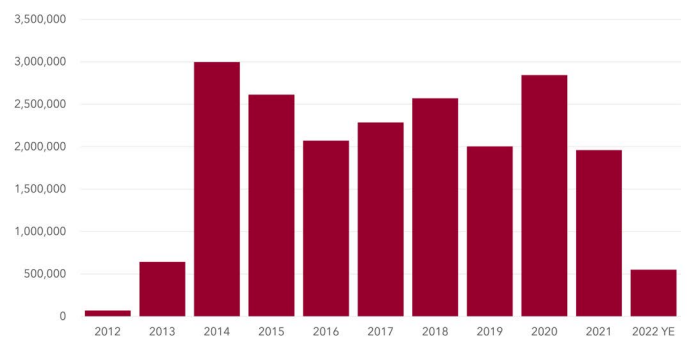
The Phoenix Office Market continues to weather the downturn in the US economy despite the economic headwinds. The Phoenix MSA finished the year on a high note posting 123,048 square feet of positive net absorption pushing the average asking lease rates above \$28 per square foot. Sublease space continued to increase topping 6.7 million square feet with no signs of a slow-down. The flight to quality office space is a trend that will continue into the coming year. Companies are prioritizing attractive amenities, new construction and location. Companies are seeking quality space over quantity to lure workers back to the office.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ Monthly Net Absorption SF	123,048	(81,621)	918,413	(54,570)	807,244
▼ Vacancy Rate	17.50%	17.60%	17.20%	17.40%	17.40%
▲ Avg NNN Asking Rate PSF	\$28.06	\$27.06	\$26.28	\$26.18	\$25.95
▼ SF Under Construction	551,054	732,548	869,702	1,113,796	1,959,057
▲ Inventory SF	108,349,479	108,199,479	107,982,697	107,643,189	107,143,715

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2501 S. Price Road Chandler, AZ	463,658 SF	\$115,000,000 \$248.02 PSF	Aligned Data Centers SWVP	Class B
16435 N. Scottsdale Road Scottsdale, AZ	256,308 SF	\$56,500,000 \$220.44 PSF	Cardone Capital Goldman Sachs & Co.	Class B
16260 N. 71st Street Scottsdale, AZ	234,983 SF	\$47,000,000 \$200.01 PSF	Admiral Capital Group LBA Realty	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2650 W. Geronimo Place Chandler, AZ	59,337 SF	Mark IV Capital	Raley's Companies	Supermarket
410 N. Scottsdale Road Tempe, AZ	53,405 SF	Fenix Development	MUFG	Bank
20401 N. 29th Avenue Phoenix, AZ	49,732 SF	ViaWest Group	Peckham	Nonprofit



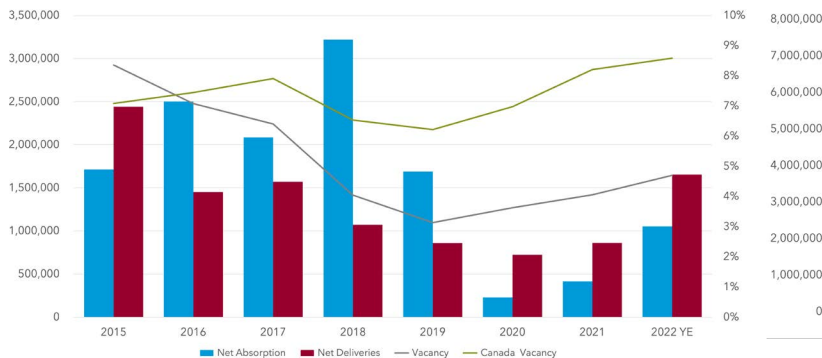
OFFICE MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

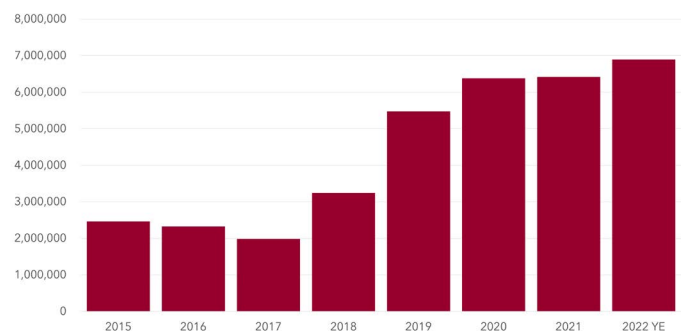
Q4 of 2022 saw more sublease space come to the office market as some firms try to recuperate costs after a year of high inflation and interest rates. However, the quarter saw increased absorption which brought down vacancy slightly. In the short-term, we expect even more space for sublease and rising vacancy as we face a period of adjustment post-COVID. Nevertheless, the Metro Vancouver market continues to outperform other major North American cities due to the draw for large firms - specifically tech - to set up shop here. For example, Amazon is still committed to 1.1 million SF in the upcoming Post building in the downtown core, even after cutting costs through thousands of global layoffs.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	1,052,340	137,871	637,655	582,931	312,839
▼ Vacancy Rate	4.70%	4.97%	4.70%	4.43%	4.06%
▼ Avg NNN Asking Rate PSF	\$44.87	\$45.17	\$44.64	\$44.31	\$44.52
▲ SF Under Construction	6,896,035	6,599,232	6,748,087	6,925,174	7,314,492
▲ Inventory SF	98,021,182	97,827,557	97,609,356	97,058,625	96,465,336

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
301-309, 315 & 321 6th Street New Westminster, BC	34,600 SF	\$22,050,000* \$637.00 PSF	5185666 Investments Ltd. 366008 BC Ltd	Class C
95 Schooner Street Coquitlam, BC	16,616 SF	\$10,250,000* \$617.00 PSF	Aspen Enterprises Great Canadian Gaming Corp	Class B
1143 & 1147 Homer Street Vancouver, BC	1,347 SF	\$2,550,000* \$1,893.00 PSF	Buttons Holding Corporation City Group Holdings, Ltd.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2910 Virtual Way Vancouver, BC	175,546 SF	QuadReal	Undisclosed	Undisclosed
6023 Silver Drive Burnaby, BC	42,478 SF	Anthem Properties	Undisclosed	Undisclosed
855 Homer Street Vancouver, BC	23,172 SF	CRS Group of Companies	Undisclosed	Undisclosed

*All numbers shown are in Canadian dollars (CAD)



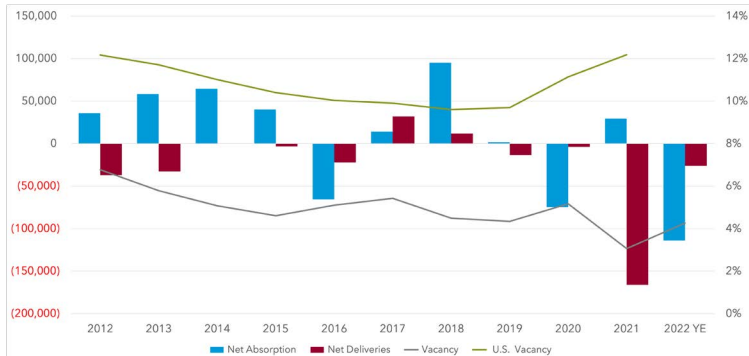
OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

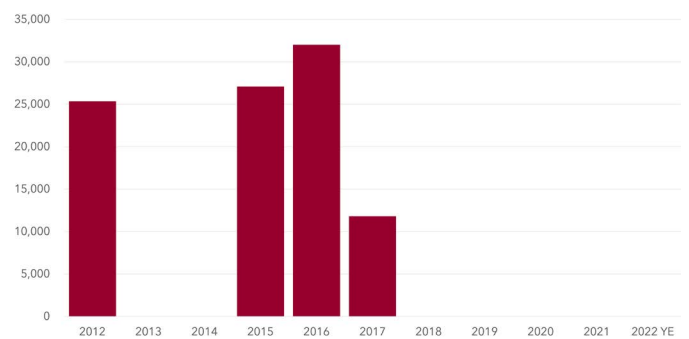
Sales volume for 4Q22 decreased by 39% and overall prices were discounted by 2.3% with no Private Equity or Institutional buyers. Majority of trades were for Class C and owner-user buildings. YOY price per square foot increased to \$309 and market cap rate steadied near 6%. Asking rent flatlined around \$26.00 per square foot, but vacancy increased to 4.3% and 20K square feet was absorbed. This quarter was full of uncertainty with the Fed raising rates and businesses holding off on making decisions as the market continued to shift.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	(35,480)	(54,765)	5,511	(29,130)	31,701
▲ Vacancy Rate	4.3%	3.9%	3.2%	3.6%	3.3%
▼ Avg FSG Asking Rate PSF	\$26.03	\$26.36	\$26.12	\$25.71	\$26.15
◀▶ SF Under Construction	-	-	-	-	-
◀▶ Inventory SF	8,792,370	8,792,370	8,792,370	8,818,370	8,818,370

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
17127 Pioneer Boulevard Artesia, CA	12,236 SF	\$2,995,000 \$244.77 PSF	Roatchhada Management Inc. Amable M C Aguiluz	Class C
8301 Florence Avenue Downey, CA	23,316 SF	\$5,965,000 \$255.83 PSF	Socal Injury Lawyers First LA Asset, Inc.	Class C
8218 Garfield Avenue Bell Gardens, CA	6,630 SF	\$3,500,000 \$527.90 PSF	Renew Vein & Vascular Behzad Salehi	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3680 E Imperial Highway Lynwood, CA	5,049 SF	Sunshine Capital Group LLC	Undisclosed	Medical
14140 Alondra Boulevard Santa Fe Springs, CA	4,101 SF	Amy Accountancy Corp.	Undisclosed	Undisclosed
6055 E Washington Boulevard Commerce, CA	3,699 SF	Majestic Realty Co.	Undisclosed	Undisclosed



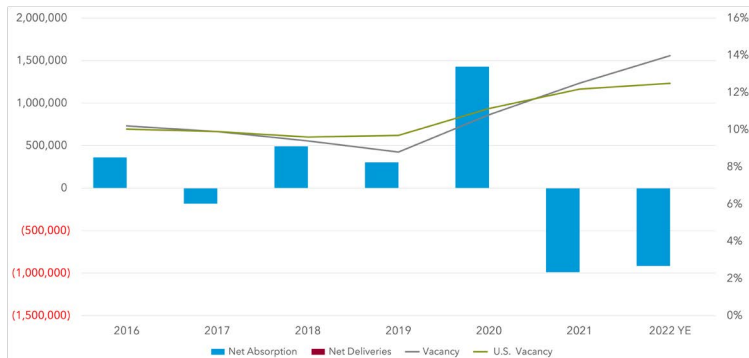
OFFICE MARKET OVERVIEW

MIKE TINGUS, *President*

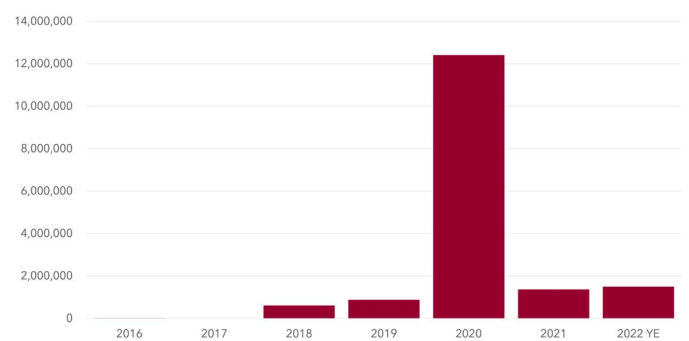
Q4's vacancy rate climbed 70 basis points to 14.1%, an 11-year high. Despite continued scarce demand for more than 11.2 million SF of unoccupied office space - enough to fill the Empire State Building four times - lease rates continue to rise. The asking rent jumped 6 cents to \$3.11 PSF, setting a new all-time high for the fourth consecutive quarter. Q4 alone produced a staggering 915,360 SF of negative net absorption and pushed the market past 1.5 million SF of negative net absorption for the year. Sales prices declined sharply at the close of 2022 revealing the lowest sales prices since Q3 2020.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(916,235)	(633,740)	(292,732)	(219,656)	(673,901)
▲ Vacancy Rate	13.98%	12.49%	12.08%	12.35%	12.45%
▼ Avg NNN Asking Rate PSF	\$2.99	\$3.03	\$6.58	\$6.38	\$6.33
▲ SF Under Construction	1,495,971	1,322,921	1,446,794	1,397,869	1,463,215
▲ Inventory SF	104,774,621	99,925,965	94,062,704	91,327,142	94,154,716

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
23067 Ventura Boulevard Woodland Hills, CA	14,698 SF	\$5,199,000 \$535.72 PSF	Dr Nazanin Firooz The Adel Trinidad	Class C
21053 Devonshire St Ste 104 Chatsworth, CA	1,094 SF	\$485,000 \$443.33 PSF	Jeffrey Asidi, Kelechi Asidi Carol D. Vallens	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
14455 Ventura Blvd Ste 300 Sherman Oaks, CA	10,118 SF	14455 Ventura Boulevard, LLC	Prometheus Entertainment	Media Production
15165 Ventura Blvd Ste 300/330 Sherman Oaks, CA	8,392 SF	Douglas Emmett 1996, LLC	Orthocare Partners Medical Group	Orthopedic Practices
28216 Dorothy Dr Ste 100 Agoura Hills, CA	7,184 SF	Albert & Mackenzie, LLP	Ascend Healthcare LLC	Outpatient Care Centers



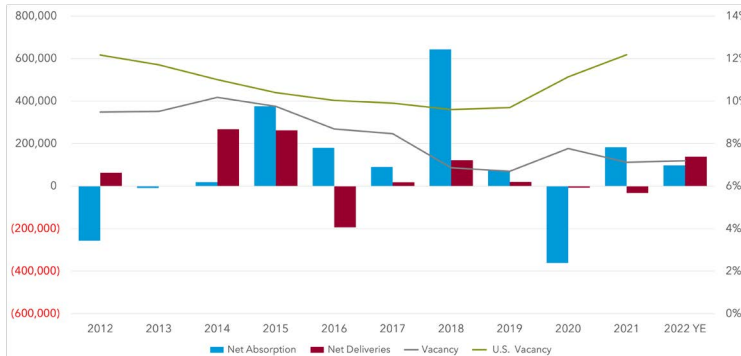
OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

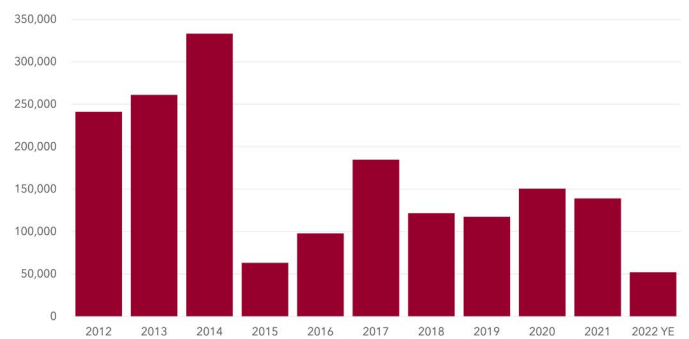
Sales volume for 4Q22 decreased by 27% and overall prices were discounted by 2.0% with no institutional or REIT buyers. Majority of trades were for Class B and medical buildings. YOY price per square foot increased to \$358 and market cap rate steadied at 5.79%. Asking rent flatlined at \$26.65 per square foot, but vacancy increased to 7.2% and absorption is -158,903 square feet. This quarter was full of uncertainty with the Fed raising rates and businesses holding off on making decisions as the market continued to shift.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(158,903)	88,107	172,234	(3,250)	(21,547)
▲ Vacancy Rate	7.2%	6.6%	6.6%	7.1%	7.1%
▲ Avg FSG Asking Rate PSF	\$26.65	\$26.62	\$26.56	\$26.52	\$25.75
▼ SF Under Construction	52,000	82,290	134,700	144,835	144,835
▲ Inventory SF	33,325,957	33,295,667	33,197,257	33,187,122	33,187,122

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
430 S Garfield Avenue Alhambra, CA	24,120 SF	\$7,600,000 \$315.09 PSF	Tsai F Liu King Patty P Trust	Class B
6520 Irwindale Avenue Irwindale, CA	20,960 SF	\$4,665,000 \$222.57 PSF	Linger Chu Bradley Kaplan	Class B
1111 W Covina Boulevard San Dimas, CA	15,539 SF	\$3,850,000 \$247.76 PSF	Abari Orthodontics & Oral Surgery Life Pacific	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5200 Irwindale Avenue Irwindale, CA	9,422 SF	Thrifty Oil Co.	Undisclosed	Undisclosed
1081 S Grand Avenue Diamond Bar, CA	9,336 SF	Newe Family Bypass Trust	Haveco, Inc	Electric
3201 Temple Avenue Pomona, CA	8,736 SF	David A Zaslow	Undisclosed	Undisclosed



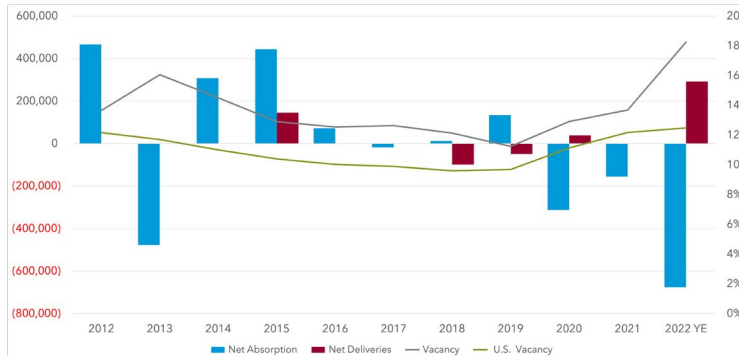
OFFICE MARKET OVERVIEW

COLLEEN CAREY, *Founding Principal*

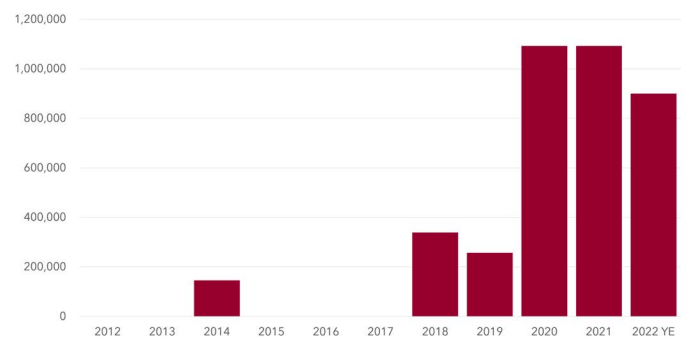
Class A Office in the Tri City area of Pasadena, Glendale, Burbank continues to show dismal results. Vacancy rates rose from 16.5% to 18.3% in Q4. There is also increased negative absorption which nearly doubled in Q4 to -348,846 square feet while the average rate still held steady. Obviously, owners are attempting to lure tenants with TI and rent abatement rather than lower rental rates. There were no large lease transactions involving new square feet as the two large undisclosed transactions were both sublease transactions. One property changed hands in Burbank - a 16,500 square foot office building sold at \$878.06 per square foot.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(348,846)	(188,310)	(77,730)	(60,721)	(99,230)
▲ Vacancy Rate	18.3%	16.5%	15.6%	14.0%	13.7%
▲ Avg FSG Asking Rate PSF	\$43.93	\$43.69	\$43.10	\$43.10	\$41.63
▲ SF Under Construction	900,000	800,000	800,000	1,092,686	1,092,686
◀▶ Inventory SF	20,308,305	20,308,305	20,308,305	20,015,619	20,015,619

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3001 N Hollywood Way Burbank, CA	16,500 SF	\$14,488,000 \$878.06 PSF	Rental Tracker Overton Moore Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
500 N Brand Boulevard Glendale, CA	21,157 SF	Granite Properties, Inc	Undisclosed	Undisclosed
301 N Lake Avenue Pasadena, CA	20,024 SF	Barker Pacific Group	Undisclosed	Undisclosed
400 N Brand Boulevard Glendale, CA	13,446 SF	Kennedy Wilson, Inc	Davytan Law	Professional, Scientific and Technical Services



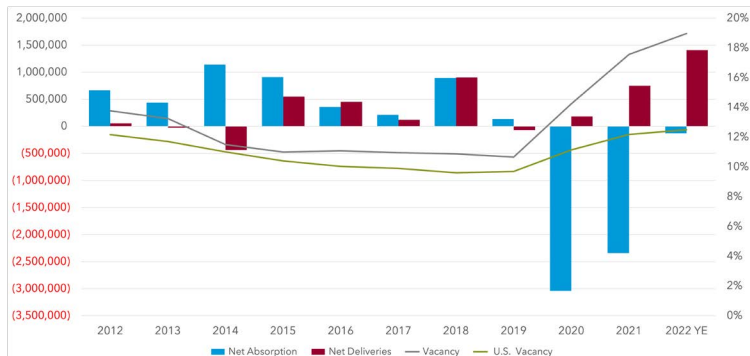
OFFICE MARKET OVERVIEW

ALEKS TRIFUNOVIC, SIOR, *President*

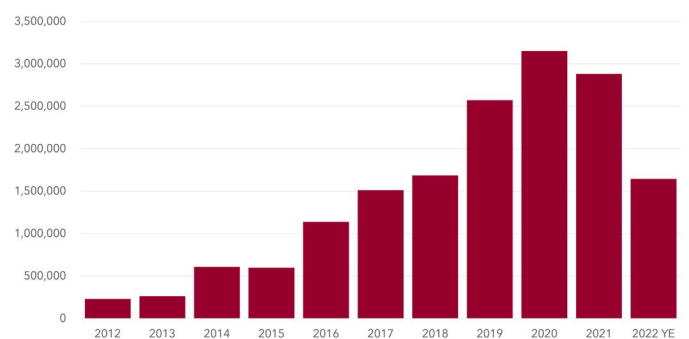
The Westside office market saw a significant drop in sales activity in Q4 with interest rate pressure and available capital limiting transactions. We are hearing that investor feedback is up to 30% off from seller expectations on some larger institutional sales. We are seeing an uptick in activity for leasing with medium sized companies reengaging office searches. In Q4 we saw a 91,000 square foot lease signed in Playa Vista on second generation space. Disney and Snap, Inc have informed their employees that the expectation is four days a week in the office. We expect other employers to follow suit which will help with leasing velocity going into the first quarter.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(287,396)	(151,934)	161,981	142,255	450,606
▲ Vacancy Rate	19.0%	18.2%	17.8%	18.0%	17.6%
▲ Avg NNN Asking Rate PSF	\$4.38	\$4.36	\$4.40	\$4.44	\$4.40
▼ SF Under Construction	1,645,040	2,262,989	2,171,266	2,254,132	2,880,499
▲ Inventory SF	91,569,904	90,951,955	90,917,422	90,769,879	90,163,551

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
11213 Washington Place Culver City, CA	2,816 SF	\$2,000,000 \$710.23 PSF	Matana Investments, LLC Matana Investments, LLC	Class C
2100 Abbot Kinney Boulevard Venice, CA	2,654 SF	\$1,800,000 \$678.22 PSF	Meatball and a Matzahball LLC Abbot Kinney Real Estate Trust	Class B
12560 W. Washington Boulevard Culver City, CA	1,595 SF	\$1,675,000 \$1,050.16 PSF	Rench Properties, LLC Arlene Sommer	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1733 Ocean Avenue 4th Floor Santa Monica, CA	24,488 SF	Counter Brands, LLC	Lululemon USA Inc.	Activewear
2250 & 2252 East Maple Avenue El Segundo, CA	11,866 SF	Manduka LLC	Human, Inc DBA Flipfit	Undisclosed
8671 Hayden Place Culver City, CA	8,072 SF	Hayden Place LLC	Pressed Juicery, Inc.	Restaurant/Juicery



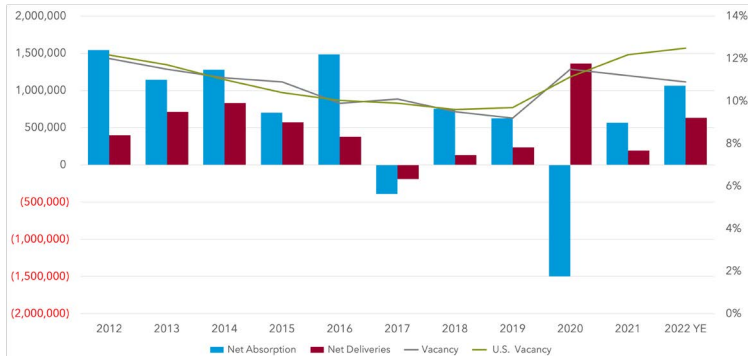
OFFICE MARKET OVERVIEW

JORDAN RIVKIN, *Associate*

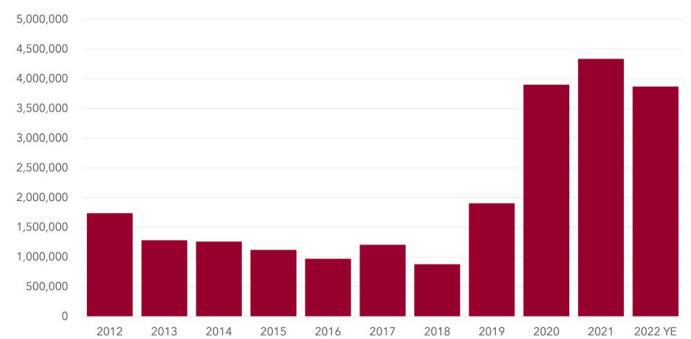
The fourth quarter showed further signs of a recovering office market in San Diego. Multiple large office projects, namely in the Rancho Bernardo submarket, are set to come online during the early parts of 2023. As the recession looms, office leasing velocity saw a slight uptick. An interesting office submarket to watch over the coming months is Downtown; the vacancy rates are at an all time high, and this unused square footage is spurring conversation of conversions to maximally utilize the space. Another trend to watch for is the increase of office "condoization." As tenants are using less space compared to pre-pandemic levels, more and more condos are coming out for sale. All and all, the 2023 office market will be one to watch with a close eye as things continue to develop.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	886,382	1,393,167	2,191,963	1,287,790	598,175
▲ Vacancy Rate	10.90%	10.80%	10.50%	11.10%	11.20%
◀▶ Avg NNN Asking Rate PSF	\$3.14	\$3.14	\$3.13	\$3.11	\$3.07
▼ SF Under Construction	3,900,000	4,000,000	4,000,000	4,200,000	4,300,000
◀▶ Inventory SF	119,000,000	119,000,000	119,000,000	119,000,000	119,000,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3838 Camino Del Rio N San Diego, CA	94,612 SF	\$21,600,000 \$228.04 PSF	Bitwise At State Center LLC HighBrook Investors	Class B
1959 Palomar Oaks Way San Diego, CA	47,273 SF	\$10,100,000 \$213.79 PSF	MJL Properties Labrynth, Inc.	Class B
1925 Palomar Oaks Way San Diego, CA	46,065 SF	\$9,070,000 \$197.00 PSF	M.C. Strauss Company Brookwood Financial Partners LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8620 Spectrum Center Boulevard San Diego, CA	120,209 SF	Sunroad Holding Corp	GSA	Government Agency
1155 Genesis Avenue San Diego, CA	36,000 SF	Phase 3 Real Estate	Excellos	Biotechnology
4375 Jutland Drive San Diego, CA	31,530 SF	Apex Real Estate Inc	Undisclosed	Undisclosed



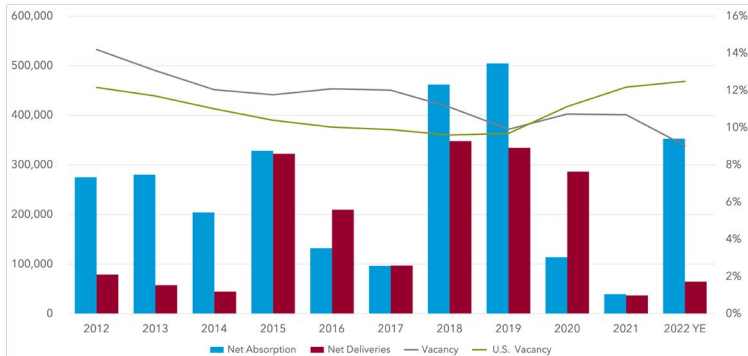
OFFICE MARKET OVERVIEW

SELINA SOUNAKHENE, Associate

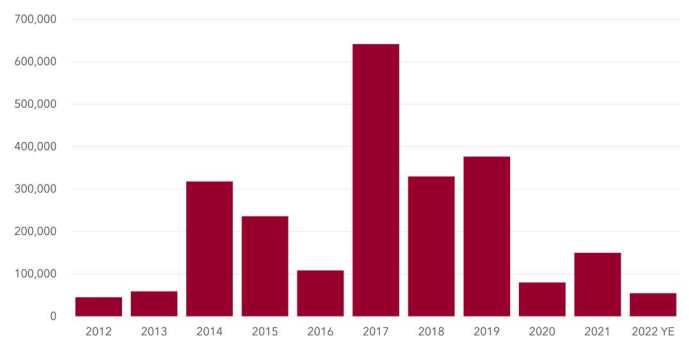
The delivery of the medical/office property at cCARE Encinitas was the largest addition of inventory in 10 years and has been taken by Scripps. Another large project that will be coming available is the Sandbox in Solana Beach with 50,000 SF coming available in 2023. Vacancy rates in Carlsbad, San Marcos and Oceanside continue to decrease. North Central County and North Beach Cities have vacancy rates that are increasing. Vista, Oceanside and Carlsbad submarkets continue to see properties trading with regularity. There are no supply-side pressures on vacancy or rent in the near term, as nothing is under construction. Inventory has contracted over the past five years, as demolition activity has outpaced new construction.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(22,210)	80,125	178,015	148,472	(3,222)
▲ Vacancy Rate	9.6%	9.1%	9.5%	10.4%	11.3%
▲ Avg NNN Asking Rate PSF	\$33.48	\$32.88	\$33.00	\$33.12	\$32.52
▼ SF Under Construction	54,845	142,022	142,022	150,022	150,022
▲ Inventory SF	19,553,421	19,466,244	19,466,244	19,458,244	19,488,768

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1959 Palomar Oaks Way Carlsbad, CA	47,273 SF	\$10,106,500 \$213.79 PSF	Wimatex, Inc. Labyrinth, Inc.	Class A
1925 Palomar Oaks Way Carlsbad, CA	46,065 SF	\$9,074,724 \$197.00 PSF	M.C Strauss Company Brookwood Financial Partners	Class A
1921 Palomar Oaks Way Carlsbad, CA	42,804 SF	\$8,469,708 \$197.87 PSF	M.C Strauss Company Brookwood Financial Partners	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
462 Stevens Avenue Solana Beach, CA	16,420 SF	American Assets Trust	Undisclosed	Undisclosed
440 S Melrose Drive Vistas, CA	13,993 SF	Lee Real Estate LLC	Undisclosed	Undisclosed
4263 Oceanside Boulevard Oceanside, CA	10,426 SF	MacArthur 7036 LP	Dance Unlimited Performing Arts Academy	Dance Studio



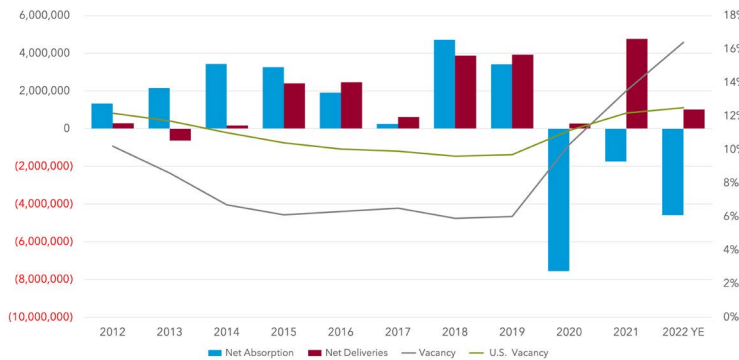
OFFICE MARKET OVERVIEW

JEFF MOELLER, *President*

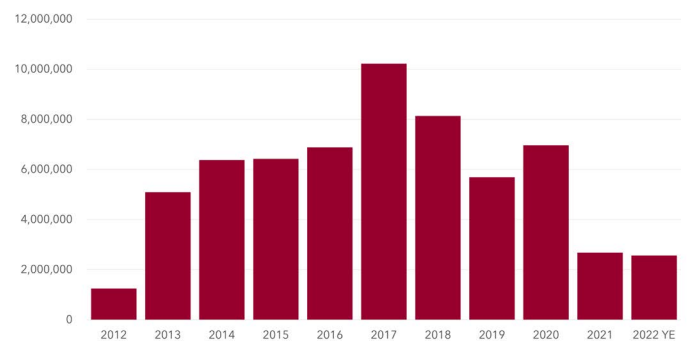
The final quarter of 2022 was dominated by the unknowns surrounding the economy and the Federal Reserve Funds rates that have been growing to combat the worst inflation in 40 years. With layoffs coming from Twitter, Meta, and Cisco; We can anticipate further pull back in the technology-based users in the city. With these layoffs we anticipate that the vacancy will continue to grow in San Francisco. This may cause landlords that are looking to refinance or sell in 2023 to be pushed harder than they have in the last 30 years. Better news is we are seeing a continued and growing interest from C-Suite executives to implement new methods to bring employees back to the office. With the vacancy increasing we may begin to see a broader group of tenants enter the market to take advantage of lower rents.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(4,587,557)	(2,521,113)	(1,128,863)	518,203	(1,947,406)
▲ Vacancy Rate	16.4%	15.6%	14.7%	13.9%	13.5%
▼ Avg NNN Asking Rate PSF	\$48.21	\$49.39	\$52.43	\$54.42	\$55.15
▲ SF Under Construction	2,563,033	2,318,926	2,318,926	2,135,531	2,601,951
▲ Inventory SF	189,370,146	105,862,770	105,620,139	105,475,139	105,475,139

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
701 Sutter Street San Francisco, CA	19,250 SF	\$8,350,000 \$433.77 PSF	SC Builders Inc Herscovitz Living Trust	Class B
1155 Mission Street San Francisco, CA	15,678 SF	\$9,500,000 \$605.94 PSF	IFPTE Local 21 A Star Holdings LLC	Class C
320-330 Judah Street San Francisco, CA	11,509 SF	\$3,792,500 \$329.52 PSF	Goden State Auction Gallery LLC TDW LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
160 Spear Street San Francisco, CA	57,625 SF	Tishman Speyer	Databricks Inc.	Technical Services
116-118 New Montgomery Street San Francisco, CA	50,348 SF	Jamestown L.P.	Sigma Computing	Technical Services
44 Montgomery Street San Francisco, CA	47,800 SF	Beacon Capital Partners	Federal Communications Commission	Public Admin



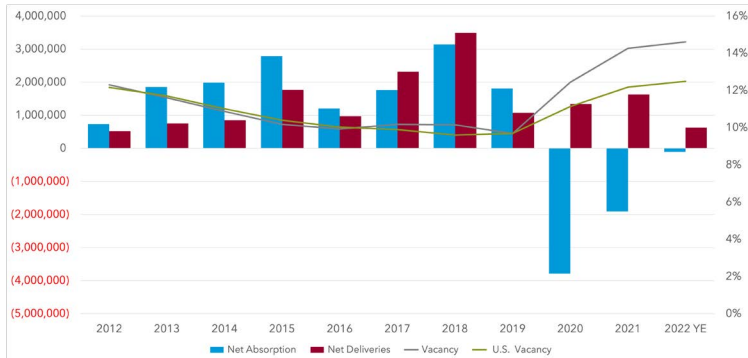
OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

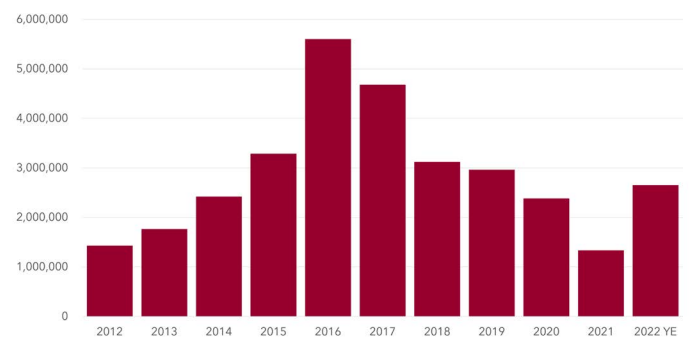
Denver's office market continues to face headwinds and uncertainty. First it was the pandemic, and now the looming pressure of a slowing economy and possible recession. Smaller companies continue to make up the bulk of the leasing activity, while larger ones shed office space with the weekly announcement of layoffs becoming all too common. The amount of sublease space in metro Denver has hit a record 6 million SF. While the office market struggles to find its footing, the institutional sales market has ground to a halt. The limited amount of sales in the quarter, were small private capital transactions.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	(108,686)	(511,485)	466,648	198,007	(1,909,362)
▼ Vacancy Rate	14.6%	14.7%	14.2%	14.1%	14.3%
▲ Avg FSG Asking Rate PSF	\$28.94	\$28.92	\$28.92	\$28.85	\$28.73
▲ SF Under Construction	2,654,650	2,401,741	2,517,715	1,429,089	1,335,681
▲ Inventory SF	183,844,473	183,687,106	183,511,153	183,592,220	183,218,509

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
518 17th Street Denver, CO	274,598 SF	\$14,790,000 \$54.00 PSF	Westside Investment Partners, Inc. Unico Properties	Class B
9510 S Meridian Boulevard Englewood, CO	157,639 SF	\$14,357,000 \$91.00 PSF	South Meridian Holdings LLC American Family Insurance	Class A
333 Inverness Drive South Englewood, CO	144,438 SF	\$11,000,000 \$76.00 PSF	Biegert, Inc. Office Properties Income Trust	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
201 Fillmore Street Denver, CO	132,000 SF	Undisclosed	Antero Resources	Natural Gas
1900 Lawrence Street Denver, CO	31,000 SF	Riverside Investment & Development	Gibson Dunn	Law Firm
675 15th Street Denver, CO	29,000 SF	Patrinely Group, LLC	Matillion Inc.	Data



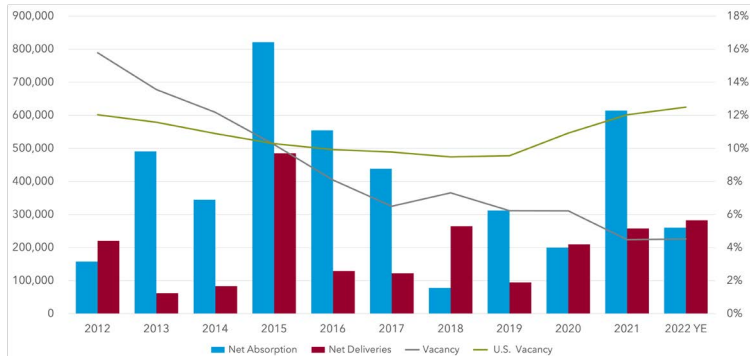
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

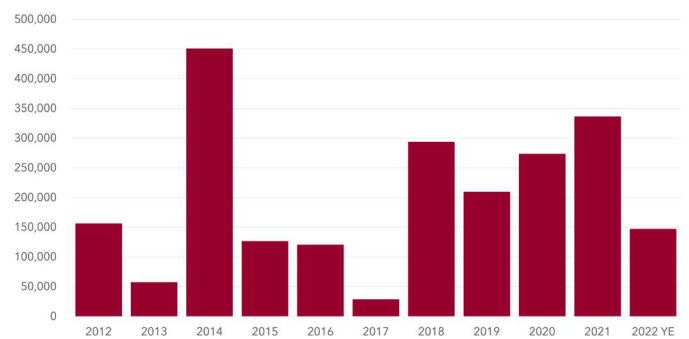
The total available sublease space in Class A and Class B buildings increased dramatically in the past 12 months. Rent growth continued across all building classes, however Class C office buildings had the greatest jump in average base rent to \$16.71 PSF. Overall vacancy recorded 4.5% for the market, while Class C buildings held tightest at 1.7% vacancy. The smallest rent increase occurred in Class A space where the greatest amount of sublease space hit the market. Solid demand for office space continued in the S. Fort Myers submarket where net absorption was positive and leasing activity recorded 218ksf of activity.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	260,049	448,661	570,627	584,269	613,990
▼ Vacancy Rate	4.5%	4.9%	4.6%	4.6%	4.5%
▲ Avg NNN Asking Rate PSF	\$17.55	\$16.55	\$15.87	\$15.49	\$15.51
▼ SF Under Construction	147,340	165,762	301,032	389,598	336,686
▲ Inventory SF	21,640,028	21,621,606	21,484,086	21,374,700	21,357,700

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
23601 N. Commons Drive Bonita Springs, FL	23,112 SF	\$6,000,000 \$260.00 PSF	Educational Pathways, Inc. Beit Sefer, LLC	Class B
16451 Healthpark Commons Drive Fort Myers, FL	19,499 SF	\$4,420,000 \$227.00 PSF	Lee Memorial Hospital, Inc. Synovus Bank	Class A
12670 New Brittany Boulevard Fort Myers, FL	17,600 SF	\$1,079,600 \$61.00 PSF	Nyman Ltd. Partnership Professional Space, LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12651 Gateway Boulevard Fort Myers, FL	84,300 SF	CRIC IT Fort Myers, LLC	FEMA	Government
12651 Gateway Boulevard Fort Myers, FL	20,000 SF	CRIC IT Fort Myers, LLC	State Farm Insurance	Insurance
12771 Westlinks Drive Fort Myers, FL	12,800 SF	Westlinks Gateway, LLC	Family Health Centers	Medical



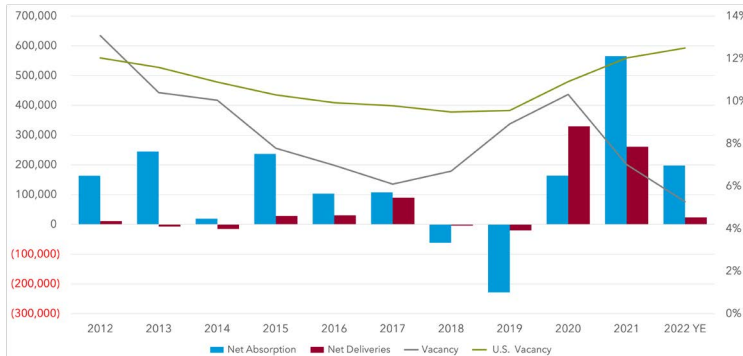
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

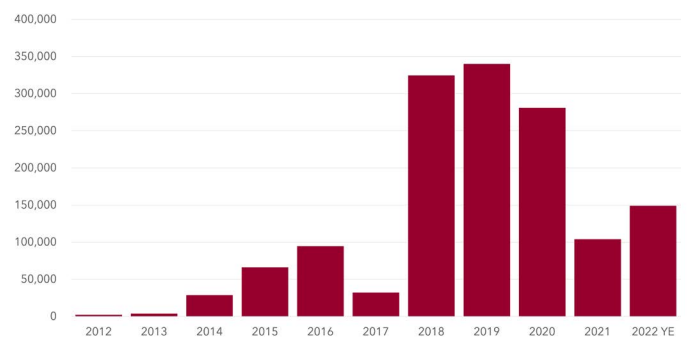
The Naples office market continued to command a rental rate premium. The average asking rate recorded \$30.87 psf at the close of the year. Overall office vacancy decreased 170 basis points (bps) from fourth quarter 2021 down to 5.3%. Downtown Naples had the tightest vacancy rate at 3.3%. Occupancy in Marco Island decreased with a 180-bps change in vacancy to 7.9%. The North Naples submarket, a historically strong office trade area, had the greatest increase in sublease space. Sublease vacancy in Class B office space rose year-over-year (YOY), while Class A and C remained relatively unchanged.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	198,003	289,587	416,706	518,586	565,575
▼ Vacancy Rate	5.3%	6.0%	6.7%	6.9%	7.0%
▲ Avg NNN Asking Rate PSF	\$30.87	\$30.75	\$30.56	\$30.35	\$29.80
◀▶ SF Under Construction	149,060	149,060	139,060	89,581	104,104
◀▶ Inventory SF	10,076,814	10,076,814	10,076,814	10,068,070	10,053,547

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1004 & 1016 Collier Center Way Naples, FL	38,794 SF	\$7,250,000 \$187.00 PSF	Triple C Partners, LLC Klingler, LLC	Class A
671 Goodlette Road North Naples, FL	22,998 SF	\$5,300,000 \$230.00 PSF	CL Naples I LLC The Ninigret Group, LC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
720 Goodlette-Frank Road N. Naples, FL	9,508 SF	720 Commons LLC	Undisclosed	Undisclosed
4501 Tamiami Trail N. Naples, FL	8,770 SF	FLP 4501 LLC	Equipment Enterprises	Rental Equipment
1185 Immokalee Road Naples, FL	4,064 SF	Naples 9 LLC	Naples Daily News	Information



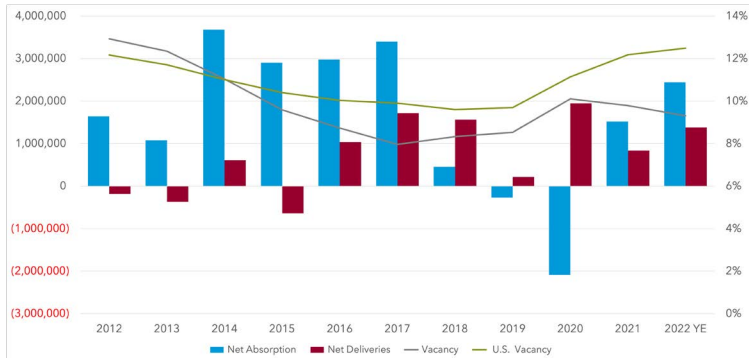
OFFICE MARKET OVERVIEW

MATTHEW KATZEN, *Senior Vice President*

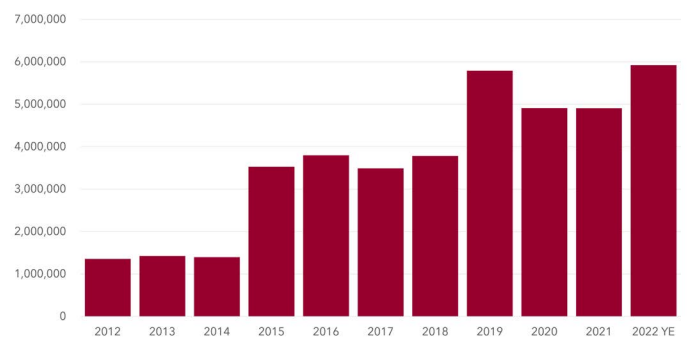
In the 4th quarter, vacancy rates continue to trend in the downward direction as tenant needs outpace new inventory, increased positive net absorption, explosive rent growth and shrinking vacancy trends continue. Class A space leads the office sector with local business's expanding and national tenants looking to increase their foot print in south Florida. As companies continue their return-to-office plans, it is evident that employees are returning to improved office environments at well-located assets. Boston-based law firm Mintz, Levin, Cohn, Ferris, Glovsky and Popeo is opening a new office in Miami, it announced last Tuesday, the latest in a line of law firms to open offices in South Beach.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Net Absorption SF	2,444,783	2,851,661	3,303,274	2,610,266	1,521,012
◀▶ Vacancy Rate	8.7%	8.7%	8.8%	9.0%	9.2%
▲ Avg NNN Asking Rate PSF	\$36.06	\$35.57	\$35.02	\$34.00	\$32.89
▲ SF Under Construction	5,922,015	5,749,197	5,214,123	5,164,502	4,907,425
▲ Inventory SF	247,272,295	247,072,569	246,182,725	245,837,652	245,883,945

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1515 S Federal Highway Boca Raton, FL	179,837 SF	\$51,500,000 \$286.37 PSF	Renaissance Properties Penn-Florida Realty Corporation	Class A
222 NW 24th Street Miami, FL	108,952 SF	\$62,000,000 \$569.06 PSF	Brick & Timber Collective LNDMRK Development	Class A
500 S Australian Avenue West Palm Beach, FL	102,087 SF	\$35,880,000 \$351.46 PSF	CS Ventures Karl Corporation	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1501 Yamato Road Boca Raton, FL	102,609 SF	PEBB Enterprises & Tortoise Properties	ADT	Security Systems Services
830 Brickell Plaza Miami, FL	100,303 SF	OKO Group	Kirkland & Ellis	Law Firm
1450 Brickell Avenue Miami, FL	83,608 SF	EPSA of America, Corp	Bilzin Sumberg	Law Firm



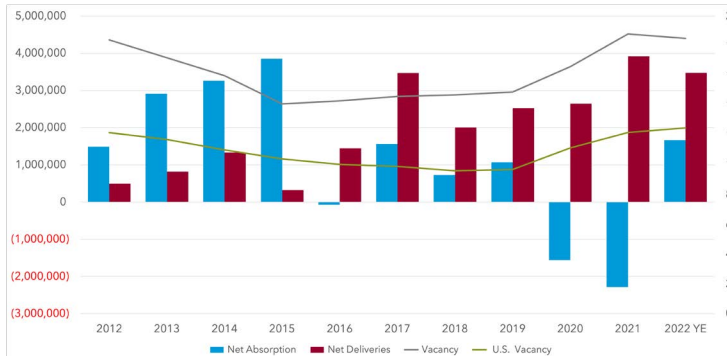
OFFICE MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

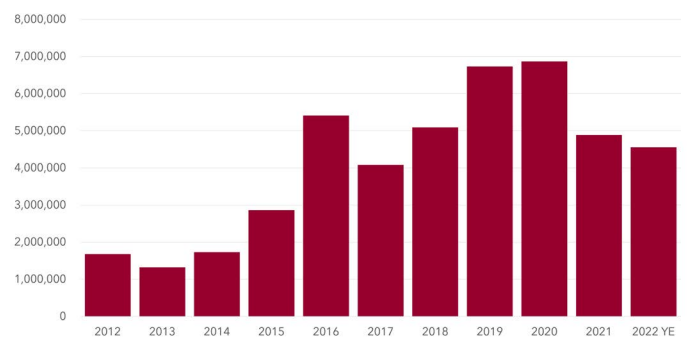
The Atlanta office market experienced some highs and lows in the final quarter of 2022. Vacancy ended Q4 at 18.5%, a 50 basis point decrease from the previous quarter. Net absorption, while not as robust as quarters past, was in the positive thanks to major tenant move ins from Emory Healthcare (112,000 SF) and Novelis (89,553 SF) in the Northlake and Buckhead submarkets. Increasing interest rates and macroeconomic concerns placed downward pressure on investment sales activity, as Atlanta's Q4 total volume was significantly lower compared to past quarters.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	1,666,507	1,509,888	2,267,017	426,775	(2,284,441)
▼ Vacancy Rate	18.5%	19.0%	18.4%	19.0%	18.8%
▼ Avg Asking Rate PSF	\$29.96	\$30.02	\$29.61	\$29.57	\$29.37
▲ SF Under Construction	4,556,235	3,741,227	5,669,681	4,607,880	4,884,863
▲ Inventory SF	241,820,765	238,305,308	236,231,808	236,233,261	236,114,199

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1001, 2002, 4004 & 5005 Perimeter*- Summit Blvd, Atlanta, GA	1,357,290 SF	\$57,500,000 \$42.18 PSF	Spear Street Capital State Street Global Advisors	Class A
6190 Powers Ferry Landing Road Atlanta, GA	149,376 SF	\$16,100,000 \$107.78 PSF	Triple Double Real Estate KBS	Class B
387 Technology Cir NW - Bldg 100** Atlanta, GA	128,092 SF	\$85,250,000 \$666.00 PSF	Ancora Partners, LLC TPG Global LLC	Class A

*(4 Building Portfolio Sale); ** Life Sciences Bldg

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4004 Summit Boulevard Atlanta, GA	74,316 SF	State Street Global Advisors	RTG Furniture Corp of Georgia	Retailer
2500 Cumberland Parkway Atlanta, GA	63,600 SF	Noro Management	Sterling Seacrest Pritchard	Finance and Insurance
1110 Sanctuary Parkway Alpharetta, GA	52,006 SF	Starwood Real Estate Income Trust	SK Battery	Manufacturing



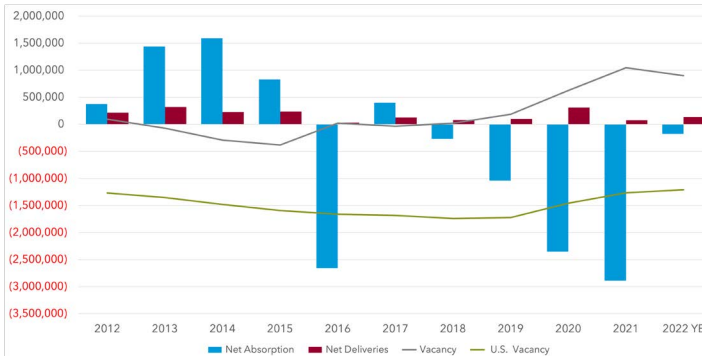
OFFICE MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

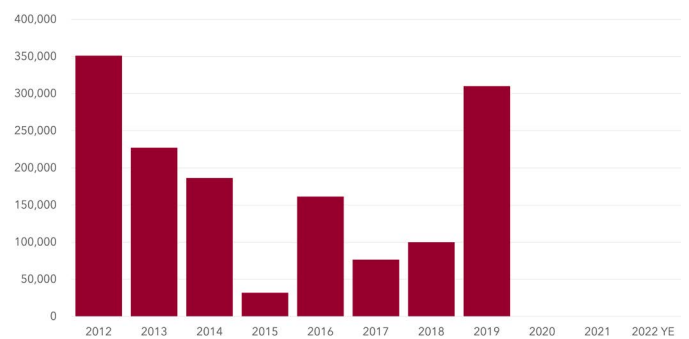
For those actively involved in Chicago's suburban and downtown office markets, the overall health took a small step in wrong direction with vacancy rate rising slightly in the suburbs and urban vacancy rate rising a full percentage. In the closing quarter of 2022, many corporations who had leases coming due prior to years end arrived at a decision to retool their floor plan and downsize. Lease strategy decisions that were made because of the pandemic varied widely with a trend of shedding excess space with an aim to cut unnecessary costs. In general, ownership groups have struggled to attract new tenants due to a lack of demand, ample comparable options, and quickly rising tenant improvement costs.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(350,902)	257,484	109,009	(18,973)	(966,611)
▲ Vacancy Rate	24.0%	23.9%	23.9%	26.0%	24.8%
▲ Avg NNN Asking Rate PSF	\$24.27	\$24.18	\$23.65	\$24.01	\$22.85
◀ ▶ SF Under Construction	-	-	-	-	-
▲ Inventory SF	127,284,517	126,988,433	127,405,034	126,955,460	125,792,396

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Allstate Campus Northbrook, IL	1,440,000 SF	\$232,000,000 \$161.11 PSF	Dermody Properties, Inc. The Allstate Corporation	Class A & B
9550 W. Higgins Road Rosemont, IL	270,512 SF	\$43,600,000 \$161.18 PSF	Bradford Allen Realty Blackstone Inc.	Class A
275 N. Field Drive Lake Forest, IL	197,527 SF	\$19,800,000 \$100.24 PSF	Slate Office REIT Pfizer, Inc.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1603 Orrington Avenue Evanston, IL	53,075 SF	GEM Realty Capital, Inc.	UL Research Institutes	Professional, Scientific and Technical Service
1415 W. Diehl Road Naperville, IL	42,106 SF	Office Properties Income Trust	Undisclosed	Undisclosed
5505 Pearl Street Rosemont, IL	37,145 SF	Janko Group	Undisclosed	Undisclosed



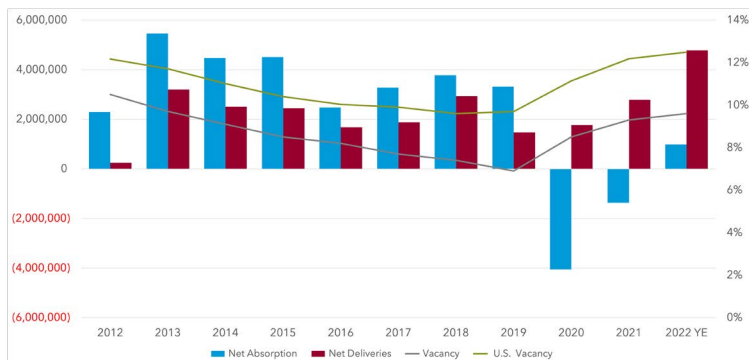
OFFICE MARKET OVERVIEW

ERIC SOLEM, *Managing Principal, President*

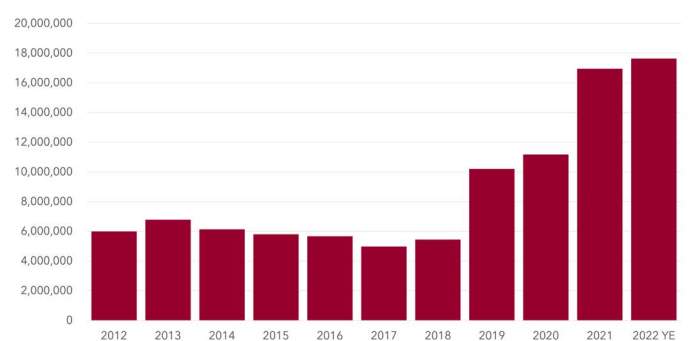
In 2022, the top ten biotechnology leases accounted for 80% of the square footage (2.5M of the ~3.1M SF) and landed in either Cambridge or Boston's Seaport District, with the balance landing in Boston's western suburbs which include Watertown, Waltham and Bedford, MA. With rationalization of space accommodating a hybrid workforce and a looming recession on the horizon, there is now ~10.5M SF of sublease space on the market; one year ago, that number was closer to 8M SF. Nonetheless, new developments are still leasing up. For example, Waltham's Revolution Labs (173,000 SF) is under development by Boston-based Greatland Realty Partners, is fully leased and set to open in January 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	3,130,708	4,922,895	4,913,994	3,918,438	(441,526)
▲ Vacancy Rate	9.6%	9.4%	9.1%	9.1%	9.3%
▲ Avg NNN Asking Rate PSF	\$42.48	\$42.47	\$42.52	\$42.43	\$42.40
▼ SF Under Construction	17,628,810	18,028,588	17,464,820	17,692,258	16,943,350
▲ Inventory SF	368,680,354	366,878,695	365,848,440	364,708,519	363,897,569

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
880 Technology Park Drive Billerica, MA	151,564 SF	\$18,188,000 \$120.00 PSF	Gordon Brothers Group The Gutierrez Company	Class A
4 Burlington Woods Dr-Burlington Bio Ctr Burlington, MA	109,085 SF	\$103,000,000 \$944.22 PSF	MetLife Real Estate GEM Realty Capital/The Gutierrez Co	Class A
20 Maguire Rd - Lexington Crossing Lexington, MA	101,310 SF	\$89,000,000 \$878.49 PSF	Investcorp DRA Advisors/Griffith Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
One Post Office Square Boston, MA	285,000 SF	Morgan Stanley & Co LLC	Eaton Vance	Finance & Insurance
1 Lincoln Street Boston, MA	198,710 SF	David Werner R.E/Fortis Property Group LLC	HarbourVest Partners	Finance & Insurance
10-20 Channel Center Street Boston, MA	135,615 SF	LaSalle Investment Management	Medtronic	Medical Device Manufacturing



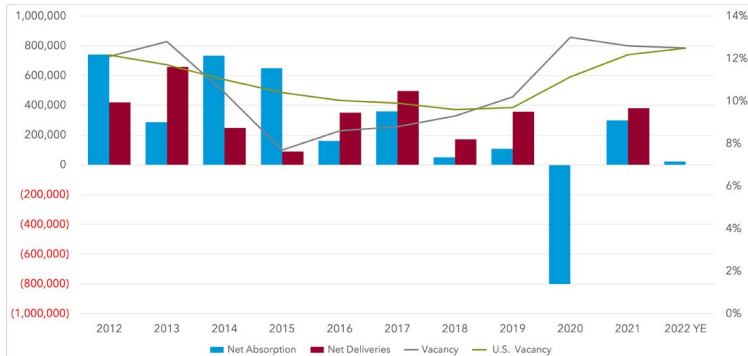
OFFICE MARKET OVERVIEW

BILL HARRISON, *Senior Vice President*

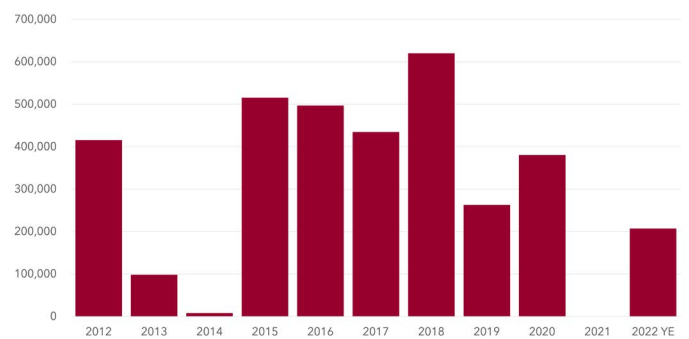
The office market continues to have its up and downs but with more positive numbers to report this quarter. Direct net absorption for Q4 2022 was 43,172 SF with the vacancy rate dropping to 12.5% versus the 12.7% level seen in Q3. There were several notable office deals completed in Q4, 6220 Old Dobbin Lane, 42,763 SF with CMP Medical, 7142 Gateway Drive, with 23,104 SF leased to Cyberpoint and lastly at 7055 Samuel Morse Dr, 19,963 SF was leased to an undisclosed tenant. Asking rates increased slightly to \$25.44 from \$25.27 previously. Class A product with attractive facilities and locations continues to win the new tenants when pitted against B and C level product.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Net Absorption SF	43,172	104,007	(49,897)	(73,694)	(32,708)
▼ Vacancy Rate	12.5%	12.7%	13.2%	13.0%	12.6%
▲ Avg NNN Asking Rate PSF	\$25.44	\$25.27	\$26.48	\$26.45	\$26.10
▲ SF Under Construction	207,200	120,000	90,000	80,000	-
◀ ▶ Inventory SF	22,766,009	22,766,009	22,766,009	22,766,009	22,766,009

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
14235 Park Center Drive Laurel, MD	8,580 SF	\$2,250,000 \$262.24 PSF	DCW Enterprises Chesapeake Surgical	Class B
305 Compton Avenue Laurel, MD	4,400 SF	\$530,000 \$120.45 PSF	Local 1 MD VA & DC Fincor Construction	Class B
7226 Lee Deforest Drive, Suite 201 Columbia, MD	2,460 SF	\$676,500 \$275.00 PSF	Super 12 Real Estate Montana Sky Properties	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6220 Old Dobbin Lane Columbia, MD	42,703 SF	Goodier Properties	CMP Medical	Medical
7142 Columbia Gateway Drive Columbia, MD	25,104 SF	COPT	Cyberpoint	Information
7055 Samuel Morse Drive Columbia, MD	19,963 SF	Abrams Development Group	Undisclosed	Undisclosed



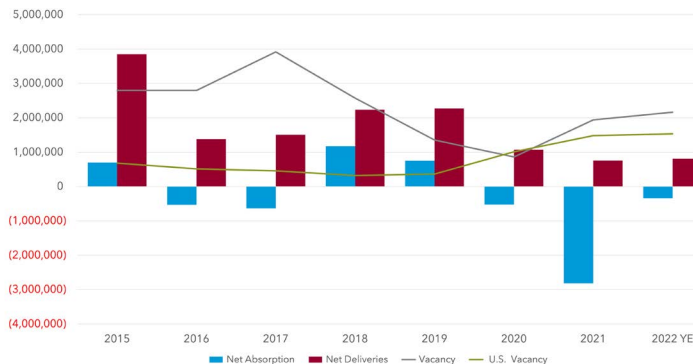
OFFICE MARKET OVERVIEW

LUKE SCHAMMEL, Associate

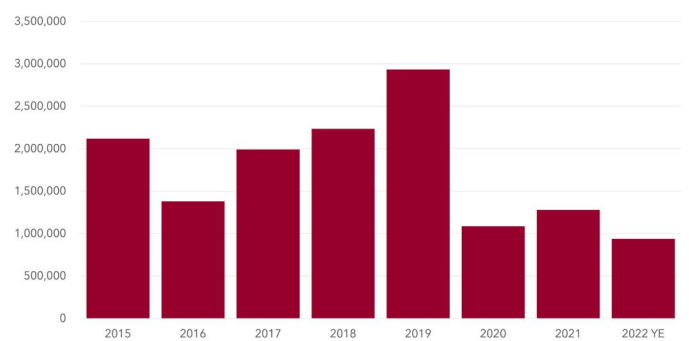
The Twin Cities office market vacancy rate held steady at 13.7% to finish out 2022 with absorption of negative 341,342 SF for the year. This is consistent with national work from home trends leading to a reduction in office footprints for many companies. Locally, a bigger splash in Q4 occurred in the investment sales market, which saw Bridge Investment Group pay a market-leading \$340 PSF for the first Class-A+ office built in the West End submarket in 20 years. Expect discount purchase activity, like Eagle Ridge snatching a 21% discount from 2017 pricing with their purchase of the Colonnade office tower, to pick up into 2023. As upward pressure on interest rates puts strain on the debt markets, many landlords are facing potential headaches when it comes time to refinance their office properties.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Net Absorption SF	(371,824)	(341,342)	(866,817)	(86,139)	(1,499,256)
▼ Vacancy Rate	13.50%	13.70%	13.92%	13.40%	13.20%
▲ Avg NNN Asking Rate PSF	\$26.39	\$26.38	\$25.69	\$25.74	\$25.34
▼ SF Under Construction	919,455	938,202	1,049,324	1,071,160	1,280,278
▼ Inventory SF	129,670,689	129,918,927	130,660,070	129,892,693	129,388,269

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10 West End - 1601 Utica Avenue S St. Louis Park, MN	344,224 SF	\$117,315,435 \$340.81 PSF	Bridge Investment Group Ryan Companies	Class A+
Colonnade - 5500 Wayzata Blvd St. Louis Park, MN	359,665 SF	\$79,000,000 \$219.65 PSF	Eagle Ridge Partners Starwood Capital Group	Class A
1000 Blue Gentian Road Eagan, MN	300,000 SF	\$35,500,000 \$118.33 PSF	Water Street Partners SSC Development	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
360 Wabasha St. Paul, MN	102,150 SF	EcoLab	Ramsey County	Government
Normandale Lake Office Park Bloomington, MN	78,551 SF	Opal Holdings	Delta	Transportation
Great Northern Building St. Paul, MN	51,987 SF	Gamma Real Estate	Undisclosed	Undisclosed



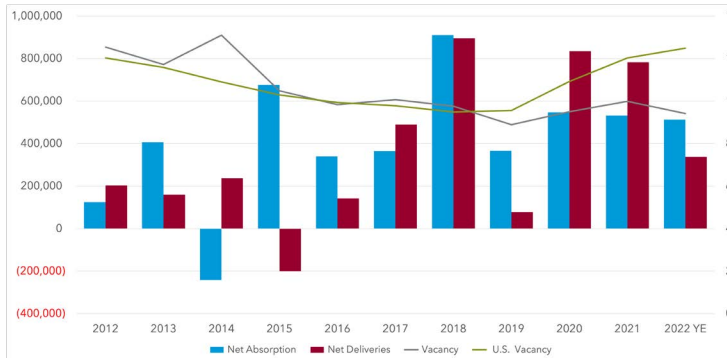
OFFICE MARKET OVERVIEW

SCOTT HADLEY, *Vice President*

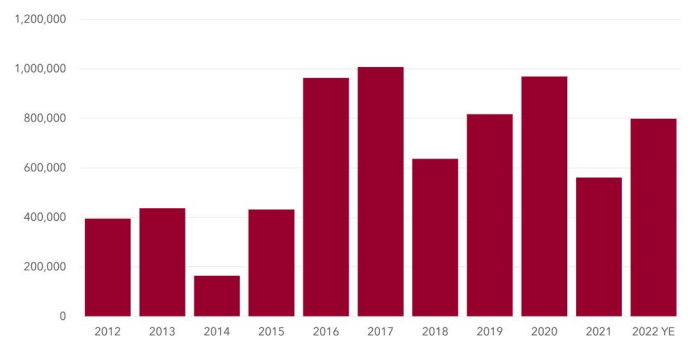
The office market in Raleigh shows vacancies of 8.54%, which is barely up over the 3rd Quarter. Absorption in the Raleigh area is predominantly occurring in the suburban markets for both leasing activity and building sales activity. Durham's office space is showing a 9.42% vacancy rate and absorption is stronger in the suburban areas of the market as well. Sublease space is a major factor with strong office deals being made favorably for tenants in the sublease arena. While hurting existing and new space absorption, the overall office vacancy rate of the area is lower than the national average, which is above 12%.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	512,785	483,450	431,978	383,741	532,124
▲ Vacancy Rate	9.42%	9.29%	9.83%	9.76%	9.99%
▲ Avg NNN Asking Rate PSF	\$26.94	\$26.87	\$26.72	\$26.50	\$26.16
▲ SF Under Construction	798,625	605,225	583,625	380,369	561,256
◀ ▶ Inventory SF	36,121,026	36,121,026	36,121,026	35,916,309	35,783,171

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5920 S Miami Boulevard Morrisville, NC	20,000 SF	Undisclosed	Sain Technologies LLC Maddineni Naresh	Class B
4506 S Miami Boulevard Durham, NC	18,380 SF	\$377,000 \$20.51 PSF	Amie Hodges KB Home Raleigh-Durham, Inc.	Class B
6116 Fayetteville Road Durham, NC	13,000 SF	\$330,000 \$25.38 PSF	DKM Agency LLC Willoughby Paul	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
300 Market Street Chapel Hill, NC	14,260 SF	SV Center, LLC	Undisclosed	Undisclosed
5704 Fayetteville Road Durham, NC	11,924 SF	Healthcare Realty Trust Incorporated	Undisclosed	Undisclosed
79 TW Alexander Drive Durham, NC	9,489 SF	Oxford Properties Group	Undisclosed	Undisclosed



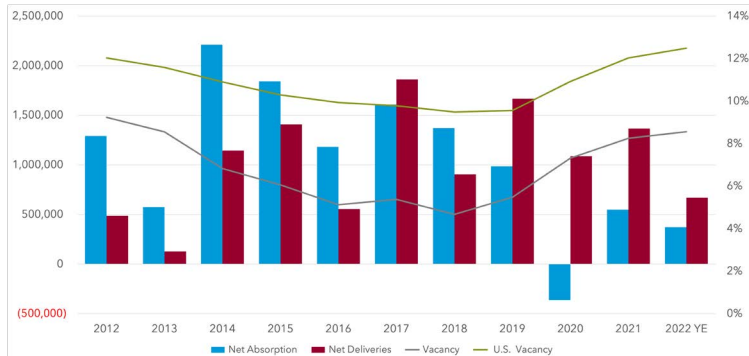
OFFICE MARKET OVERVIEW

SCOTT HADLEY, *Vice President*

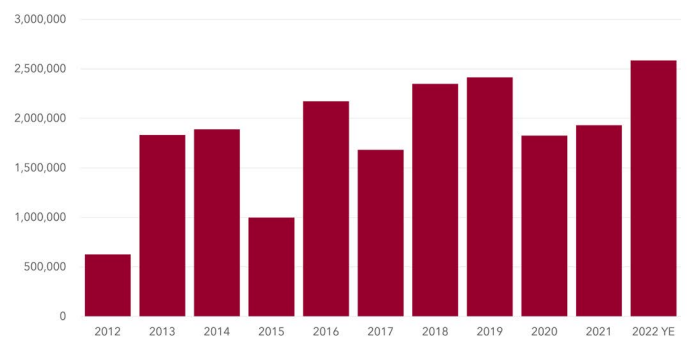
The office market in Raleigh shows vacancies of 8.54%, which is barely up over the 3rd Quarter. Absorption in the Raleigh area is predominantly occurring in the suburban markets for both leasing activity and building sales activity. Durham's office space is showing a 9.42% vacancy rate and absorption is stronger in the suburban areas of the market as well. Sublease space is a major factor with strong office deals being made favorably for tenants in the sublease arena. While hurting existing and new space absorption, the overall office vacancy rate of the area is lower than the national average, which is above 12%.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	371,756	1,098,107	580,941	372,164	549,547
▲ Vacancy Rate	8.56%	8.34%	8.15%	8.19%	8.25%
▲ Avg NNN Asking Rate PSF	\$28.62	\$28.52	\$28.36	\$28.01	\$27.69
▲ SF Under Construction	2,586,205	2,128,391	2,070,859	2,042,385	1,930,876
▲ Inventory SF	77,666,022	77,521,185	77,258,326	77,011,115	76,996,577

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6601 Six Forks Road Raleigh, NC	119,023 SF	\$30,930,626 \$259.87 PSF	Dean Debnam JPB Holdings, LLC	Class A
900 Ridgefield Drive Raleigh, NC	72,218 SF	\$17,250,000 \$238.86 PSF	55 Thomson Street Investments, L.P. TriGate Capital	Class B
6501 Six Forks Road Raleigh, NC	57,578 SF	\$17,069,374 \$296.46 PSF	Dean Debnam JPB Holdings, LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1 Fenton Main Street City, NC	42,050 SF	Hines	Undisclosed	Undisclosed
301 Hillsborough Street Raleigh, NC	26,617 SF	The Fallon Company, LLC	Undisclosed	Undisclosed
4130 Parklake Avenue Raleigh, NC	25,813 SF	Highwoods	Undisclosed	Undisclosed



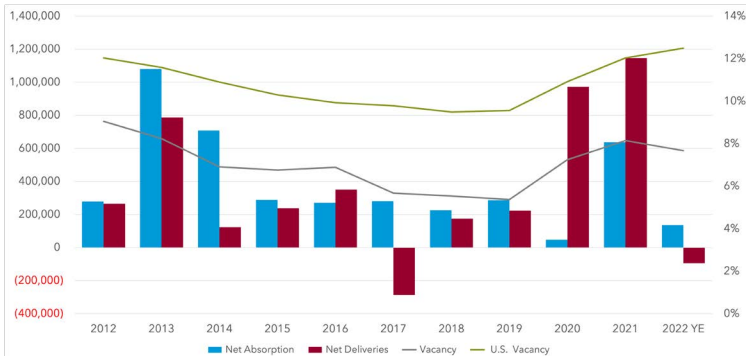
OFFICE MARKET OVERVIEW

BENJAMIN PEARSON, *Principal*

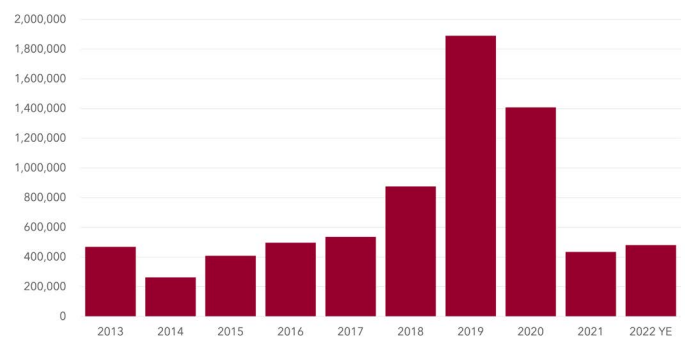
Omaha experienced a vacancy rate of 7.7% at the end of 2022 which is 2% higher than prepandemic levels. It is still significantly lower than the national average 12.5%. While most major US office markets are projecting increased vacancy, Omaha is one of a few metros forecasted to tighten over the next year. Omaha's annual asking rent growth of 1.7% also outperformed the national average and comparable markets. With "hybrid" work in which employees work from home and at the office has been seen as a preferred model. This has decreased the demand in office space and a high increase in sublease space available with a record 1M sf available. Together with sublease space and vacant space the effective available rate is 9.1%.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	136,130	446,630	494,449	910,998	636,915
▲ Vacancy Rate	7.7%	7.5%	7.8%	7.4%	8.1%
▲ Avg NNN Asking Rate PSF	\$23.75	\$23.71	\$23.51	\$23.48	\$23.35
▲ SF Under Construction	479,935	461,298	477,038	460,038	434,438
▲ Inventory SF	47,552,499	47,451,801	47,539,941	47,516,941	47,647,045

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
13609 California Street Omaha, NE	94,252 SF	\$19,700,000 \$209.01 PSF	Dale Scott Project Harmony	Class A
12325 Port Grace Boulevard La Vista, NE	81,424 SF	\$24,686,104 \$303.18 PSF	R& R Realty Lund Southport 14, LLC	Class A
12325 Port Grace Boulevard La Vista, NE	67,100 SF	\$15,410,000 \$229.72 PSF	R& R Realty Lund southport 14, LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2909 N 118th Street Omaha, NE	21,234 SF	NP78, LLC	H3C	IT Industry
6464 Center Street Omaha, NE	14,903 SF	Noddle	Swanson Russell	Marketing
8601 W Dodge Road Omaha, NE	13,962 SF	NP Dodge IV, LLC	Midwest Dermatology	Medical



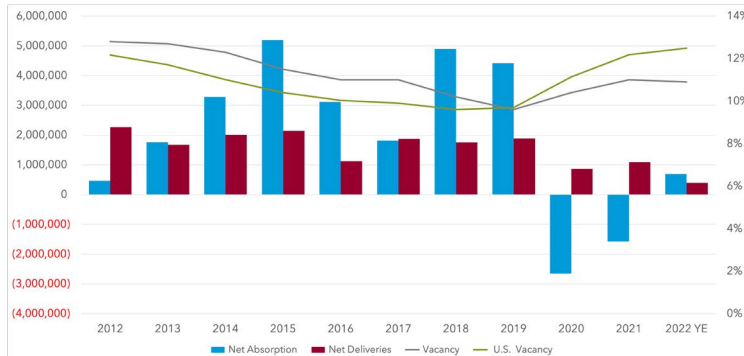
OFFICE MARKET OVERVIEW

MICHAEL MALMSTONE, *Real Estate Analyst*

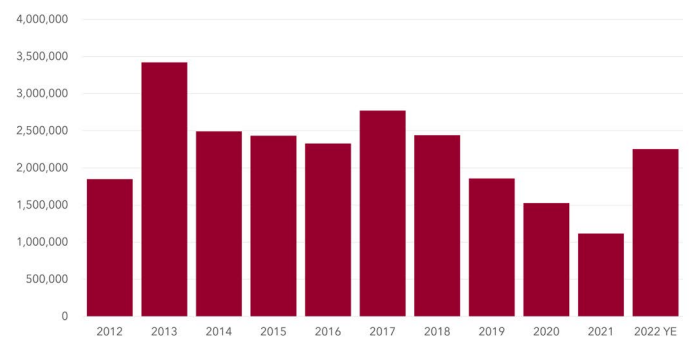
Q4 leasing velocity slowed by 37% to 2.3MM SF, 70% of the 5-year average. Lease-up time shrank nearly two months to 9.7 months. Vacant and available space grew 20 and 40 bps to 10.9% and 14.5% respectively. Rental rates fell for the first time in 7 quarters to \$27.66 PSF gross. Net absorption clocked (613k) SF, down 182% QoQ and the lowest since Q2 2021. Unemployment fell 60 bps to 3.4% in November versus August. Sales volume dropped 15% to \$720MM, about 92% of the 5-year average. Pricing grew 22% to \$208 PSF while cap rates decompressed 110 bps to 7.8%. 2.3MM SF is under construction. 18.9MM SF is approved, 1.1MM SF being medical. A handful of larger 100k+ SF buildings are slated for conversion to industrial and multi-family.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Qtrly Net Absorption SF	(612,568)	743,688	(311,842)	870,787	130,565
▲ Vacancy Rate	10.9%	10.7%	10.9%	10.8%	11.0%
▼ Avg GRS Asking Rate PSF	\$27.66	\$27.70	\$27.59	\$27.45	\$27.23
▲ SF Under Construction	2,253,325	2,226,117	2,242,507	2,186,320	1,117,745
▲ Inventory SF	421,292,929	421,255,937	421,091,937	420,956,673	420,896,921

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
101 Hudson Street Jersey City, NJ	1,347,712 SF	\$346,000,000 \$256.73 PSF	The Birch Group Veris Residential, Inc.	Class A
300 Kimball Drive Parsippany, NJ	428,000 SF	\$88,000,000 \$205.61 PSF	Signature Acquisitions Sovereign Partners	Class A
73 Mountainview Boulevard Basking Ridge, NJ	126,360 SF	\$51,750,000 \$409.54 PSF	CU Capital Management Affinity Federal Credit Union	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5 Giralda Farms Madison, NJ	250,000 SF	The Alliven Group	Bristol Myers Squibb	Manufacturing
1405 U.S. Rt. 206 Bedminster, NJ	230,000 SF	Simon Halegoua	AT&T	Telecommunication Services
100 Park Avenue Florham Park, NJ	92,122 SF	BASF	AbbVie	Manufacturing



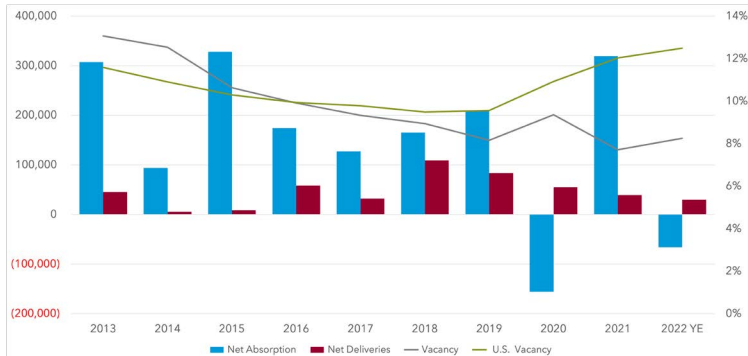
OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

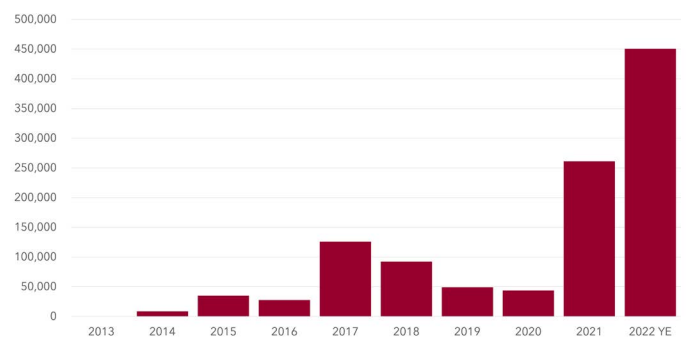
Rates in the regions have been very steady for the last year. However, with average rents well below the national average and (for this market) new construction getting close to coming to market, look to see rises in both rate, as well as vacancy. The new construction will demand higher rates, while a fairly stagnant demand will not be able to fill both existing inventory as well as the new construction. But the region is situated well to begin "stealing" users from neighboring states as the "quality of life" is very good, no state income tax, and, compared to the rest of the nation, very competitive rates exist. With the national attention to our industrial market, increasing population, and high job growth, look to see increased demand on the Office front in spite of national trends moving away from this product.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(65,912)	36,855	253,808	299,290	319,401
▲ Vacancy Rate	8.3%	7.9%	7.9%	7.9%	7.7%
▲ Avg NNN Asking Rate PSF	\$24.46	\$24.37	\$24.18	\$24.02	\$23.51
▼ SF Under Construction	450,538	455,666	334,549	334,549	261,175
▲ Inventory SF	17,247,726	17,235,897	17,235,897	17,235,897	17,217,989

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2195 S Virginia Street Reno, NV	25,432 SF	\$6,400,000 \$251.65 PSF	Undisclosed Reno Land Co	Class B
255 W Moana Lane Reno, NV	22,536 SF	\$4,000,000 \$177.49 PSF	Granite CRE, Inc Aleksandr Vetushko	Class B
491 Court Street Reno, NV	4,407 SF	\$1,935,000 \$439.07 PSF	Sierra Nevada Media McGeiger Investments	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
635 Innovation Drive Reno, NV	29,442 SF	Universal Health	Erickson OB/GYN Ass	Medical
9650 Gateway Drive Reno, NV	17,337 SF	Waterton Global	Z-Line	Office
5435 Kietzke Drive Reno, NV	10,235 SF	YETIS LLC	Juniper Services	Medical



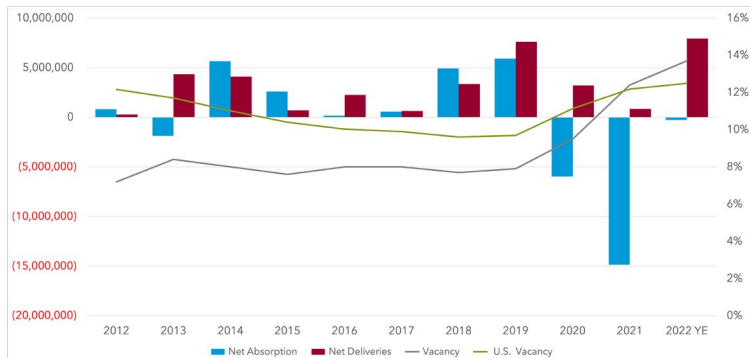
OFFICE MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

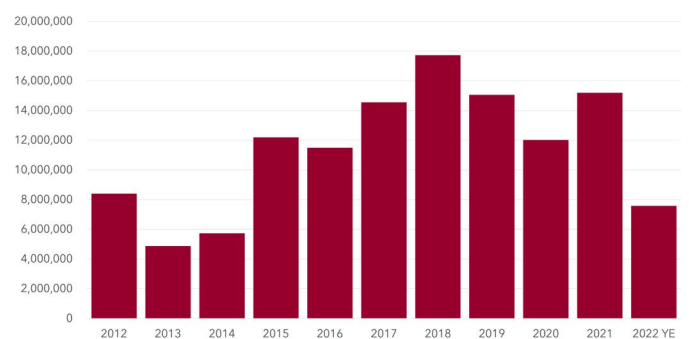
Manhattan's office leasing activity totaled 5.2 million square feet in the fourth quarter, a 49.6% year-over-year decline and the slowest quarter of activity of the year. Twelve-month net absorption totaled negative 277,283 square feet, a significant improvement from last year's 12-month net absorption of negative 14.9 million square feet. The office vacancy rate increased 130 basis points over the year to 13.7%, while market rents remained largely unchanged at \$72.66 per square foot. The largest lease transactions included Ann Taylor's 189,289 square foot renewal at 7 Times Square and Keefe, Bruyette & Woods' 156,615 square foot renewal at 787 Seventh Avenue.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	(277,283)	(6,155,076)	(5,595,678)	(5,064,231)	(14,851,252)
▲ Vacancy Rate	13.7%	13.4%	13.3%	12.6%	12.4%
▲ Avg GRS Asking Rate PSF	\$72.66	\$72.64	\$72.55	\$72.66	\$72.57
▼ SF Under Construction	7,577,190	14,081,635	14,081,635	14,343,977	15,193,692
▲ Inventory SF	548,794,704	542,290,259	542,290,259	542,027,917	540,866,602

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
25 Water Street New York, NY	1,113,359 SF	\$215,000,000 \$193.11 PSF	GFP R.E. Rockwood Cap Metro Loft Mgmt HSBC/EDGE Funds Advisors	Class A
200 Fifth Avenue New York, NY	870,000 SF	\$280,200,000 \$1,192.85 PSF	Boston Properties L&L Holding Co/JP Morgan Asset Mgmt	Class A
175 Water Street New York, NY	716,384 SF	\$252,000,000 \$368.15 PSF	One Seven Five Water LLC 99c LLC Bushwick 175 Water St Owner LLC/Vanbarton Group	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7 Times Square New York, NY	189,289 SF	Boston Properties	Ann Taylor	Apparel
787 Seventh Avenue New York, NY	156,615 SF	CommonWealth Partners	Keefe, Bruyette & Woods	Financial Services
31 West 52nd Street New York, NY	132,502 SF	Paramount Group	Undisclosed	Undisclosed



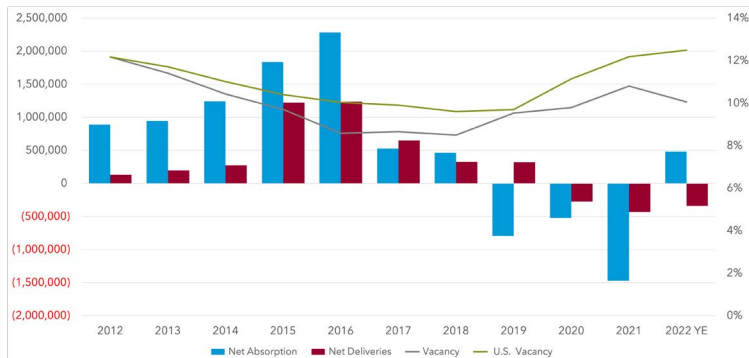
OFFICE MARKET OVERVIEW

GARY FISHER, *Vice President*

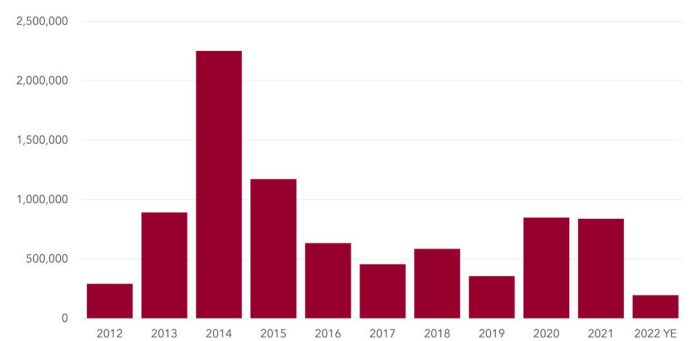
Development activity is limited, with six properties totaling 196,000 SF as of 22Q4. The largest office project underway is the Ovation in Newport and 100,000-SF property which is part of a 25-acre mixed-use development centered around the new AEG/PromoWest Music Venue. In the CBD, office inventory continues to shrink via conversions to multifamily and hotel uses. Recent properties moving in that direction include the iconic Carew Tower (sold out of foreclosure) and 7 W 7th Street (former Macy's offices). Many firms are still shrinking their footprints, often seeking to shed space ahead of lease expirations. Market-wide, available sublease space now totals more than 1.4 million SF, about 2.5 times higher than early 2020 levels.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	482,120	(45,115)	(798,040)	(1,138,264)	(1,471,457)
▼ Vacancy Rate	10.1%	10.7%	10.8%	10.8%	10.8%
▲ Avg NNN Asking Rate PSF	\$20.28	\$20.22	\$20.14	\$20.14	\$20.03
▼ SF Under Construction	195,622	202,662	194,506	737,517	838,477
▼ Inventory SF	104,356,339	104,794,741	104,786,897	104,662,168	104,694,714

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6440 Aviation Way West Chester, OH	207,389 SF	\$22,682,893 \$109.37 PSF	Workspace Property Trust Griffin Realty Trust	Class B
25 Atlantic Avenue Erlanger, KY	205,000 SF	\$31,300,000 \$152.68 PSF	Answers In Genesis Inc Corporex	Class A
6380 Aviation Way West Chester, OH	202,409 SF	\$20,274,316 \$100.17 PSF	Workspace Property Trust Griffin Realty Trust	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3600-3700 Park 42 Drive Sharonville, OH	39,171 SF	Experimental Holdings Inc	Workhorse	Manufacturing
4605 Duke Drive Mason, OH	19,412 SF	CVG Partners IV LLC	Veterans Affairs	Public Administration
10300 Alliance Road Blue Ash, OH	13,238 SF	Ohio National Financial Services	RetireMed	Health Care and Social Assistance



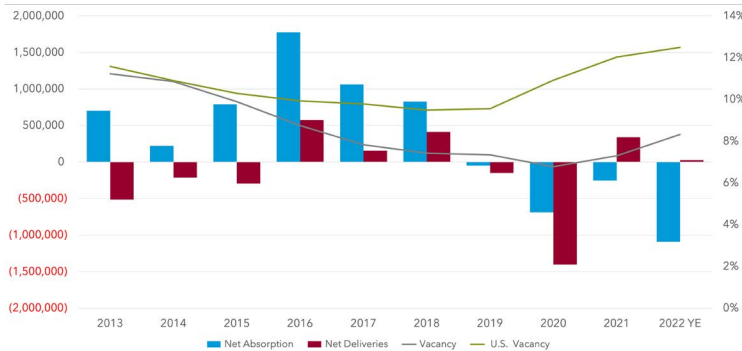
OFFICE MARKET OVERVIEW

ABRAM SCHWARZ, SIOR, *Senior Vice President*

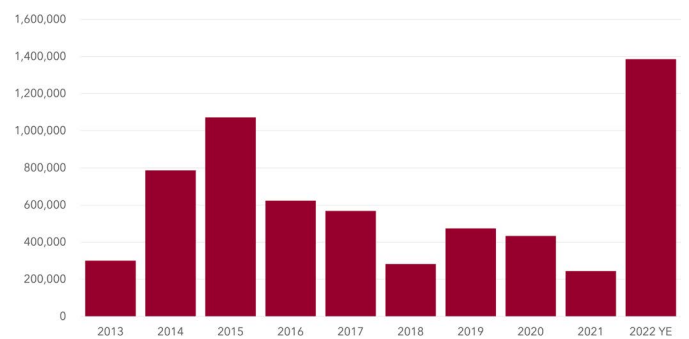
For the twelfth straight quarter the Cleveland office market posted negative net absorption. While the suburban office market continues to have some activity, in the Class A product, the CBD has lagged behind. Although, the new Sherwin-Williams HQ project, which is one of the largest our market has seen in years, is well underway and generating some significant buzz. The 1,070,000 SF Class A tower currently under construction was recently sold in a sale-leaseback (90% stake) for approximately \$196/SF. The new building accounts for over 80% of our office market's current space under construction. It will be interesting to track leasing activity heading into 2023 given the high cost of construction and limited rent increases.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(1,090,453)	(167,599)	(454,334)	(187,529)	(252,654)
▲ Vacancy Rate	8.30%	7.60%	7.60%	7.30%	7.30%
◀▶ Avg NNN Asking Rate PSF	\$19.17	\$19.17	\$19.20	\$19.16	\$19.09
▼ SF Under Construction	1,385,808	1,404,938	1,374,938	1,333,338	244,631
◀▶ Inventory SF	109,198,472	109,198,472	109,198,472	109,198,472	109,198,472

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1 Frankfort Ave. Sherwin-Williams HQ Cleveland, OH	1,070,000 SF	\$210,000,000 \$196.26 PSF	Benderson Development Sherwin-Williams	Class A
20325 Center Ridge Rd. - Westgate Plaza Rocky River, OH	97,870 SF	\$2,350,000 \$24.01 PSF	Wolfe Pintus Westage LLC Bayview Financial Group	Class B
3659 Green Rd. - PDC Building Beachwood, OH	70,118 SF	\$3,530,000 \$50.34 PSF	JMR Commercial PDC Building LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1317 Euclid Avenue Cleveland, OH	14,600 SF	Playhouse Square Foundation	City Club of Cleveland	Non-Profit
950 Main Avenue Cleveland, OH	14,647 SF	Fairmount Properties LLC	Dollar Bank	Financial Services
6480 Rockside Woods Boulevard S Independence, OH	13,030 SF	Corporate Plaza, LP	WellBe Senior Medical	Medical



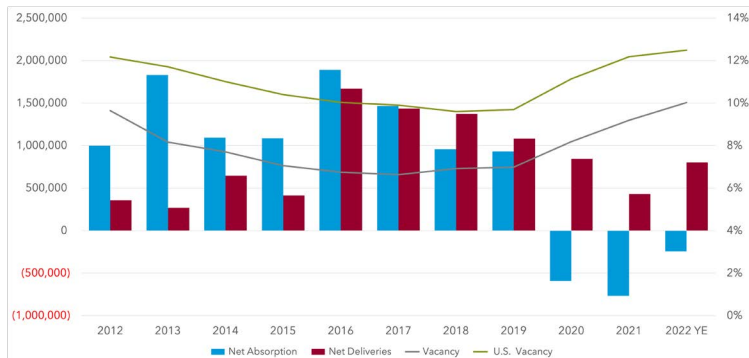
OFFICE MARKET OVERVIEW

ALEX KUNIEGA, *Senior Associate*

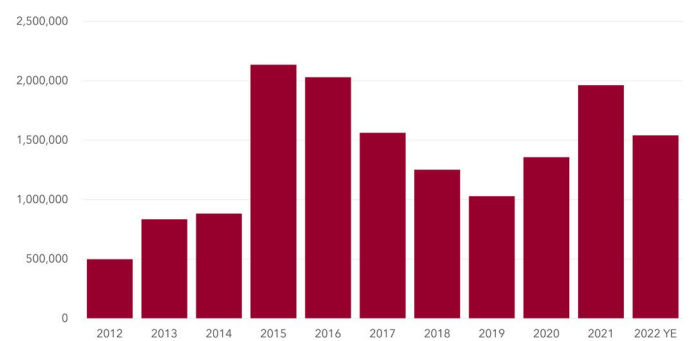
The Columbus office market has continued to hold steady with the vacancy rate hovering around 10% and average asking lease rate around \$21.50 PSF in Q4 2022. Net absorption remains a concern with Q4 2022 posting a negative net absorption of -243,334 SF. The market has seen some major construction progress with Thrive Companies Grandview Crossing development delivering 220,000 SF of Class A space to BMW Financial Services. This delivery has left BMW's previous location on Britton Parkway officially vacant. Large chunks of new vacancies continue to be a concern while smaller spaces ranging from 5-15k SF are being absorbed.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(243,334)	85,618	(128,875)	(209,879)	(765,344)
▲ Vacancy Rate	10.0%	9.9%	9.4%	9.4%	9.2%
▲ Avg NNN Asking Rate PSF	\$21.49	\$21.42	\$21.37	\$21.36	\$21.22
▼ SF Under Construction	1,540,191	1,543,861	1,771,132	1,849,055	1,962,305
▲ Inventory SF	116,236,911	116,196,648	115,739,156	115,537,796	115,435,099

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
910 John Street Columbus, OH	200,000 SF	\$118,000,000 \$590.00 PSF	Qatar First Bank CoverMyMeds	Class A
8323 Walton Parkway New Albany, OH	236,000 SF	\$42,000,000 \$177.97 PSF	Tempus Real Estate Investments Sycamore Partners	Class B
2780 Airport Drive Columbus, OH	105,591 SF	\$12,843,750 \$121.64 PSF	Realife Real Estate Group Neyer Properties	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4590 E Broad Street Columbus, OH	103,161 SF	CASTO	Discover Financial	Financial Services
333 W Nationwide Boulevard Columbus, OH	30,770 SF	Kapac Company	Foxen	FinTech
20 S Belle Street Columbus, OH	28,863 SF	Daimler	Telhio Credit Union	Financial Services



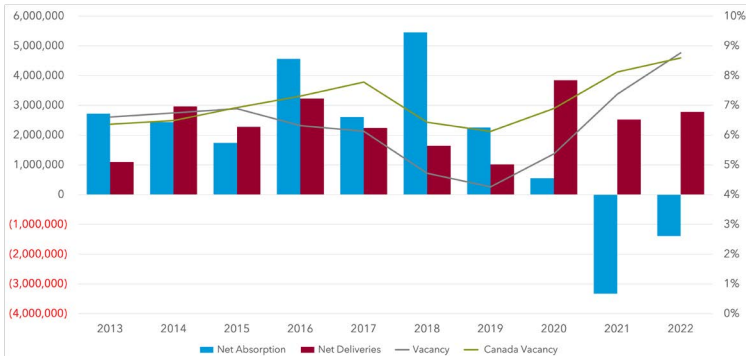
OFFICE MARKET OVERVIEW

WILL GEHRING, *Senior Vice President*

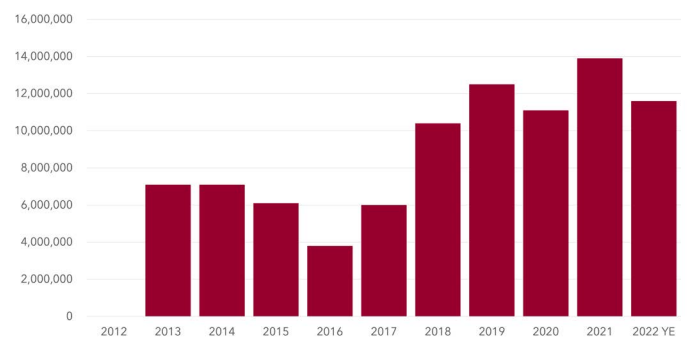
Coming on the heels of the lowest GTA office vacancy rate in recorded history at 4.3% in Q1 2020, the pandemic halted leasing activity in the Toronto market. New variants and lockdowns slowed recovery in the beginning of the year but activity picked up in the spring, paving the way for a slow recovery. Tenants in search of the ideal workplace model have adapted to one of two scenarios. Some have increased their footprint to accommodate a more distanced floor plan, others are expected to downsize under hybrid models with employee rotation. Despite the shock to market conditions over the last two years, Toronto's office market is still the most fundamentally robust across the country.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	(1,322,079)	(1,603,596)	(2,027,710)	(2,114,286)	(3,326,659)
▲ Vacancy Rate	8.80%	8.50%	8.20%	7.80%	7.40%
▲ Avg NNN Asking Rate PSF	\$40.11	\$39.99	\$39.86	\$39.70	\$39.85
◀▶ SF Under Construction	11,600,000	11,600,000	12,300,000	13,200,000	13,900,000
◀▶ Inventory SF	288,000,000	288,000,000	287,000,000	286,000,000	285,000,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
100 Wynford Drive** Toronto, ON	444,898 SF	\$167,800,000* \$228.83 PSF	Oak Street Real Estate Capital H&R Real Estate Investment Trust	Class C
105 Moatfield Drive*** Toronto, ON	248,981 SF	\$60,858,130* \$244.43 PSF	Visionary Education Tech Hldgs Grp Inc/ Slate Asset Management	Class B
5770 Hurontario Street*** Mississauga, ON	241,562 SF	\$46,778,246* \$193.65 PSF	Kaneff Group of Companies Crown Realty Partners	Class B

4-Property Portfolio; * Part of Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
199 Bay Street Toronto, ON	190,971 SF	BCI	Facebook	Information
1 Adelaide Street East Toronto, ON	69,885 SF	OPTrust	OPTrust	Finance
901 King Street West Toronto, ON	59,025 SF	Crown Realty Partners	Undisclosed	Undisclosed

*All numbers shown are in Canadian dollars (CAD)



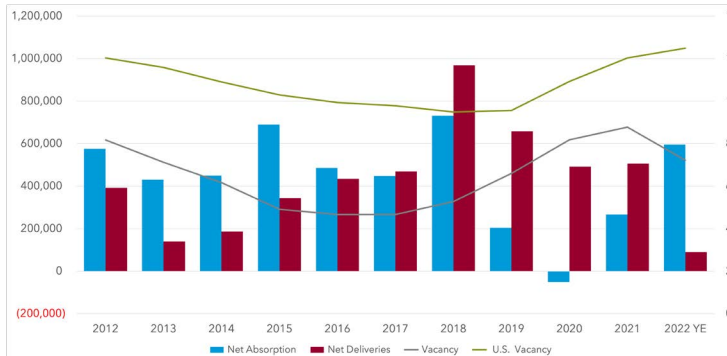
OFFICE MARKET OVERVIEW

PETE HARPER, *Principal*

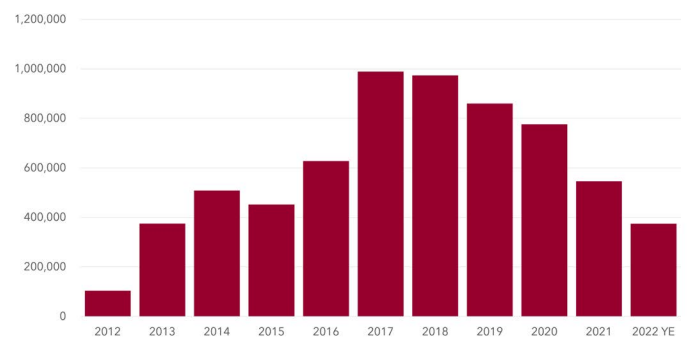
The Charleston market is slowing down but not suffering. The market vacancy rate is at 7.5%, a 1.0% improvement from a year ago. However, we continue to see some disconnect at the submarket level. Downtown is nearing its completion of over 260,000 SF Class-A office space. The larger lease deals this quarter have been in properties that are newer and near-completion in North Charleston and Downtown. Daniel Island submarket still holds the highest vacancy rate at 19.1% and yet the Average Asking Rent has grown to \$35.14/SF, a 19% increase from a year ago. Sales have dropped significantly with only \$187 million closed this year. The rising interest rate, remote work, and economic uncertainty continue to play a big part.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	595,627	131,315	466,865	411,882	266,857
▼ Vacancy Rate	7.22%	7.77%	7.34%	7.73%	8.78%
▲ Avg NNN Asking Rate PSF	\$30.70	\$30.56	\$30.30	\$29.98	\$29.46
▼ SF Under Construction	661,930	741,531	526,028	552,465	546,134
▲ Inventory SF	32,908,196	32,749,211	32,741,743	32,657,937	32,818,549

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4275 Bridge View Drive North Charleston, SC	50,000 SF	\$6,300,000 \$126.00 PSF	Movement Resources Bridgeview Properties, LLC	Class B
174 Meeting Street Charleston, SC	47,113 SF	\$16,750,000 \$355.53 PSF	Highland Ventures Ltd Cobalt Property Group	Class A
2700 Highway 52 Moncks Corner, SC	12,845 SF	\$2,116,000 \$164.73 PSF	Extra Room Self Storage Berkeley Electric Cooperative	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1101 Remount Road North Charleston, SC	110,496 SF	Accesso Partners	Undisclosed	Undisclosed
3875 Faber Place Drive North Charleston, SC	10,849 SF	Howard Ecker & Co.	Undisclosed	Undisclosed
65 Fairchild Street Daniel Island, SC	10,654 SF	Blackbaud	Undisclosed	Undisclosed



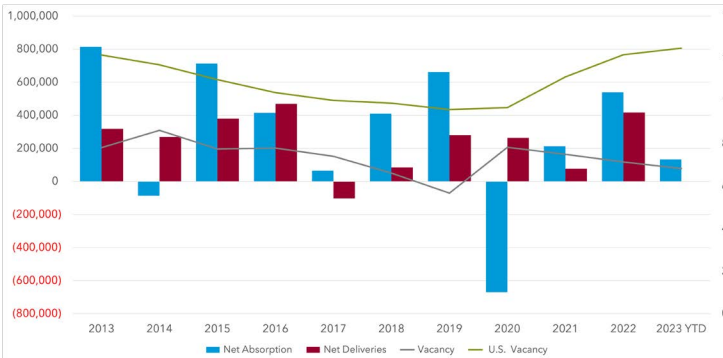
OFFICE MARKET OVERVIEW

DARATH MACKIE, Associate Broker

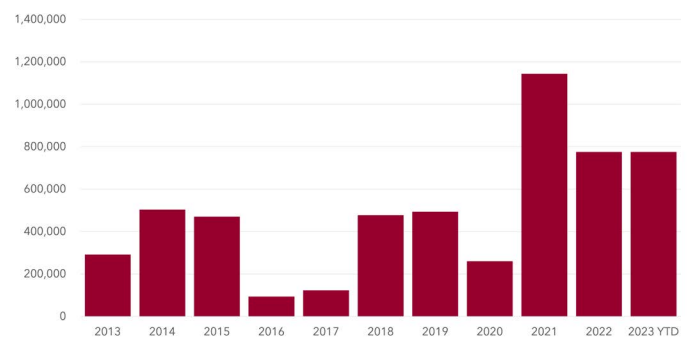
With approximately 774,988 SF of office space under construction, steady population and employment growth in the Greenville/Spartanburg area are strong drivers in the demand for newly built office space. With an increase of a half of a percentage point from last quarter, at roughly 7.1%, vacancies remain below the national average. Continuing the trend the overall average rent growth has increased again this quarter to \$20.01 per SF up from \$19.10 per SF in Q3. As employment growth in office-using sectors begins to stabilize and companies return to the office, net absorption in Greenville has remained positive, helping to prevent further increases in vacancies in 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	538,512	1,163,327	956,530	525,909	213,124
▲ Vacancy Rate	7.1%	6.5%	6.9%	7.1%	7.5%
▲ Avg NNN Asking Rate PSF	\$20.01	\$19.10	\$18.90	\$18.38	\$18.39
▼ SF Under Construction	774,988	811,886	813,414	1,113,243	1,143,703
▲ Inventory SF	43,059,789	43,005,431	42,984,384	42,731,858	42,643,212

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8 Memorial Medical Drive Greenville, SC	20,680 SF	\$3,800,000 \$183.75 PSF	8 Memorial LLC Pathology Partnerships, LLC	Class B
600 N Main Street Greer, SC	8,724 SF	\$392,500 \$44.99 PSF	Dino-saurus Rec 600 North Main Carole Deal	Class C
240 N Grove Medical Park Spartanburg, SC	8,326 SF	\$3,750,000 \$450.00 PSF	Citrine Ventures LLC FPD Properties LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
209 Patewood Drive Floor 3 Greenville, SC	22,968 SF	Carolina Medical Properties, LLC	Bon Secours	Medical
7600 Pelham Road Greenville, SC	15,400 SF	105 E North Street LLC	ITAC	Engineering
1655 E Greenville Street Anderson, SC	8,944 SF	Kingdom Builders Properties LLC	Medicus Eye	Medical



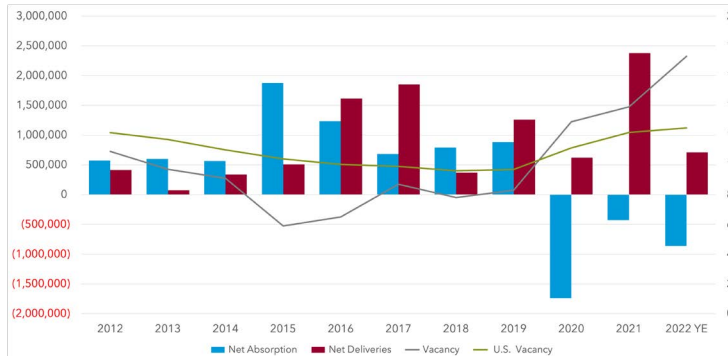
OFFICE MARKET OVERVIEW

KYLE NEVEAU, Associate

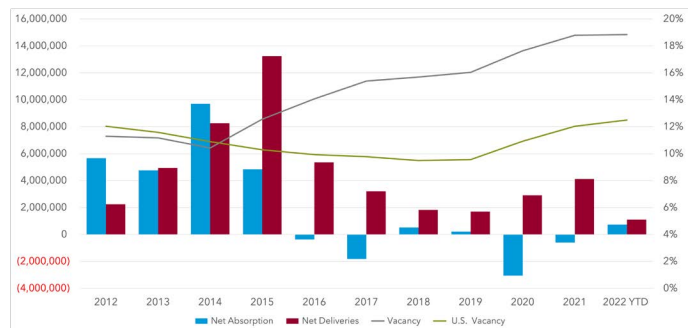
Office demand turned negative in Q4 with a net absorption deficit of 341,059 SF, driving absorption 862,380 SF into the red for the year. The net occupancy losses illustrate a broader trend within office space as occupiers continue to adapt space needs to employee preferences and worker responsibilities within the organization. Overall vacancy stands at 17.3%, an increase of 360 basis points since Q4 of 2021. New construction activity remains elevated (2.4 MSF), with the vast majority of this space (1.9 MSF) located Downtown. Slowing tenant demand has not dissuaded investors from acquiring Nashville office assets, as 2022 sales volume (\$1.2 Billion) rose by approximately 10% year-over-year.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(862,380)	(640,140)	(1,067,212)	142,958	(428,021)
▲ Vacancy Rate	17.30%	16.80%	15.90%	14.90%	13.70%
▲ Avg NNN Asking Rate PSF	\$29.61	\$29.33	\$29.13	\$28.94	\$29.32
▼ SF Under Construction	2,406,488	2,532,034	2,805,937	2,805,937	2,943,753
▲ Inventory SF	51,846,157	51,634,621	51,724,623	51,519,881	50,775,536

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
501 Commerce Nashville, TN	367,000 SF	\$198,474,442 \$540.80 PSF	Northwood Investors LLC Brookfield Properties	Class A
1 Music Circle S Nashville, TN	107,840 SF	\$55,200,000 \$511.87 PSF	Northwood Investors LLC Panattoni Development	Class A
2505 21st Avenue S Nashville, TN	32,038 SF	\$8,898,968 \$277.76 PSF	Magnolia Capital Investments Wright Development LP	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
100 Centerview Drive Nashville, TN	27,500 SF	Albany Road Real Estate Partners	Deloitte	Professional Services
1030 Music Row Nashville, TN	26,124 SF	Broadcast Music, Inc.	Amperand Studios	Professional, Scientific, and Technical Services
443 Donelson Pike Nashville, TN	24,844 SF	Keenan Partnership	OneTouch Direct	Business Services



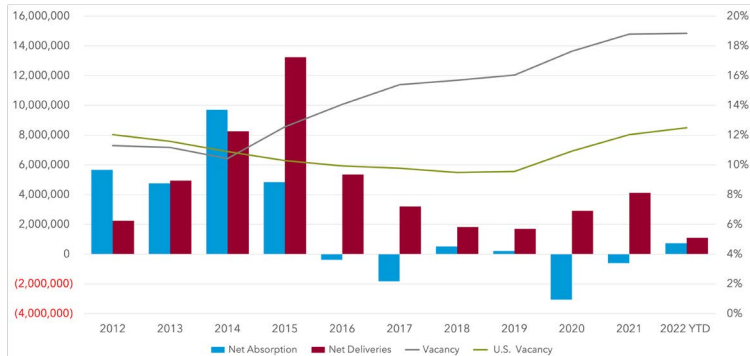
OFFICE MARKET OVERVIEW

TRAVIS TAYLOR, *Principal*

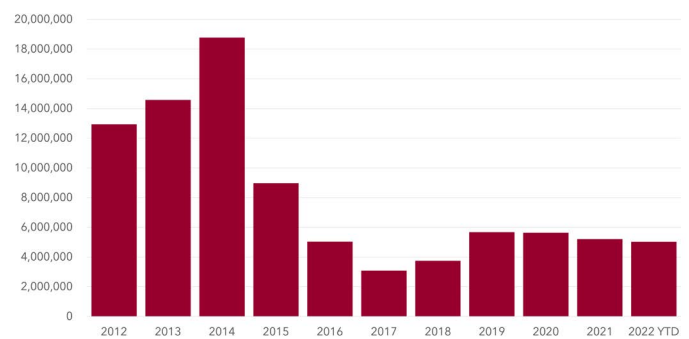
Long term vacancy held steady throughout 2022 despite promising local job growth. Absorption remained positive for the quarter, and Landlords continue to remain competitive on direct deal economics as the reality of the 40 basis point year-over-year increase in vacancy becomes more evident. While rates are on the decline and tenant concessions abundant, a pressing issue is the concern over tenant improvement costs. There seems to be no ceiling for construction pricing, which makes it impossible for Tenant Improvement Allowances to keep up with inflation. Tenants entering the market are often frustrated with the sparsity of move-in ready spaces as it contradicts the expectation that there are an endless number of options to evaluate.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ Qtrly Net Absorption SF	122,569	494,181	1,410,101	1,061,580	(595,726)
▲ Vacancy Rate	19.5%	18.8%	18.7%	18.5%	18.8%
▲ Avg NNN Asking Rate PSF	\$28.77	\$28.74	\$28.71	\$28.72	\$28.67
▼ SF Under Construction	5,026,543	5,151,593	4,938,213	4,976,585	5,209,200
▲ Inventory SF	349,392,815	349,109,763	349,374,302	348,546,862	348,282,998

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
915 N Eldridge Pkwy - Energy Ctr V Houston, TX	524,323 SF	Undisclosed	Oak Street Real Estate Capital Principle Global Investors, Inc.	Class A
4615 & 4635 Southwest Fwy Houston, TX	273,741 SF	Undisclosed	SLS Properties Cypressbrook Companies	Class B
5251 & 5333 Westheimer Rd Galleria Park, Houston, TX	394,152 SF	Undisclosed	Dhanani Private Equity Group Lincoln Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
17325 Park Row Road *Renewal Houston, TX	226,287 SF	Griffin Realty Trust	Wood Group	Engineering Services
2000 W Sam Houston Parkway S Renewal Expansion, Houston, TX	328,000 SF	Cousins	Apache	Oil & Gas
9753 Katy Fwy Houston, TX	107,171 SF	Metronational	Callon Petroleum Coompany	Oil & Gas



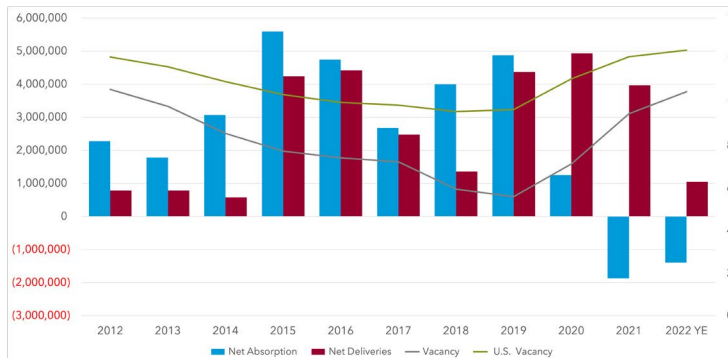
OFFICE MARKET OVERVIEW

HARRISON LAIRD, *Principal*

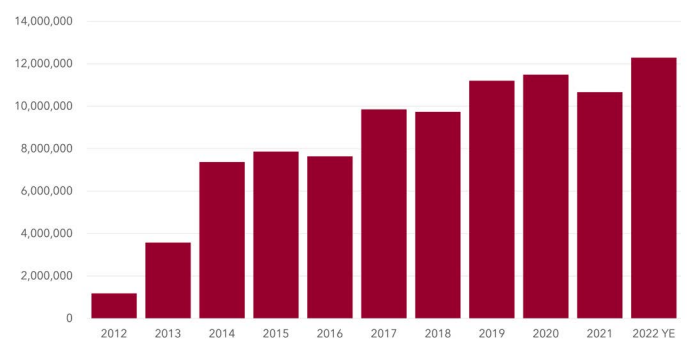
Increasing vacancy rates continue as a common trend in the local office market. Layoffs, led by the tech sector, in conjunction with space utilization efficiencies and hybrid work schedules, have pushed the vacancy rate to a 10-year high. This comes on the heels of two years of negative absorption across the market. Construction projects are at an all-time high, led by the Eastside with Microsoft's Redmond campus adding 2.5M SF; Amazon adding over 1.6M SF in West Main, the 555 Tower and The Artise; and Costco will complete its 600K SF addition in 2023. Variations in overall headcount and space utilization among tech companies will have a meaningful impact on the greater Seattle office market in 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(1,397,678)	(513,260)	99,162	142,771	(1,871,259)
▲ Vacancy Rate	10.54%	10.47%	10.44%	10.14%	9.50%
▼ Avg NNN Asking Rate PSF	\$38.62	\$38.63	\$38.57	\$38.37	\$38.40
▲ SF Under Construction	12,288,799	11,792,051	10,890,109	10,603,554	10,666,592
▲ Inventory SF	226,889,869	226,858,326	226,889,834	226,502,235	225,842,841

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2001 Lind Avenue SW* Renton, WA	160,853 SF	\$31,146,193 \$193.63 PSF	Seattle Children's Hospital Providence Health & Services	Class A
906 SE Everett Mall Way** Everett, WA	115,736 SF	\$14,300,000 \$123.56 PSF	Pietromonaco Jackson Properties Pflueger Everett Holdings, LLC	Class B
2201 Lind Avenue* Renton, WA	114,116 SF	\$19,317,554 \$169.28 PSF	Seattle Children's Hospital Providence Health & Services	Class A

*Part of 6-property sale; ** Part of 2-property sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10301 Willows Road NE Redmond, WA	349,998 SF	Meta Platforms, Inc.	Meta	Professional, Scientific and Technical Services
31 Montana Avenue Tacoma, WA	57,546 SF	Islamic Center of Tacoma	Undisclosed	Arts, Entertainment and Recreation
1201 3rd Avenue Seattle, WA	46,466 SF	Clarion Partners, 1201 TAB Owner LLC	Undisclosed	Undisclosed



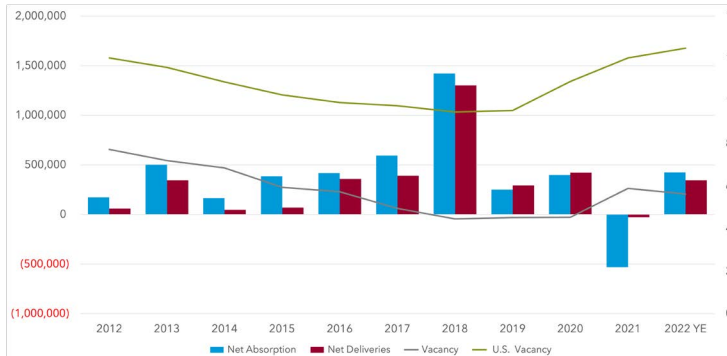
OFFICE MARKET OVERVIEW

CAMP PERRET, *Vice President*

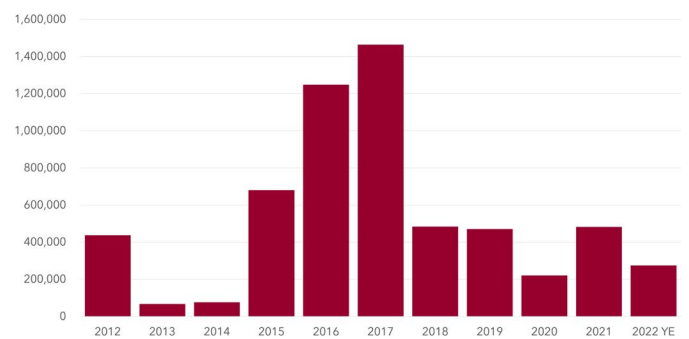
The Madison Office Market remains stable. The market's recovery has been slow but steady, often outperforming the national averages. Vacancy rates continue to decline while rents continue to inch up. Investors are still interested in purchasing in the market with sales up 35% year over year. Forecasts for the Madison Office Market are cautious yet optimistic due to our low 2% unemployment rate.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	424,950	471,549	459,888	47,910	(531,838)
▼ Vacancy Rate	5.6%	5.7%	5.5%	5.8%	5.9%
▲ Avg NNN Asking Rate PSF	\$22.59	\$22.54	\$22.44	\$22.44	\$22.27
▼ SF Under Construction	274,800	305,487	284,792	358,792	482,105
▲ Inventory SF	38,125,201	38,094,514	38,085,209	37,935,209	37,781,209

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2650 Novation Parkway Madison, WI	112,655 SF	\$19,750,000 \$175.31 PSF	Spirit Realty Capital, Inc. The Alexander Company	Class A
8402 Excelsior Drive Madison, WI	97,724 SF	\$11,375,000 \$116.40 PSF	Fujifilm Cellular Dynamics, Inc. Deere & Company	Class B
1212 Fourier Drive Madison, WI	30,137 SF	\$5,295,748 \$175.72 PSF	W Silver Recycling, Inc. Gorman & Company	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2501-2601 W. Beltline Highway Madison, WI	18,195 SF	Arbor Gate Development LLC	OPW, SC - Orthopedic Surgeons	Service
918 Deming Way Madison, WI	13,803 SF	The Gialamas Company, Inc.	Undisclosed	Undisclosed
1532 W. Broadway Madison, WI	9,324 SF	John Forseth	Undisclosed	Undisclosed

RETAIL OVERVIEW: REBOUND CONTINUES, MOST GROWTH IN YEARS

Retail real estate continued its rebound with another healthy year in 2022. In the United States, the 20.7 million SF of Q4 net absorption brought the total for the year to 74.8 million SF. It was the most demand since 2017 and exceeded new supply by 30 million SF as the overall vacancy rate ticked down to 4.2%, the lowest in 15 years.

Canada's vacancy rate held steady at 2% at the end of 2022, the lowest since 2014. With operating fundamentals improving, investment activity for retail real estate has also accelerated over the last several quarters while the 12-month trend in transaction volumes remain near the highest on record.

The healthy annual totals occurred despite higher prices consumers have been paying for food, gas and housing and rising interest rates. U.S. retail sales excluding auto, gasoline and non-store retailers - a measure that best encapsulates brick-and-mortar retail sales - pushed to a new monthly record of \$384 billion in September. After falling sharply during the depths of the pandemic, gross leasing activity has bounced back and settled within a consistent range between 60 million and 70 million SF quarterly since Q1 2021. Sales activity has moderated since the Fed began raising interest rates, but the 2022 average sales price of \$224 per SF is up 9.8% over last year and 18.5% over the five-year average since 2017.

The heaviest investment activity centers on large gateway markets such as New York, Los Angeles and Chicago and high-growth metros like Dallas/Ft. Worth, Atlanta, Phoenix and Houston. A reduced volume of new construction is helping to restore the sector's supply-demand fundamentals that had been knocked askew by e-commerce's formidable challenge to brick and mortar along with the punishing effects of the lockdown.

In 2018 and 2019, tenant expansion totaled 59.7 million SF and 37.6 million SF respectively before the lockdown put demand 30.3 million SF in the red in 2020. Shoppers returned from the lockdown as eager consumers, inspiring merchants to lease up a net 72.4 million SF in 2021 followed by 74.8 million SF in 2022. Given the robust demand for other property types, retail demolitions are on the rise with more than 17 million SF of obsolete retail space razed last year. Consequently, in the last three years, net deliveries have totaled 44 million SF, 18.4 million SF and 25.1 million in 2020.

Retail asking rents increased 4.2% in 2022, the most in more than a decade. Geographically, many legacy markets in the Midwest and Northeast with aging stock and little population growth have underperformed national averages. Conversely, markets in the South and Southwest have attracted an outsized portion of population growth and buying power with metros from Nashville, Charlotte, Fort Lauderdale, Miami and Las Vegas posting dramatic gains, in some cases as high as 10% or more. Nationwide, on average, neighborhood centers and strip retail posted the most rent growth in 2021 at 4.8% and 4.7% respectively. With concerns of over-supply still fresh in the minds of developers and bankers, the majority of new space consists of built-to-suits and smaller freestanding properties as nearly 85% of new space last year was leased up prior to completion.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / SF ANNUAL		HIGHEST MARKET SALE PRICE / SF	
BC, Vancouver	1.4%	NY, New York*	\$45.96	CA, San Francisco	\$601
ON, Toronto	1.6%	FL, Miami	\$44.40	BC, Vancouver	\$528
WA, Seattle	2.7%	CA, San Francisco	\$40.80	CA, Orange County	\$446
MA, Boston	2.7%	CA, Orange County	\$36.48	NY, New York*	\$433
TN, Nashville	3.0%	CA, Los Angeles	\$35.28	FL, Miami	\$432
U.S. Index	4.3%	U.S. Index	\$23.64	U.S. Index	\$242
Canada Index	2.0%	Canada Index	\$20.88 CAD	Canada Index	\$332 CAD

MOST SF UNDER CONSTRUCTION SF		LARGEST INVENTORY BY SF		LOWEST MARKET CAP RATE	
TX, Houston	4,388,892	NY, New York*	622,380,899	BC, Vancouver	4.0%
TX, Dallas-Fort Worth	3,669,502	IL, Chicago	582,863,451	ON, Toronto	4.5%
FL, Miami	3,563,080	TX, Dallas, Fort Worth	456,034,242	CA, San Francisco	4.5%
NY, New York*	2,942,671	CA, Los Angeles	446,053,345	CA, Orange County	4.9%
ON, Toronto	2,915,714	TX, Houston	425,130,529	CA, Los Angeles	5.2%
U.S. Index	63,760,663	U.S. Index	11,844,649,812	U.S. Index	6.7%
Canada Index	8,678,817	Canada Index	796,120,373	Canada Index	5.0%

* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
AB, Calgary **	2.8%	\$1.71	\$289	1,830,872	76,306,811	5.7%
AZ, Phoenix	5.1%	\$1.86	\$233	1,877,745	237,947,058	6.6%
BC, Vancouver **	1.4%	\$2.07	\$528	1,231,001	124,943,745	4.0%
CA, East Bay	5.4%	\$2.78	\$358	241,055	124,490,875	5.2%
CA, Inland Empire	6.0%	\$2.08	\$292	1,151,170	199,197,308	5.8%
CA, Los Angeles	5.0%	\$2.94	\$424	1,334,390	446,053,345	5.2%
CA, Orange County	4.2%	\$3.04	\$446	67,569	144,329,500	4.9%
CA, San Diego	4.0%	\$2.75	\$395	690,275	138,596,635	5.3%
CA, San Francisco	5.4%	\$3.40	\$601	92,500	82,869,794	4.5%
CA, San Luis Obispo	3.4%	\$2.18	\$291	101,878	15,407,074	6.0%
CA, Santa Barbara	4.5%	\$2.39	\$338	7,500	25,056,004	6.1%
CA, Stockton	4.5%	\$1.70	\$206	161,886	30,943,372	6.7%
CA, Ventura	5.0%	\$2.23	\$301	46,671	41,552,062	5.8%
CO, Denver	4.1%	\$2.08	\$266	758,072	159,169,628	6.2%
DC, Washington	4.8%	\$2.57	\$344	2,181,261	267,818,152	6.0%
FL, Fort Myers	3.2%	\$1.67	\$229	152,330	48,871,895	6.4%
FL, Miami	3.1%	\$3.70	\$432	3,563,080	140,765,281	5.3%
FL, Naples	4.0%	\$2.24	\$313	112,310	23,917,716	5.5%
FL, Orlando	3.8%	\$2.22	\$254	2,592,560	152,417,123	6.4%
GA, Atlanta	3.8%	\$1.71	\$203	1,794,094	368,682,562	6.9%
GA, Savannah	3.2%	\$1.86	\$211	56,882	28,012,721	7.3%
ID, Boise	3.6%	\$1.35	\$219	690,612	41,904,913	6.3%
IL, Chicago	5.5%	\$1.75	\$196	862,820	582,863,451	7.2%
IN, Indianapolis	3.4%	\$1.46	\$154	335,742	132,581,500	7.8%
MA, Boston	2.7%	\$2.20	\$267	1,052,573	246,921,862	6.1%
MD, Baltimore	5.5%	\$1.95	\$213	375,834	144,112,407	6.8%
MI, Detroit	5.0%	\$1.50	\$135	815,659	260,874,641	7.5%
MN, Minneapolis	3.2%	\$1.52	\$170	624,467	203,399,518	7.1%
MO, Saint Louis	5.1%	\$1.31	\$140	782,838	173,777,134	8.1%
NC, Durham	2.5%	\$1.85	\$241	399,497	27,880,855	8.0%
NC, Raleigh	2.5%	\$1.96	\$241	1,322,686	75,998,963	6.5%
United States Index	4.3%	\$1.97	\$242	63,760,663	11,844,649,812	6.7%
Canada Index	2.0%	\$1.74 CAD	\$332 CAD	8,678,817	796,120,373	5.0%

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
NE, Omaha	4.5%	\$1.29	\$150	362,206	64,347,641	7.4%
NJ, Atlantic City	5.5%	\$1.38	\$157	14,000	18,046,866	7.3%
NJ, Northern New Jersey *	4.5%	\$1.92	\$212	590,807	135,754,154	6.9%
NJ, Trenton	4.8%	\$1.78	\$189	204,243	21,596,444	7.9%
NJ, Vineland	4.6%	\$1.20	\$171	0	8,248,332	6.9%
NV, Reno	4.3%	\$1.72	\$208	36,112	27,003,616	7.1%
NY, Long Island	4.3%	\$2.75	\$318	872,013	156,277,453	6.3%
NY, New York *	4.2%	\$3.83	\$433	2,942,671	622,380,899	5.9%
OH, Cincinnati	6.2%	\$1.20	\$123	393,542	132,565,484	8.0%
OH, Cleveland	4.3%	\$1.24	\$113	235,202	146,678,473	8.1%
OH, Columbus	3.6%	\$1.51	\$154	674,666	122,364,571	7.7%
ON, Toronto **	1.6%	\$2.05	\$382	2,915,714	301,308,765	4.5%
PA, Harrisburg	5.5%	\$1.36	\$136	174,187	34,870,320	7.6%
PA, Lehigh Valley *	5.0%	\$1.33	\$133	365,150	49,215,786	8.8%
PA, Philadelphia *	4.5%	\$1.75	\$189	1,121,804	336,638,857	7.0%
SC, Charleston	3.4%	\$1.93	\$250	437,101	48,676,685	6.4%
SC, Greenville	3.3%	\$1.36	\$160	177,816	63,355,406	7.0%
SC, Spartanburg	4.4%	\$1.08	\$119	55,024	26,607,002	8.2%
TN, Nashville	3.0%	\$2.31	\$259	1,228,022	119,800,985	6.0%
TX, Dallas-Fort Worth	4.7%	\$1.82	\$259	3,669,502	456,034,242	6.4%
TX, Houston	5.0%	\$1.87	\$240	4,388,892	425,130,529	6.8%
WA, Seattle	2.7%	\$2.35	\$323	538,279	178,893,353	5.8%
WI, Madison	2.4%	\$1.38	\$151	95,000	40,884,246	7.2%
United States Index	4.3%	\$1.97	\$242	63,760,663	11,844,649,812	6.7%
Canada Index	2.0%	\$1.74 CAD	\$332 CAD	8,678,817	796,120,373	5.0%

* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

** Numbers shown are in Canadian dollars (CAD)



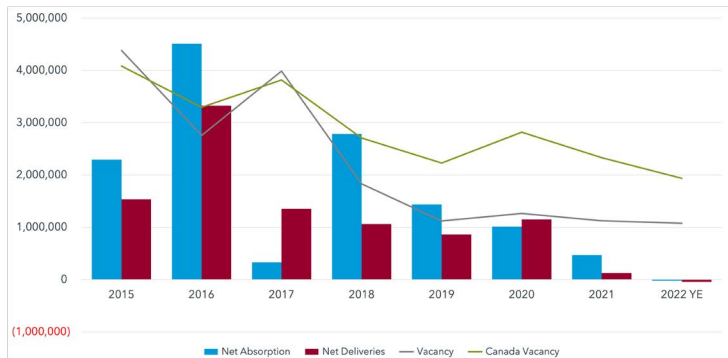
RETAIL MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

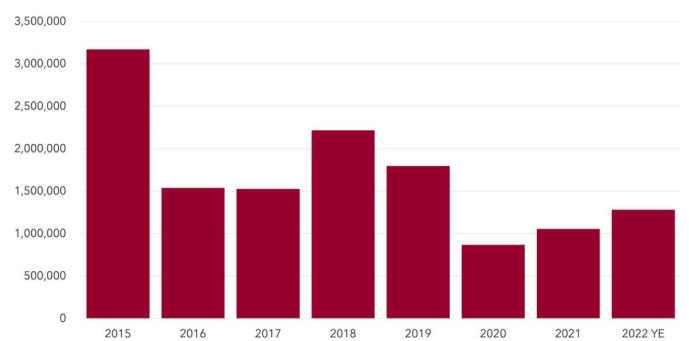
Due to a year of high inflation and ever-increasing interest rates, consumer purchasing power as well as confidence was low coming into the holiday season. Therefore, savings were top of mind as shoppers cut back on non-essential spending. Throughout 2023 to draw buyers back, retailers will need to prioritize improving the consumer experience with promotions, quality service, entertainment, and a seamless online/offline experience. However, landlords in Metro Vancouver needn't worry about the decrease in consumer spending. The low vacancy paired with the unique building constraints for new retail space keeps the area's demand, and therefore retail rental rates and sale prices, high.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(20,146)	(5,699)	346,761	453,886	561,960
▲ Vacancy Rate	1.39%	1.23%	1.18%	1.21%	1.23%
▼ Avg NNN Asking Rate PSF	\$33.88	\$34.66	\$34.13	\$34.25	\$33.60
▼ SF Under Construction	1,281,001	1,691,477	981,631	1,035,635	1,055,271
▲ Inventory SF	124,936,794	123,983,104	124,611,189	124,572,052	124,502,880

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1034 Robson Street Vancouver, BC	8,636 SF	\$27,500,000* \$3,184 PSF	Crestpoint Real Estate Investments Vita Properties, Inc.	Single Tenant
8140 120th Street Surrey, BC	36,558 SF	\$22,200,000* \$607 PSF	Mortise Group of Companies Scott Road Centre, Inc.	Multi Tenant
2119-2131 W 4th Avenue Vancouver, BC	13,674 SF	\$20,600,000* \$1,507 PSF	Low Tide Properties Ltd. Bonnis Properties	Multi Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
650 W 41st Avenue Vancouver, BC	69,000 SF	Westbank & QuadReal	Time Out Market	Food Retailer
8119 Park Road Richmond, BC	10,439 SF	Grand Long Holdings Canada Ltd.	Sungiven Foods	Grocery
2929 Barnet Highway Coquitlam, BC	10,130 SF	Morguard	Cactus Club Café	Restaurant

*All numbers shown are in Canadian dollars (CAD)



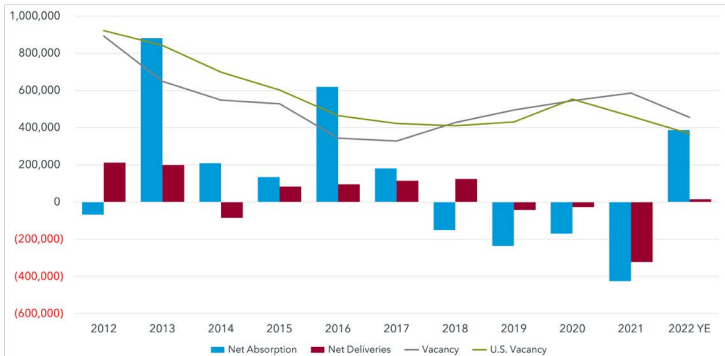
RETAIL MARKET OVERVIEW

TREVOR GLEASON, *Associate*

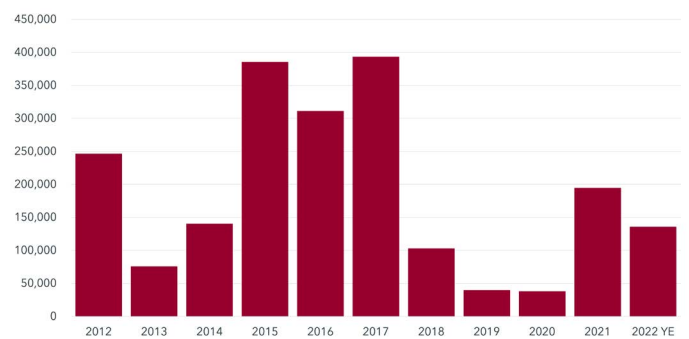
Q4 Retail in the San Gabriel Valley has been slowly making a comeback. As we neared the end of 2022, we were seeing more tenants looking in the market as the vacancy rate continued to decline. The largest sale this quarter was 820-892 West Beverly Boulevard in Montebello, which was sold for \$43 million or \$342.09 per square foot. Its gross leasable area offered an impressive 127,751 square feet of retail. We also saw higher average asking rates for the last quarter of 2022.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	8,261	211,195	163,889	4,301	131,426
◀▶ Vacancy Rate	4.60%	4.60%	4.90%	5.20%	5.20%
▲ Avg NNN Asking Rate PSF	\$25.38	\$24.81	\$24.36	\$24.83	\$24.51
◀▶ SF Under Construction	135,907	135,907	166,497	166,497	194,787
◀▶ Inventory SF	65,394,063	65,394,063	65,369,693	65,386,680	65,379,098

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
820-892 W Beverly Boulevard Montebello, CA	127,751 SF	\$43,702,212 \$342.09 PSF	EDENS Combined Properties, Inc.	Multi-Tenant
1504-1600 Foothill Boulevard La Verne, CA	106,083 SF	\$33,539,847 \$316.17 PSF	EDENS Combined Properties, Inc.	Multi-Tenant
802-806 W Beverly Boulevard Montebello, CA	60,472 SF	\$20,686,806 \$342.09 PSF	EDENS Combined Properties, Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
401-403 E Mission Road San Gabriel, CA	6,578 SF	Kevin Ching	Undisclosed	Undisclosed
324-330 W Valley Boulevard Alhambra, CA	6,316 SF	Wong Ley Inc	Undisclosed	Undisclosed
1201-1325 S Baldwin Avenue Arcadia, CA	6,075 SF	Bin Fen Cheng	Undisclosed	Undisclosed



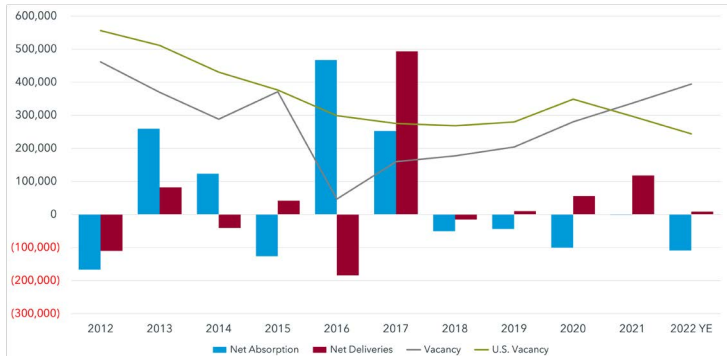
RETAIL MARKET OVERVIEW

JODI SHOEMAKE, *Founding Principal*

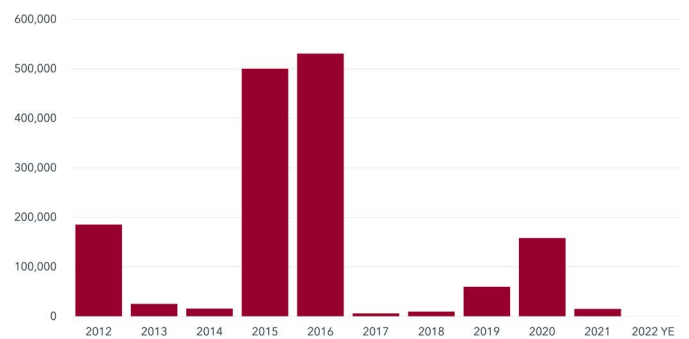
Pasadena, Burbank and Glendale are the largest cities in the Los Angeles Tri-Cities retail submarket. All three experienced increased vacancy, a significant drop in average rental rates and higher price per square foot sales transactions as of year-end 2022. The city of Glendale has among the lowest vacancy rates in all of LA County at 2.5% and continues to lead multi-family development, adding 3600 units over the past decade. Strong demographics in Pasadena continued to attract a dynamic mix of local and national retail tenants.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	(82,556)	(82,671)	(226)	56,932	33,779
▲ Vacancy Rate	5.4%	5.1%	4.8%	4.8%	5.0%
▼ Avg NNN Asking Rate PSF	\$35.58	\$40.35	\$38.75	\$38.59	\$37.54
◀▶ SF Under Construction	-	-	-	-	15,218
◀▶ Inventory SF	26,056,364	26,056,364	26,056,364	26,056,364	26,047,866

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
132 N Maryland Avenue Glendale, CA	27,080 SF	\$8,600,000 \$317.58 PSF	Aengus Oneil Dunne Richard Neal Mills Trust	Multi-Tenant
70 Raymond Avenue Pasadena, CA	14,040 SF	\$4,300,000 \$306.27 PSF	Tea Rose Julie Thomson	Multi-Tenant
110 E Holly Street Pasadena, CA	7,120 SF	\$6,000,000 \$842.70 PSF	Undisclosed Bessie Lao	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
641 E. Colorado Boulevard Pasadena, CA	6,727 SF	Panda Restaurant Group	Star Leaf	Restaurant
801 N Central Avenue Glendale, CA	4,846 SF	Central SAK LLC	The Grille by Toasted Bun	Restaurant
3818 W Burbank Boulevard Burbank, CA	4,500 SF	Geoffrey M & Diane Krauss	Urban Skin LA	Personal Service/ Wellness



RETAIL MARKET OVERVIEW

ERIK FAUCETT, *Vice President*

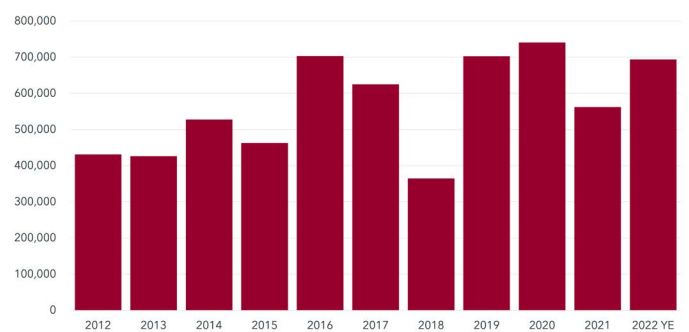
For the seventh consecutive quarter, net absorption has been positive, which is the longest streak in 10 years. New leasing activity has slowed over the past two quarters as occupancy has fully recovered. The waning leasing activity is more a function of the lack of space than of less interest. The average new retail is trending smaller as retailers adapt to consumer preferences for e-commerce. On the development side, most projects are smaller infill developments, single-tenant pads or smaller freestanding buildings. The State of California passed a law at the end of 2022 which would streamline the process to allow for development of affordable housing on vacant and underutilized commercial properties. With interest rates on the rise, deal flow and investment volume has slowed.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	1,399,431	1,262,021	1,412,685	964,452	(100,355)
▼ Vacancy Rate	4.0%	4.1%	4.3%	4.7%	5.00%
▲ Avg NNN Asking Rate PSF	\$2.75	\$2.73	\$2.73	\$2.68	\$2.64
▼ SF Under Construction	693,775	734,864	771,005	749,502	562,072
▲ Inventory SF	138,613,362	138,566,161	138,547,233	138,567,045	138,654,066

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
8508-8650 Genessee Avenue San Diego, CA	178,619 SF	\$125,000,000 \$699.81 PSF	Alexandria Real Estate Regency Centers	Multi-Tenant
5821-5975 University Avenue San Diego, CA	178,311 SF	\$56,023,533 \$314.19 PSF	MSM Global Ventures, LLC Fortress Development	Multi-Tenant
732 Center Drive San Marcos, CA	135,924 SF	\$21,560,264 \$158.52 PSF	Miracle Pay Investments United American Properties	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1750 Camino Del Rio North San Diego, CA	77,909 SF	Westfield	Bed Bath & Beyond	Retail
7480 Miramar Road San Diego, CA	42,318 SF	Omninet Capital	Wood Bridge Interiors	Home Furnishing
1280 North Melrose Drive Vista, CA	35,214 SF	EQT Exeter	American Marble	Home Furnishing



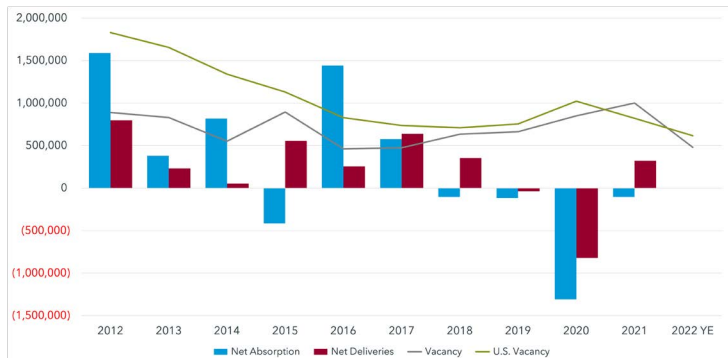
RETAIL MARKET OVERVIEW

VICTOR AQUILINA, *Principal*

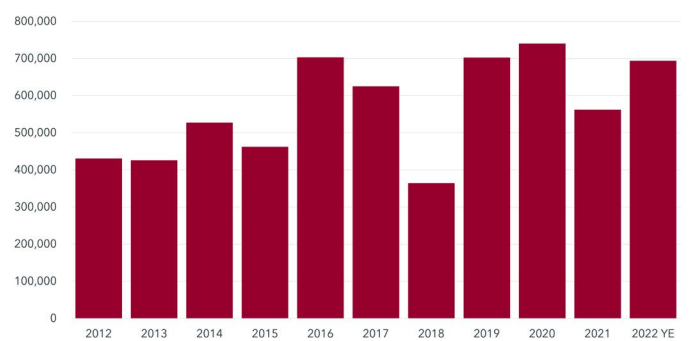
San Diego retail market continues to have positive net absorption over the last seven quarters, the longest streak in 10 years. This has led to the a year-over-year vacancy change of -0.9% to 4%. The net absorption over the past 12 months has been 1.3 million square feet. Rents are up 3.9% over the year and continue to rise. The San Diego Market is in good shape going into an uncertain 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	1,385,577	1,248,167	1,409,185	960,952	(103,855)
▼ Vacancy Rate	4.00%	4.10%	4.30%	4.70%	5.00%
▲ Avg NNN Asking Rate PSF	\$2.75	\$2.73	\$2.73	\$2.68	\$2.64
▼ SF Under Construction	693,775	734,864	771,005	749,502	562,072
▲ Inventory SF	138,595,884	138,564,087	138,545,159	138,564,971	138,652,861

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
635 N Broadway Escondido, CA	44,047 SF	\$6,750,000 \$153.25 PSF	Escooz LLC Stater Bros Markets	Single-Tenant
6171 Mission Gorge Road San Diego, CA	23,760 SF	\$13,100,000 \$551.35 PSF	Mission Gorge LP Sidney Family Limited Partnership	Multi-Tenant
476 Broadway Chula Vista, CA	21,807 SF	\$4,480,000 \$205.21 PSF	Patron Investments LLC USA Properties, Inc.	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4760-496 Clairemont Mesa Blvd San Diego, CA	27,000 SF	Deutsch Company	Lighthouse Bible Church	Religious Facility
2770 Glebe Road Lemon Grove, CA	15,148 SF	New Vision Holdings Inc	Greater Life SD Church	Religious Facility
3829-3837 Plaza Drive Oceanside, CA	15,000 SF	Fernando Peniche Bustamante	Modern Airsoft	Sporting Goods



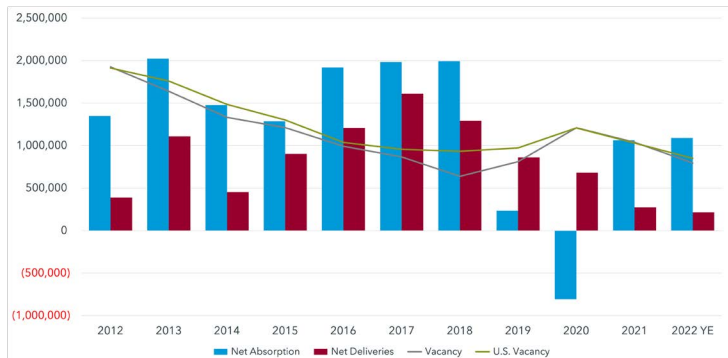
RETAIL MARKET OVERVIEW

JEFF HALLBERG, *Principal*

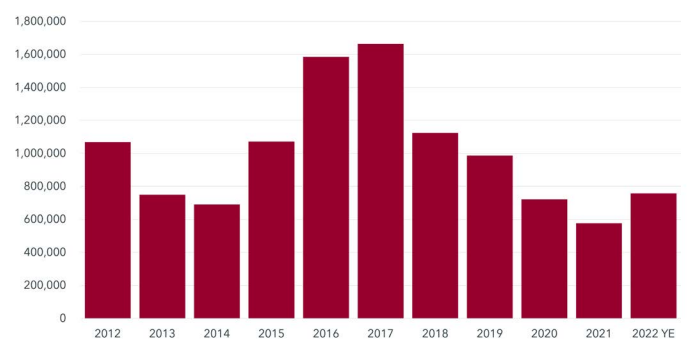
Consumer spending was the key driver for the recovering retail sector in 2022. Personal savings generated during the pandemic and government support gave consumers additional funds at their disposal. Inflationary pressure and the continued labor shortage will make 2023 challenging for many retailers. Even with these challenges stable vacancies and positive absorption are expected throughout 2023. Conditions have improved in Denver's retail sector with annual rents up 3.6%. Currently there is 760,000sf of retail space under construction fueled by the demand for more grocery anchored centers. Growing confidence in the retail sector has buoyed the retail investment volume with 1.8 billion in retail assets trading in the last 12 months.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	1,090,362	952,775	1,260,714	1,394,618	1,065,098
▼ Vacancy Rate	4.10%	4.50%	4.60%	4.60%	4.70%
▲ Avg NNN Asking Rate PSF	\$24.94	\$24.73	\$24.50	\$24.24	\$24.07
▲ SF Under Construction	758,072	675,907	714,309	743,444	577,184
▲ Inventory SF	159,022,983	158,937,023	158,887,268	158,775,064	158,808,749

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
10785 W Colfax Avenue Lakewood, CO	179,486 SF	\$9,377,148 \$52.24 PSF	Artesia Real Estate Seritage Growth Properties	Multi-Tenant
12900-12910 Zuni Street Westminster, CO	91,565 SF	\$10,900,000 \$119.04 PSF	CarePoint Properties Gart Properties	Multi-Tenant
3111 E County Line Road Littleton, CO	90,951 SF	\$8,200,000 \$90.16 PSF	Prime Management Noodles Companies	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1150 S Ironton Street Aurora, CO	23,649 SF	AmCap Incorporated	Undisclosed	Undisclosed
8203-8267 S Holly Street Centennial, CO	16,000 SF	Tedford Commercial Real Estate	Undisclosed	Undisclosed
2495 S Havana Street Aurora, CO	15,270 SF	Kimco Realty Corporation	GlassTek	Manufacturing



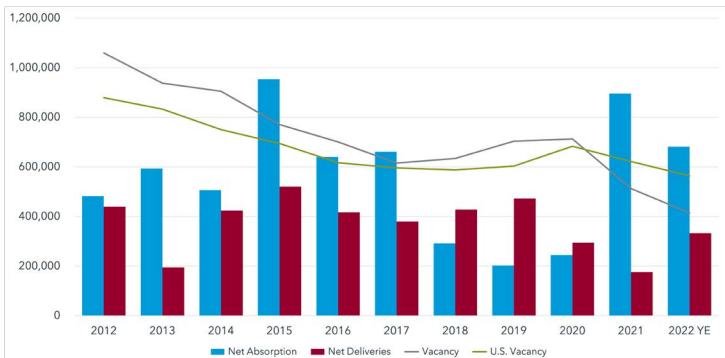
RETAIL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

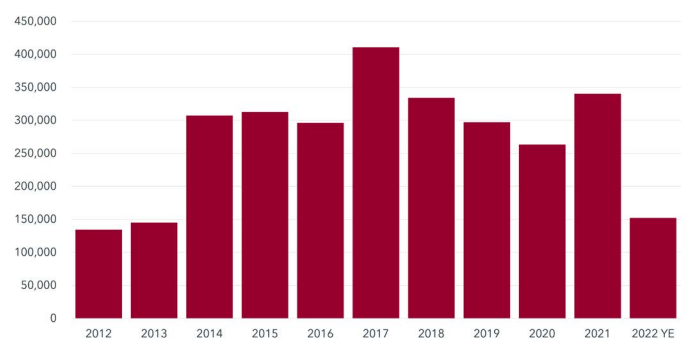
The retail trade industry added 1,000 jobs in the past 12 months for a 2.3% increase in employment. Consumer confidence supported another quarter of positive absorption, strong leasing activity and rent increases. Some of the largest leases for the year were in the Cape Coral submarket, where new leasing velocity rivaled South Fort Myers-historically the submarket with the largest inventory. The total number of shopping center renewals decreased 41% in 2022 when compared to the year before. Net absorption was positive for another consecutive quarter. Despite talk of economic uncertainty, retail demand in Fort Myers remained robust paired with tight market conditions and increased asking rents.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	681,132	708,405	781,023	809,596	895,512
▼ Vacancy Rate	3.1%	3.3%	3.4%	3.7%	3.8%
▲ Avg NNN Asking Rate PSF	\$20.02	\$19.87	\$19.61	\$19.30	\$18.96
▼ SF Under Construction	152,330	198,825	271,782	321,768	340,291
▲ Inventory SF	48,873,911	48,815,411	48,719,260	48,644,789	48,541,222

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
13741-13749 S. Tamiami Trail Fort Myers, FL	65,688 SF	\$13,200,000 \$201.00 PSF	Schiff Enterprises National Asset Services	Multi-Tenant
1401A SW Pine Island Road Cape Coral, FL	50,000 SF	\$26,000,000 \$520.00 PSF	David Wilkins Glen Snyder	Single-Tenant
6420-6424 Plantation Park Court Fort Myers, FL	42,430 SF	\$3,200,000 \$75.00 PSF	Plantation Park Court, LLC Holland Associates LLP	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4820 Leonard Street Cape Coral, FL	29,848 SF	Cape Central, LLC	DeAngelis Diamond	Construction
13525 Bell Tower Drive Fort Myers, FL	10,520 SF	HB Family Limited Partnership	The Sanibel Captiva Trust Company	Investment Management
24600 S. Tamiami Trail Bonita Springs, FL	7,700 SF	Real Sub LLC	The Grounds MMA Academy	Martial Arts School



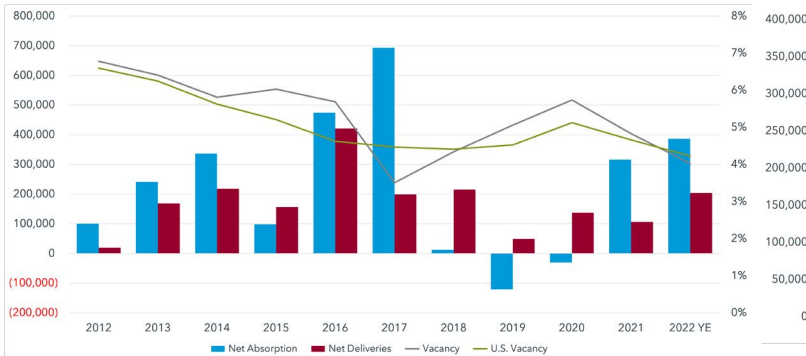
RETAIL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

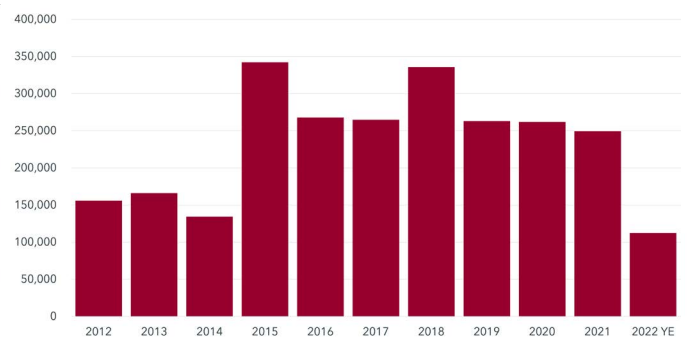
The Naples retail trade industry added 600 jobs in the past 12 months for a 2.7% increase in employment. Income and consumer confidence supported another consecutive quarter of positive absorption, strong leasing activity and rent growth. Average market base rent was \$26.92 per square foot (psf) at yearend. The largest sale and lease transactions for the year occurred in the North Naples submarket of Collier County, where net absorption declined, however remained positive. Overall NNN rent in North Naples averaged \$28.35 psf. Despite talk of economic uncertainty, retail demand in Naples was unwavering, paired with tight market conditions and continued rent growth.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	386,043	436,652	493,423	636,971	316,570
◀▶ Vacancy Rate	4.0%	4.0%	4.0%	4.1%	4.8%
▲ Avg NNN Asking Rate PSF	\$26.92	\$26.70	\$26.34	\$25.90	\$25.43
▼ SF Under Construction	112,310	120,510	119,055	61,845	249,321
▲ Inventory SF	23,917,716	23,909,516	23,906,621	23,906,621	23,713,596

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
15050 Sandpiper Lane Naples, FL	64,034 SF	\$22,000,000 \$344.00 PSF	Publix Super Markets, Inc. Halvorsen Holdings, LLC	Single-Tenant
8575-8599 Collier Boulevard Naples, FL	59,683 SF	\$16,500,000 \$276.00 PSF	Carlyle Funding, Inc. Forge Capital Partners	Multi-Tenant
4300 Tamiami Trail N Naples, FL	16,820 SF	\$6,750,000 \$401.00 PSF	Siasconset Properties, G.P. Donald H. Brown	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3147 Davis Boulevard Naples, FL	10,640 SF	TT of Tamiami, Inc.	Porsche Naples	Dealership
1485 Pine Ridge Road Naples, FL	5,381 SF	ELC Management	Phenix Salon Suites	Personal Services
625 5th Avenue South Naples, FL	4,200 SF	DHR International	Undisclosed	Undisclosed



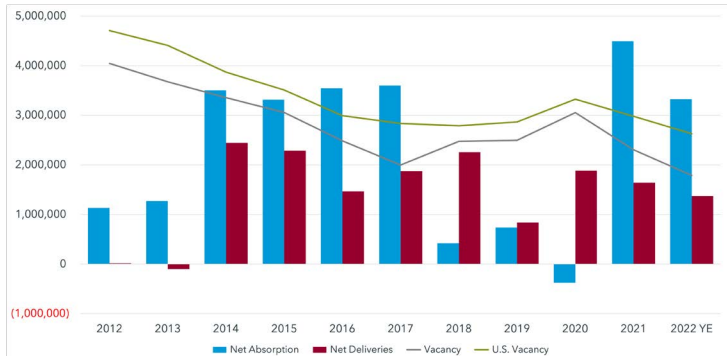
RETAIL MARKET OVERVIEW

VICTOR PASTOR, *Principal*

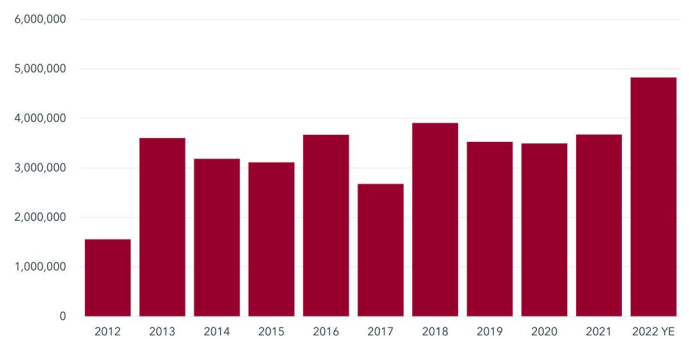
Despite the rising cost of capital, South Florida retail space is in demand and continues to expand with net absorption for the 2022 calendar year at pre-pandemic peak levels albeit showing signs of slowing Q4 over Q3. According to PWC Emerging Trends 2023 Survey, the South Florida tri-county area has strong buy/hold recommendations with Miami at the top of the buy list. Due to rising rents and low vacancy, developers are rolling out an additional five million square feet in hopes of meeting demand of 2021. Higher than average deal volume in 2022 has kept market cap rates the lowest in 5 years at 5.3%.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	3,324,143	3,889,954	4,745,022	4,963,373	4,495,942
▼ Vacancy Rate	3.1%	3.3%	3.4%	3.6%	3.7%
▲ Avg NNN Asking Rate PSF	\$35.40	\$34.47	\$33.80	\$32.58	\$32.01
▲ SF Under Construction	4,825,399	4,290,402	4,046,493	4,455,170	3,674,133
▲ Inventory SF	332,787,663	332,628,224	332,373,004	331,832,374	331,413,798

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
20701 SW 112th Avenue Miami, FL	170,122 SF	\$31,346,658 \$184.26 PSF	Electra America Seritage Growth Properties	Multi-Tenant
12503-12681 Miramar Parkway Miramar, FL	151,700 SF	\$61,544,000 \$405.70 PSF	PGIM Real Estate Stiles Retail Group	Multi-Tenant
10700 Biscayne Boulevard Miami, FL	129,303 SF	\$38,000,000 \$293.88 PSF	RK Centers Seritage Growth Properties	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4346-4370 Okeechobee Boulevard West Palm Beach, FL	47,209 SF	Alliance Private Capital Group LLC	Conn's HomePlus	Electronics and Appliance Retailer
302-602 N University Drive Pembroke Pines, FL	40,000 SF	Kimco Realty Corp & Blackstone R.E. Income Tr	Conn's HomePlus	Electronics and Appliance Retailer
2751 S Dixie Highway West Palm Beach, FL	35,900 SF	Tricera Capital	Amped Fitness	Fitness & Recreational Sports Center



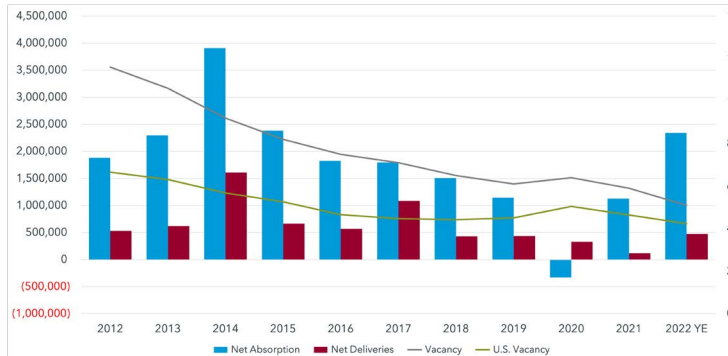
RETAIL MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

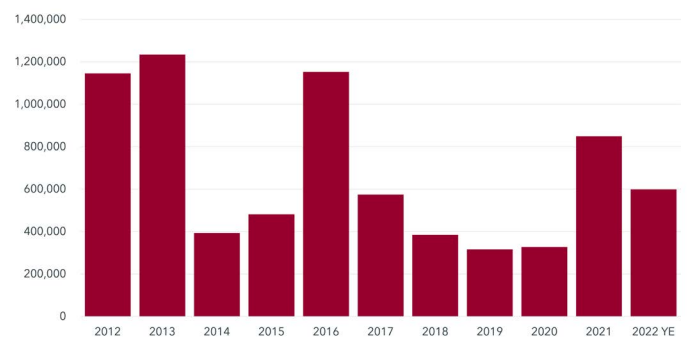
Atlanta's retail market ended Q4 2022 strong with the highest square footage absorbed since 2014. Thanks to the region's diverse economy, favorable demographic trends, and a shortage of large-scale speculative supply, the metro's vacancy rate continues to trend downward. At 5.1%, Atlanta's retail vacancy rate is as low as it has been since Q4 2000. Over the past 12 months, retailers moved into 2,341,341 SF, while developers only delivered 473,532 SF to the market. With a 2023 push to bring work-from-home employees back to the office resulting in additional customers to restaurant and retail, the demand for retail will continue to prosper in metro Atlanta.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	2,341,341	2,072,144	2,281,741	1,676,042	1,204,134
▼ Vacancy Rate	5.1%	5.4%	5.6%	5.9%	6.0%
▲ Avg NNN Asking Rate PSF	\$18.48	\$18.03	\$17.26	\$17.26	\$16.53
▲ SF Under Construction	599,056	491,325	571,325	571,325	762,617
▲ Inventory SF	185,529,895	185,432,791	185,320,791	185,134,520	185,107,499

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4166 Buford Highway NE Atlanta, GA	325,316 SF	\$76,691,060 \$244.97 PSF	Asana Partners Sarafim Realty Advisors	Multi-Tenant
2059 Scenic Highway Snellville, GA	198,140 SF	\$22,259,608 \$112.34 PSF	United Properties Corp Kimco Realty Corp	Multi-Tenant
3753 Austell Road SW Austell, GA	145,360 SF	\$8,635,000 \$59.40 PSF	CRP-GREP Marlowe Bookwood Owner TLM Realty Corp	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5610 Roswell Road NE Atlanta, GA	133,500 SF	Sembler Co	Target	Retailer
2197-2213 Roswell Road Roswell, GA	27,000 SF	Brixmor Property Group	Crunch Fitness	Arts, Entertainment, and Recreation
207 Peachtree Street NE Atlanta, GA	24,906 SF	Marx Realty	Red Phone Booth	Retailer



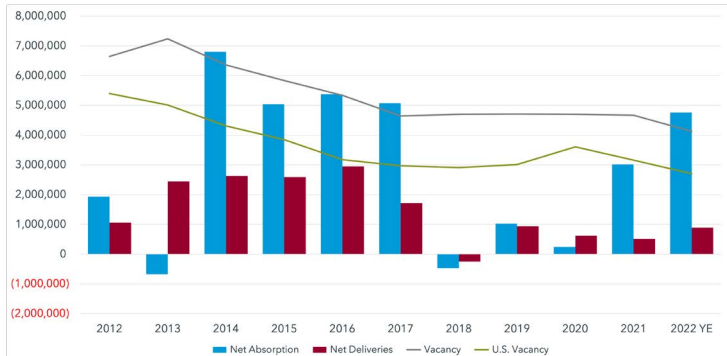
RETAIL MARKET OVERVIEW

DAN WORDEN, *Research Analyst*

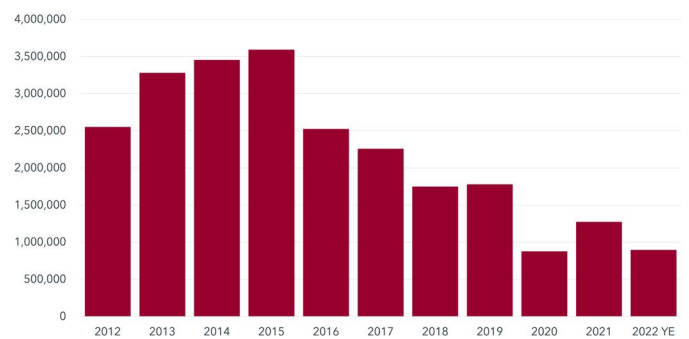
There are many positive signs in the Chicago retail market. Demand for retail space increased by 2.7 million SF in Chicago over the past 12 months. The area has been actively demolishing vacant and obsolete properties since 2017, bringing primarily build-to-suit projects to market. Given minimal new supply and balanced fundamentals, retail market rents grew by 5% over the past year, though not without generous landlord concessions. While still above the national vacancy average of 4.3%, Chicago's current 5.6% vacancy rate is the lowest on record. Furthermore, the vast majority of the 820,000 SF of new retail projects delivered this year were released, as are the 870,000 SF of retail space currently under construction.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	2,011,024	2,802,618	3,341,684	3,143,131	3,017,712
▼ Vacancy Rate	5.51%	5.81%	5.83%	5.92%	6.00%
▲ Avg NNN Asking Rate PSF	\$18.02	\$17.86	\$17.74	\$17.65	\$17.28
▼ SF Under Construction	897,320	1,259,987	1,313,067	1,126,645	1,273,358
▲ Inventory SF	582,647,663	582,305,048	583,661,167	579,736,791	579,883,730

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
3340 Mall Loop Drive Joliet, IL	204,629 SF	\$4,300,000 \$21.01 PSF	Harlem Mall Loop TIC LLC Seritage Growth Properties	Single-Tenant
2579-2615 N. Mulford Road Rockford, IL	121,851 SF	\$2,909,750 \$23.88 PSF	Rhino Investments The Necessity Retail REIT, Inc.	Multi-Tenant
7200 Woodward Avenue Woodridge, IL	110,552 SF	\$10,274,000 \$92.93 PSF	CTO Realty Growth Inc. Namdor Realty Group	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2363 63rd Street Woodridge, IL	65,613 SF	Baybrook Associates	AMITA Health	Healthcare
8301-8359 Indianapolis Boulevard Highland, IN	33,860 SF	RealtyLink	Buyer's Market	Thrift Store
960 S. Barrington Road Streamwood, IL	26,600 SF	Individual	Aldi	Grocery



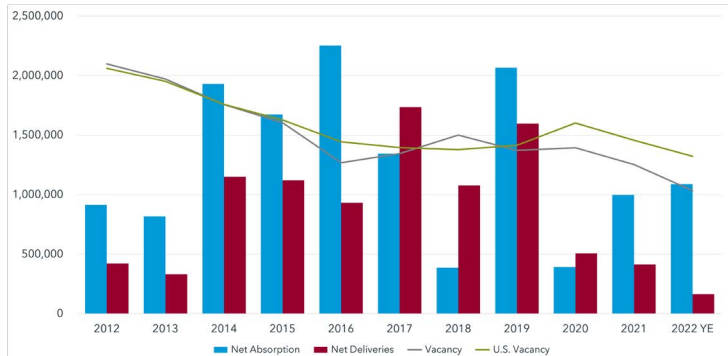
RETAIL MARKET OVERVIEW

SCOT COURTNEY, *President*

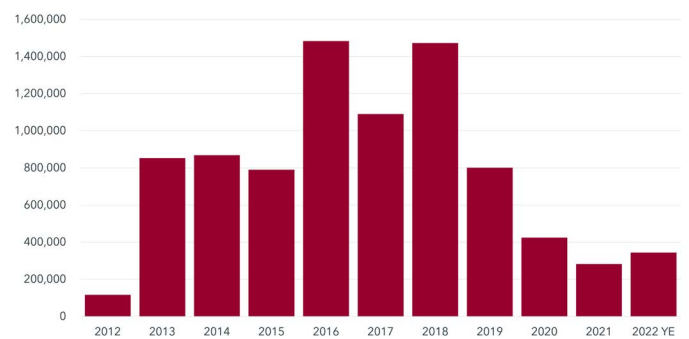
The retail market in greater Indianapolis showed tremendous strength throughout 2022, though the pace of leasing slowed in the fourth quarter. This was mainly due to a lack of available space in suburban markets. Tenant demand far outpaces the supply of quality space in most suburban areas, and it appears that little will change in 2023. Rising interest rates and construction costs have held back supply and pushed suburban rents to all-time highs. Meanwhile, downtown submarkets remain soft. With office workers still not back to pre-pandemic patterns, many downtown spaces became available for sublease or direct lease during 2022. While leasing activity increased in the fourth quarter, the lease-up of space has remained persistently slow.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	1,088,225	1,564,035	1,169,287	1,327,226	997,262
▼ Vacancy Rate	3.31%	3.33%	3.56%	3.70%	4.01%
▼ Avg NNN Asking Rate PSF	\$18.02	\$18.04	\$18.07	\$18.09	\$18.12
▼ SF Under Construction	343,816	376,820	454,833	438,050	282,469
▲ Inventory SF	132,574,759	132,552,096	132,410,544	132,454,765	132,409,704

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4401-4445 E 10th Street Indianapolis, IN	277,190 SF	\$13,001,010 \$46.78 PSF	Essential Growth Properties Kimco Realty Corporation	Multi-Tenant
4200 S East St - Southern Plaza Indianapolis, IN	220,708 SF	\$17,116,216 \$77.55 PSF	First National Realty Partners Tri-Land Holdings	Multi-Tenant
2140 E. 116th Street Indianapolis, IN	81,319 SF	Undisclosed	Niemann Foods, Inc. NCD Partners	Single Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Northbrook Indianapolis, IN	38,643 SF	Undisclosed	AIM Market International Grocery	Grocery
Cool Creek Commons Westfield, IN	34,801 SF	Kite Realty Group	Total Wine & More	Grocery
10409-10445 E. Washington Street Indianapolis, IN	23,538 SF	Sandor	Emporium 40E	Retailer



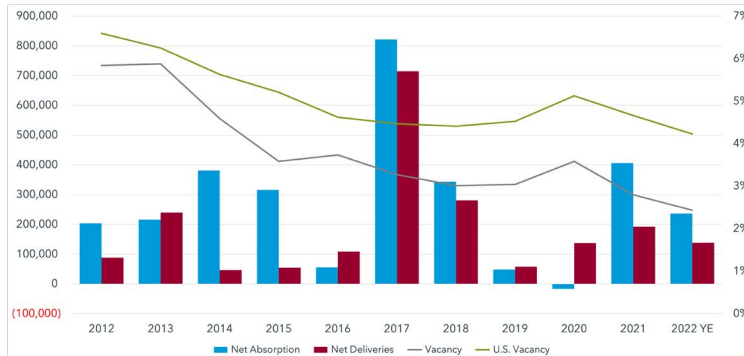
RETAIL MARKET OVERVIEW

COLE PENNELL, *Broker*

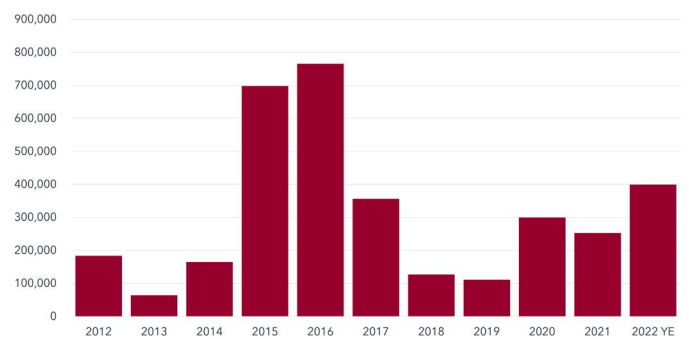
The Durham retail market has shown strong leasing activity, still being fueled by pent-up demand from COVID. Vacancy rates have declined over the last four quarters and ended Q4 at 2.43%. Despite this, it is expected that the market will become more cautious in the coming months as consumers pull back on spending. This could potentially lead to a slowdown in leasing activity, although it's not anticipated to be a significant decrease. Overall, the retail real estate market in Durham remains strong, with low vacancy rates and steady leasing activity. It will be important to closely monitor consumer spending patterns in the coming months to get a better sense of the market's trajectory.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	236,180	212,833	424,275	524,755	406,219
▲ Vacancy Rate	2.43%	2.36%	2.57%	2.56%	2.80%
▲ Avg NNN Asking Rate PSF	\$22.26	\$22.09	\$21.79	\$21.43	\$21.05
▼ SF Under Construction	399,497	450,695	430,953	328,487	252,871
▲ Inventory SF	27,880,855	27,829,657	27,780,198	27,753,446	27,742,379

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
951 Southpoint Auto Park Boulevard Durham, NC	76,922 SF	\$26,050,000 \$338.65 PSF	Hudson Automotive Group Asbury Automotive Group	Single-Tenant
125 Thompson Street Pittsboro, NC	27,200 SF	\$3,580,000 \$131.77 PSF	SVN Real Estate Associates Tim Livingston	Single-Tenant
2612 S Miami Boulevard Durham, NC	11,628 SF	\$2,990,000 \$257.14 PSF	Location Finders International Camp Bow Wow	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5100-5124 N Roxboro Road Durham, NC	9,200 SF	Epic Real Estate Partners	Body Games	Fitness Center
6807 Fayetteville Road Durham, NC	7,158 SF	Inven Trust Properties Corp	J Crew	Family Clothing Stores
300 Morris Street Durham, NC	5,542 SF	Longfellow Real Estate Partners	Flying Bull Beer Company	Brewery



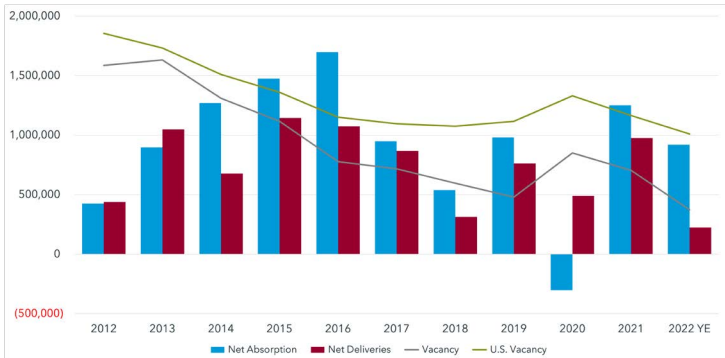
RETAIL MARKET OVERVIEW

COLE PENNELL, *Broker*

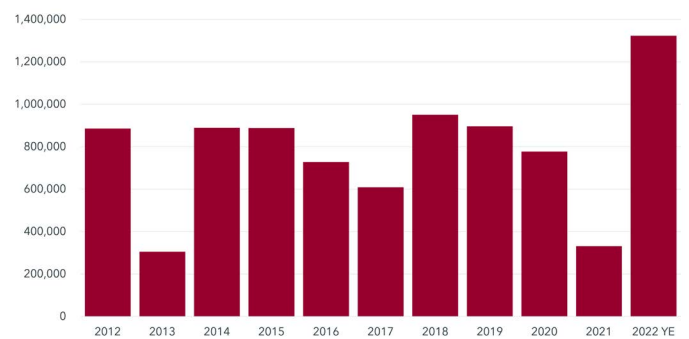
The Raleigh retail market has shown strong leasing activity, still being fueled by pent-up demand from COVID. Vacancy rates have declined over the last four quarters and ended Q4 at 2.45%. Despite this, it is expected that the market will become more cautious in the coming months as consumers pull back on spending. This could potentially lead to a slowdown in leasing activity, although it's not anticipated to be a significant decrease. Overall, the retail real estate market in Raleigh remains strong, with low vacancy rates and steady leasing activity. It will be important to closely monitor consumer spending patterns in the coming months to get a better sense of the market's trajectory.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	919,243	1,351,806	1,261,551	1,464,784	1,250,805
▼ Vacancy Rate	2.45%	2.65%	2.84%	2.95%	3.37%
▲ Avg NNN Asking Rate PSF	\$23.56	\$23.47	\$23.40	\$23.02	\$22.37
▲ SF Under Construction	1,322,686	1,293,034	1,245,159	522,544	331,528
▲ Inventory SF	76,003,988	75,930,000	75,891,006	75,865,193	75,780,008

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2215-2245 New Hope Church Road Raleigh, NC	67,648 SF	\$12,250,000 \$176.48 PSF	Pacific Partners Commercial Ronald Dorrestein	Multi-Tenant
5563 Western Boulevard Raleigh, NC	62,556 SF	\$1,000,000 \$16.02 PSF	Richard Chang Linda J. Beck & R. David Beck	Multi-Tenant
1416-1436 N Main Street Fuquay Varina, NC	49,033 SF	\$10,620,000 \$216.51 PSF	CC Realty Advisors, Ltd. Site Centers Corp	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
0 Airport Boulevard Morrisville, NC	40,000 SF	Undisclosed	Urban Air Adventure	Entertainment
5240-5250 Capital Boulevard Raleigh, NC	23,660 SF	JDR Property Corporation	Undisclosed	Undisclosed
920-970 High House Road Cary, NC	9,600 SF	Undisclosed	Cary School of Ballet	Retailer



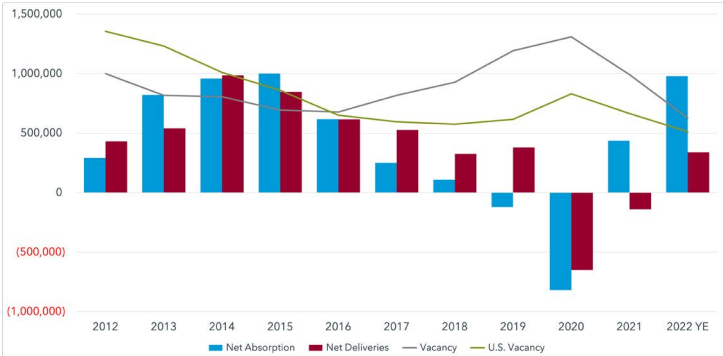
RETAIL MARKET OVERVIEW

GRACE NEWTON, *Vice President*

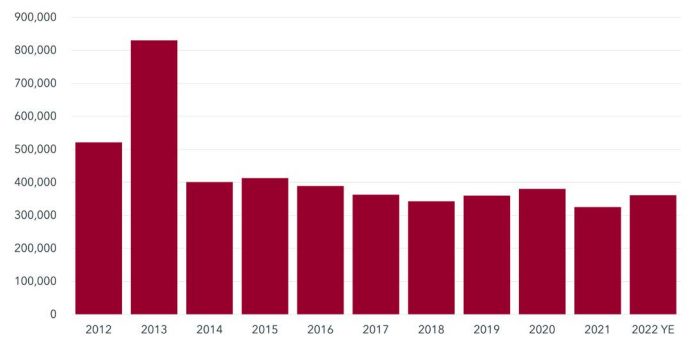
The year-end statistics solidifies the sentiments that were felt throughout the year: Omaha's retail market had a really good year. Our Midwest city attributes favorable economic conditions to the resiliency that resulted in net absorption being the highest since 2010 - near \$1MM square feet. Omaha's vacancy rate is at an all-time low of 4.6%. These factors pushed rents to a year-over-year gain of 3.8% - a significant feat. The 2022 sales volume of \$484.8MM outpaces any previous year. The average cap rate of 6.2% is also the lowest our market has seen. With many opinions on the future, one thing is for certain: historic low net deliveries and properties under construction will have a significant impact on the retail market heading into 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	979,254	733,384	570,471	585,436	436,168
▼ Vacancy Rate	4.6%	4.8%	5.2%	5.3%	5.6%
▲ Avg NNN Asking Rate PSF	\$15.44	\$15.19	\$15.04	\$15.02	\$14.87
▼ SF Under Construction	361,206	470,339	559,043	531,645	325,163
▲ Inventory SF	64,348,641	64,244,558	64,126,090	64,067,887	64,010,129

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
Applewood Centre: 9707-9765 Q St Omaha, NE	112,005 SF	\$17,200,000 \$153.56 PSF	Mercury Development Woodsonia	Multi-Tenant
11650 S 73rd Street Papillion, NE	87,637 SF	\$22,064,000 \$258.32 PSF	Inland Private Capital Corp. Hy-Vee	Single-Tenant
4645 S 84th Street Omaha, NE	68,586 SF	\$7,130,000 \$103.96 PSF	Food Bank For The Heartland H&H Chevrolet	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
17150-17420 Lakeside Hills Plaza Omaha, NE	50,000 SF	DP Management	Spare Time Entertainment	Entertainment, Recreation
8433-8459 W Center Road Omaha, NE	17,136 SF	Tyler Owen	Blue Moon Fitness (Renewal)	Entertainment, Recreation
304-328 S 72nd Street Omaha, NE	11,012 SF	Pierce Street Capital	Lutheran Family Services	Services



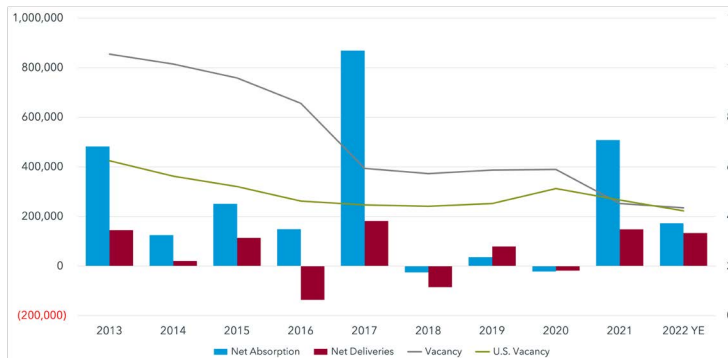
RETAIL MARKET OVERVIEW

LYLE CHAMBERLAIN, CCIM, *President*

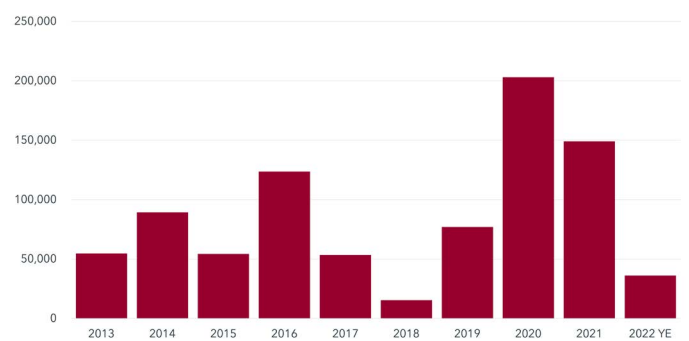
Vacancy has been fairly steady all year. The demand, new construction, as well as most sales in the area has been about smaller retail centers. The strong overall population growth in the area, strong multifamily growth, and the strong jobs market have done much to bolster the demand for this product. New construction has only just kept up with the older retail which has actually been replaced with multifamily or alternate uses. The overall supply of inventory has not changed all that much. I look for this trend to continue. Relatively strong demand due to population growth, predictable, measurable increases in supply with lesser quality and poorly located projects getting replaced with alternative uses.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	172,955	263,982	103,165	491,298	508,163
▼ Vacancy Rate	4.4%	4.7%	5.5%	4.4%	4.5%
▼ Avg NNN Asking Rate PSF	\$20.60	\$20.61	\$20.50	\$20.23	\$20.02
▼ SF Under Construction	36,112	48,796	51,633	117,153	149,087
▼ Inventory SF	27,003,616	26,990,932	26,976,095	26,907,575	26,870,004

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
593 E Prater Sparks, NV	29,178 SF	\$1,900,000 \$65.12 PSF	Plaza Franchise Group Rhino Holdings Sparks	Multi-Tenant
2995-23303 Virginia Street Reno, NV	25,914 SF	\$9,300,000 \$358.88 PSF	Richard Zirpolo Susan Strandberg	Multi-Tenant
430-440 N Virginia Street Reno, NV	23,750 SF	\$1,475,000 \$62.11 PSF	Pannu Family LLC Eccles Properties, Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
587-589 E Prater Sparks, NV	10,000 SF	Rhino Investments	The Rock Thrift Store	Clothing
6405-6485 S Virginia Street Reno, NV	8,500 SF	Jim Kaplan	Ski Pro	Ski Shop
391 Los Altos Sparks, NV	5,800 SF	Anjum Saeed	Undisclosed	Undisclosed



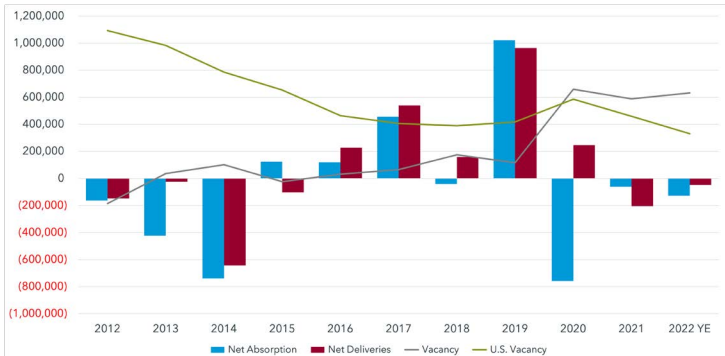
RETAIL MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

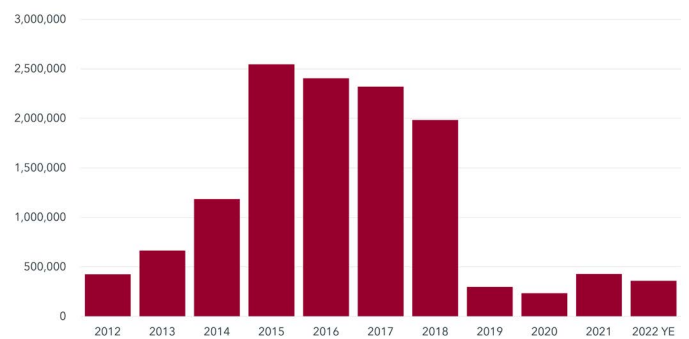
Manhattan's retail leasing market remained strong during the 4th quarter, spurred by the continued return-to-work trend and resurgence in local tourism. The vacancy rate remained tight at 5.2%, although this represented a 40-basis point increase over Q3 2022. In high-demand locations such as Prince and Greene Streets in SoHo, Lower Madison Avenue, and Bleecker Street in the West Village, inventory of high-quality available space has depleted, leading retailers to pivot towards traditionally less sought-after corridors such as Broadway in SoHo. Retail market rents increased marginally over the year to an average of \$131.62 PSF. The largest leases of the quarter included Adidas's lease of 38,775 SF at 610 Broadway and Kenneth Cole's sublease for 20,459 SF at 512 West 22nd Street.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(127,491)	171,608	58,345	37,264	(61,751)
▲ Vacancy Rate	5.2%	4.8%	5.1%	5.1%	5.1%
▼ Avg NNN Asking Rate PSF	\$131.62	\$131.79	\$131.28	\$131.04	\$130.59
◀▶ SF Under Construction	360,169	360,169	360,169	401,920	428,670
◀▶ Inventory SF	58,078,588	58,078,588	58,083,600	58,092,057	58,126,546

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4211 Broadway New York, NY	86,000 SF	Undisclosed	GWB Acquisitions LLC Aurora Capital Assoc Bridges Dev Grp JMB Capital Partners	Multi-Tenant
484-486 Broadway New York, NY	29,736 SF	\$23,520,000 \$790.96 PSF	Tri Star Equities Vornado Realty Trust	Multi-Tenant
301-317 West 26th Street New York, NY	27,779 SF	\$63,999,999 \$2,303.90 PSF	MAG Partners Safanad Mutual Redevelopment Houses Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
610 Broadway New York, NY	38,775 SF	LaSalle Inv Mgmt Macklowe Properties	Adidas	Apparel
30 Broad Street New York, NY	35,432 SF	Tribeca Associates LLC	Undisclosed	Undisclosed
512 West 22nd Street New York, NY	20,459 SF	Albanese Organization Inc. Vornado Realty Tr	Kenneth Cole	Accessories



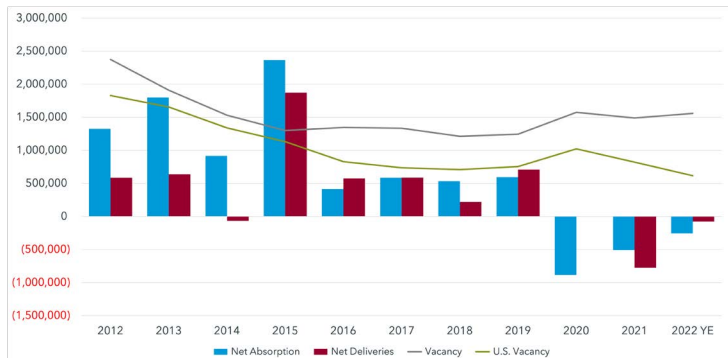
RETAIL MARKET OVERVIEW

MOLLY HOFFMAN, Associate

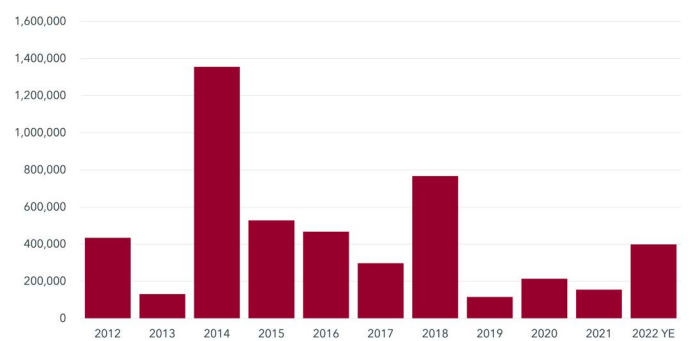
Despite cost increases and the potential of a coming recession, Q4 22 saw solid retail sales, and leasing activity has remained similarly reliable. Closures were an issue before the pandemic and traditional shopping malls were hit particularly hard by the lockdown and subsequent Covid protocols. Some of those abandoned malls are being given new life by developers. One exciting local example of this is the former Tri-County Mall which officially closed its doors in May of 2022. It is being rebranded as Artisan Village, a \$1 billion redevelopment project which includes multi-family housing, retail, and recreational spaces. We hope to see investments like these reinvigorate the retail landscape throughout the Cincinnati and Northern Kentucky markets.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	(253,381)	(440,318)	(139,152)	(383,887)	(509,597)
▼ Vacancy Rate	6.1%	6.4%	6.1%	6.0%	6.0%
▲ Avg NNN Asking Rate PSF	\$14.47	\$14.14	\$13.92	\$13.93	\$13.89
▼ SF Under Construction	398,542	400,892	202,333	206,542	155,346
▼ Inventory SF	132,552,645	132,567,187	132,575,520	132,591,768	132,628,700

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
9674-9690 Colerain Avenue Cincinnati, OH	104,009 SF	\$15,400,000 \$148.06 PSF	Prospect Colerain LLC Calmwater Capital	Multi-Tenant
5420 Liberty Fairfield Road Liberty Twp, OH	62,000 SF	\$3,100,000 \$50.00 PSF	Midwest Shooting Center Brandicorp	Single-Tenant
535 W Pike Street Morrow, OH	56,000 SF	\$600,000 \$10.71 PSF	Morrow County Auditor B&L Company	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4530 Eastgate Boulevard Cincinnati, OH	66,879 SF	DRA Advisors	Kroger	Grocery Stores
815-875 W Central Avenue Springboro, OH	42,537 SF	The Leathery Company	Fitness 1440	Arts, Entertainment, and Recreation
799 US Highway 42 E Warsaw, KY	9,255 SF	Realty Income Corporation	Dollar General	Retailer



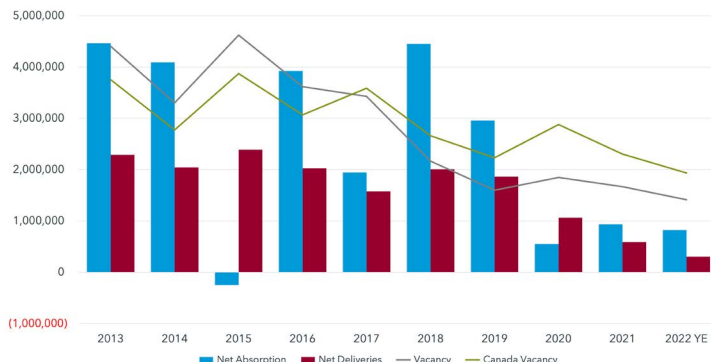
RETAIL MARKET OVERVIEW

LUIS ALMEIDA, SIOR, *Executive Vice President, Partner*

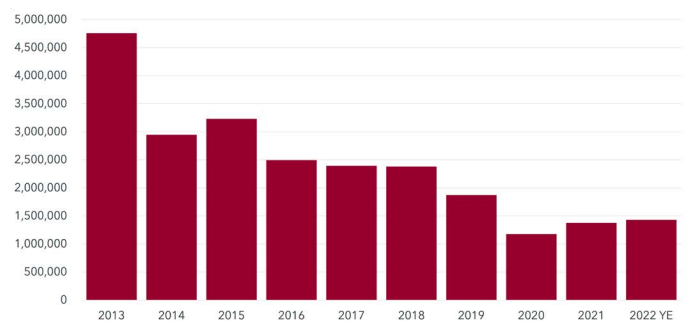
Activity in the retail sectors have increased in Q4 2022 and rents have increased to \$33.00/SF. Vacancy in Toronto has softened to 1.6%, below the national average of 2%. Even though consumers are spending more, the effects of rising inflation and higher interest rates are impacting true growth in this sector. From an investment standpoint, Toronto's retail market remains number 1 in Canada and 4th in North America. Since the beginning of the year, there have been 850 transactions for a total value of \$381B. The majority of these trades have been portfolios containing neighbourhood centres and single general retail locations. Many underperforming retail centres in Toronto have been slated for redevelopment plans.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	823,253	701,851	1,266,084	822,803	938,294
▼ Vacancy Rate	1.6%	1.7%	1.6%	1.8%	1.8%
▲ Avg NNN Asking Rate PSF	\$33.57	\$33.43	\$33.07	\$32.52	\$32.22
▲ SF Under Construction	2,805,714	2,756,902	2,514,972	2,282,379	2,274,336
▲ Inventory SF	301,414,150	301,372,799	301,267,833	301,262,905	301,100,796

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2900 Steeles Avenue E** Markham, ON	256,336 SF	\$117,450,000* \$458.19 PSF	Minett Capital Inc. Bayview summit Development Ltd	Multi-Tenant
585-597 Queen Street Toronto, ON	238,500 SF	\$51,220,000* \$214.76 PSF	Choice Properties REIT RioCan REIT	Multi-Tenant
3300 Rutherford Road* Vaughan, ON	131,650 SF	\$140,000,000* \$1,063.43 PSF	KIN Capital Partners Coppa's Fresh Market	Multi-Tenant

**5-property Portfolio

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1355 Kingston Road Pickering, ON	67,472 SF	Ontario Pension Board	Undisclosed	Undisclosed
2800 Highway 7 Vaughan, ON	67,191 SF	Hollywood Princess Convention-Banquet Centre	Riviera Event Space	Events
5100 Erin Mills Parkway Mississauga, ON	50,859 SF	Ontario Pension Board	Cineplex	Entertainment

*All numbers shown are in Canadian dollars (CAD)



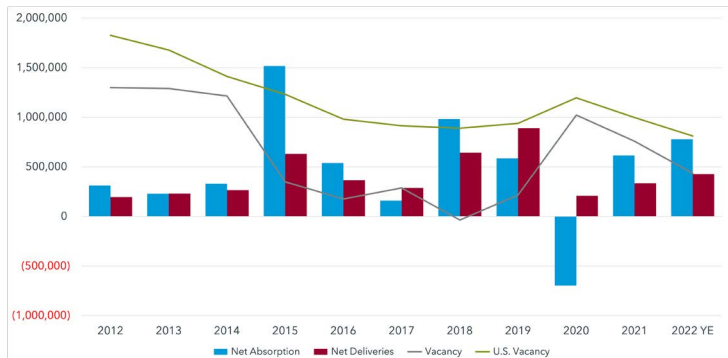
RETAIL MARKET OVERVIEW

JUSTIN ROSS, Associate

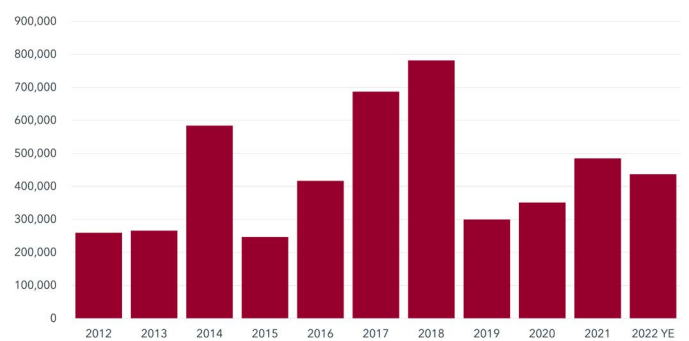
The population growth continues to outpace the national benchmark and developments continue for new retail space. In North Charleston, the 72-bay Topgolf facility is nearing completion which is expected to increase foot traffic in the surrounding retail establishments such as the Tanger Outlet. Summerville's Nexton development plans to build two grocery chains, Harris Teeter and Publix, across from each other. Investors have been active in Charleston as Q4 sales volume reached \$27.6 million. Redevelopment plans are on the way as investors continue to eye Charleston's booming tourism. In October, MCZ Development purchased a 16,000 SF bowling alley and a restaurant property in Downtown Charleston for \$10 million with an approved plan for an eight-story hotel.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	778,538	833,641	781,329	529,011	616,226
▼ Vacancy Rate	3.35%	3.52%	3.74%	4.10%	4.10%
▲ Avg NNN Asking Rate PSF	\$23.14	\$22.97	\$22.71	\$22.38	\$22.00
▼ SF Under Construction	437,101	580,816	576,406	524,568	485,230
▲ Inventory SF	48,676,685	48,520,970	48,296,742	48,319,853	48,248,938

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1341 College Park Road Summerville, SC	37,500 SF	\$4,200,000 \$112.00 PSF	RCB Development Music in Motion, Inc.	Multi-Tenant
10155 Dorchester Road Summerville, SC	27,796 SF	\$2,750,000 \$98.94 PSF	Tomlinson Stores Inc Summerville Properties LLC	Single-Tenant
131 Columbus Street Charleston, SC	14,100 SF	\$10,000,000 \$709.22 PSF	MCZ Development Corporation Southern Realty Development Co	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
792 Folly Road Charleston, SC	6,464 SF	Cecil Morgan LLC	Undisclosed	Undisclosed
427 Old Trolley Road Summerville, SC	6,140 SF	XperTECH Automotive Service	Woodies Auto Service & Repair Center	Services
145 Calhoun Street Charleston, SC	6,116 SF	King & Calhoun LLC	Undisclosed	Undisclosed



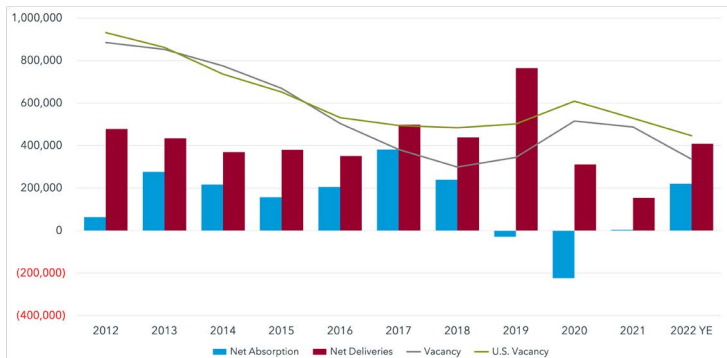
RETAIL MARKET OVERVIEW

ANDREW HARRILL, *Broker Associate*

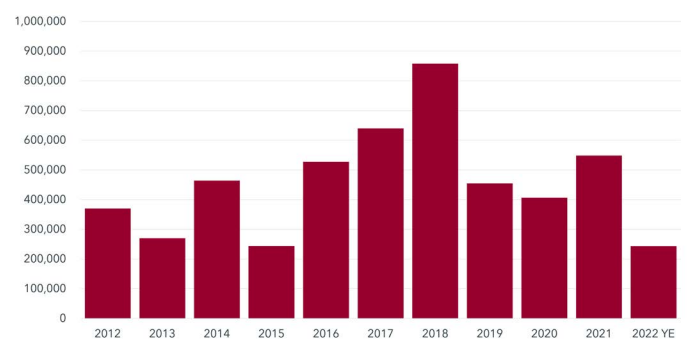
The Greenville/Spartanburg retail market was heavily impacted by the pandemic during 2020 with the area posting negative absorption during that year. In 2021 and 2022, every quarter posted positive absorption. The average NNN asking rental rate per square foot has increased from \$13.69 in Q3 2022 to \$14.10 in Q4 2022, representing a 2.99% increase. The vacancy rate has decreased from 3.80% in Q3 2022 to 3.70% in Q4 2022, representing a 10 basis point (bp) decrease. The area has shown strong performance with grocers, discount retailers, and other retail services, while population growth is spurring increased consumer activity.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	221,362	256,081	307,940	306,582	4,196
▼ Vacancy Rate	3.70%	3.80%	4.10%	4.20%	4.40%
▲ Avg NNN Asking Rate PSF	\$14.10	\$13.69	\$13.45	\$12.81	\$12.56
▼ SF Under Construction	243,410	351,659	316,072	468,389	548,215
▲ Inventory SF	92,367,150	92,249,875	92,238,836	92,043,162	91,958,217

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
201-273 W Butler Road Mauldin, SC	82,400 SF	\$9,250,000 \$112.26 PSF	Ingles Markets Whir Butler Square LLC	Multi-Tenant
605 S Main Street Belton, SC	54,150 SF	\$873,387 \$16.13 PSF	Brother Sister Star LLC Belton Commercial Properties LLC	Multi-Tenant
926 N Main Street Woodruff, SC	43,400 SF	\$2,260,000 \$52.07 PSF	Fd Scott Revocable Trust HRP Woodruff, Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1600 John B White SR Boulevard Spartanburg, SC	28,787 SF	B.M. Smith & Associates, Inc.	Undisclosed	Undisclosed
103 Regency Commons Drive Greer, SC	7,616 SF	Miller & Spainhour LLC	Undisclosed	Undisclosed
7709 Highway 76 Pendleton, SC	7,200 SF	Garrett & Garrett Real Estate	Vapea and Tobacco	Retailer



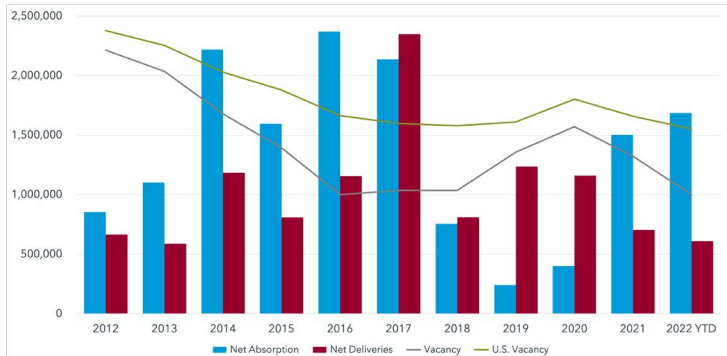
RETAIL MARKET OVERVIEW

GAINES HANKS, *Associate*

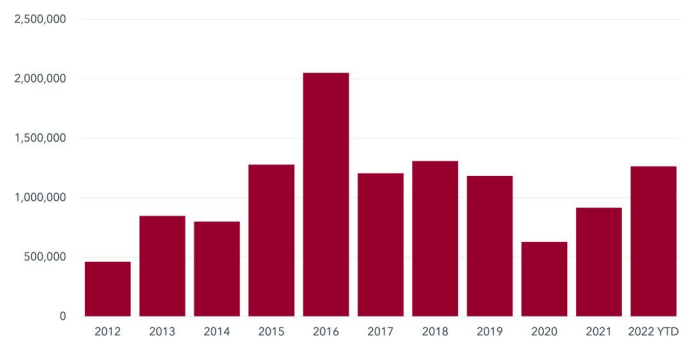
The Nashville retail market has outpaced many comparable markets in the US on both occupancy and rent growth. Annual retail rent growth has clocked in at 10.8%, while over 1.5M SF has been absorbed, pushing the vacancy rate down to an impressive 3.1% in Q4. Even though market conditions have improved substantially since the pandemic, retail development in Nashville has remained tepid. Including the Tanger Outlet development on I-24, there is currently only 1.2M total SF of product under construction. Investment activity has slowed since the beginning of the year with the rise of interest rates. That said, large institutional investors remain bullish on the Nashville retail market as illustrated by the record-breaking sale of Fifth + Broadway.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	1,686,450	1,287,670	1,474,988	1,319,014	1,480,859
▼ Vacancy Rate	2.8%	3.3%	3.4%	3.7%	3.8%
▼ Avg NNN Asking Rate PSF	\$23.01	\$23.08	\$23.14	\$22.45	\$21.63
▼ SF Under Construction	1,214,555	1,129,266	1,229,560	928,281	1,000,246
▲ Inventory SF	119,888,687	119,086,750	118,440,920	118,353,384	118,176,181

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1632-1680 Memorial Boulevard Murfreesboro, TN	77,280 SF	\$17,813,000 \$230.50 PSF	615 Ventures Baker Storey McDonald	Multi-Tenant
261 Indian Lake Boulevard Hendersonville, TN	50,000 SF	\$9,775,925 \$195.52 PSF	Michael Webb J. Scott Lucas	Multi-Tenant
214 Ward Circle Brentwood, TN	24,500 SF	\$6,455,000 \$263.47 PSF	CenterSquare Investment Mgmt The Stanton Group	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
230 Franklin Road Franklin, TN	27,300 SF	Holladay Properties	Diakonia Group	Construction
1584 Gallatin Pike N Madison, TN	16,900 SF	The Home Depot	DD's Discounts	Apparel
1960 Old Fort Parkway Murfreesboro, TN	10,000 SF	PMAT Acquisition	Planet Fitness	Health Clubs



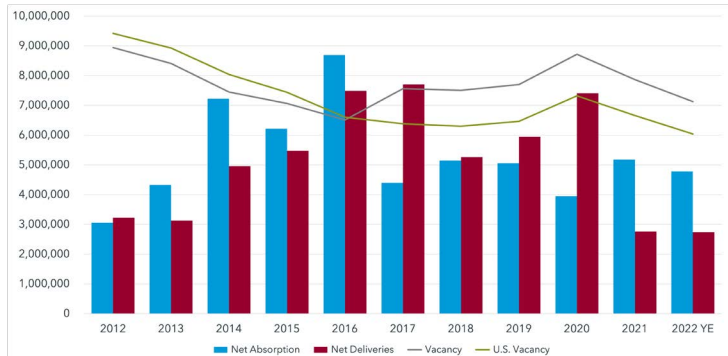
RETAIL MARKET OVERVIEW

GRANT WALKER, *Senior Director*

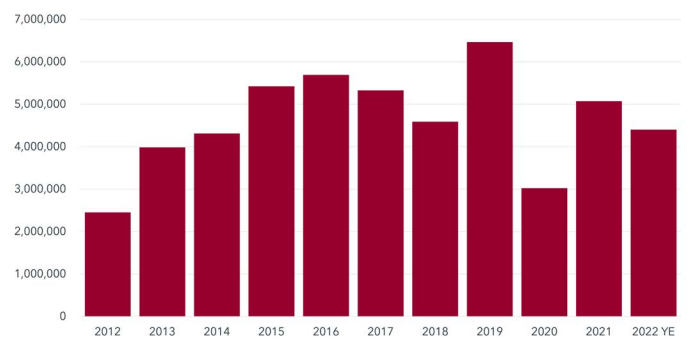
The first holiday sales numbers are starting to come in and nationally November was higher than December, but according to several big box retailers and restaurants, Houston experienced the opposite with December being the best month in 2022. Houston remained first in the nation for retail square feet under construction. There is currently 5,073,891 square feet under construction surpassing the 3rd Quarter by 211,000 square feet. Rental rates continued to climb ending the year at \$22.46 PSF, per year, compared to last years number which was \$21.44. There are no signs of this trend slowing with most economic forecasts showing rental rates almost doubling within the next 5 years.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	4,780,607	5,722,961	5,995,924	5,769,118	5,179,642
▲ Vacancy Rate	5.0%	4.9%	5.1%	5.3%	5.5%
▲ Avg NNN Asking Rate PSF	\$22.46	\$22.15	\$21.89	\$21.61	\$21.44
▼ SF Under Construction	4,400,892	4,865,265	4,850,456	4,862,321	5,073,891
▲ Inventory SF	425,118,529	424,109,488	423,782,126	423,144,371	422,379,162

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2208-2224 Cypress Creek Parkway Houston, TX	195,554 SF	Undisclosed	Pacific Square of FM LLC Copper Leaf, LLC	Multi-Tenant
4000 North Shepard Drive Houston, TX	177,252 SF	Undisclosed	Undisclosed Seritage SRC Finance, LLC	Multi-Tenant
300 Baybrook Mall Friendswood, TX	165,768 SF	Undisclosed	Undisclosed Seritage SRC Finance, LLC	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12005-12047 Northwest Freeway Houston, TX	75,000 SF	Smithco Development	Crazy Boss	Retail Discount Store
10801-11045 Westheimer Road Houston, TX	35,525 SF	Kimco Realty	Undisclosed	Big Box Retail Store
1599 Allen Parkway Houston, TX	34,000 SF	DC Partners	Texans Fit	Physical Fitness Facility



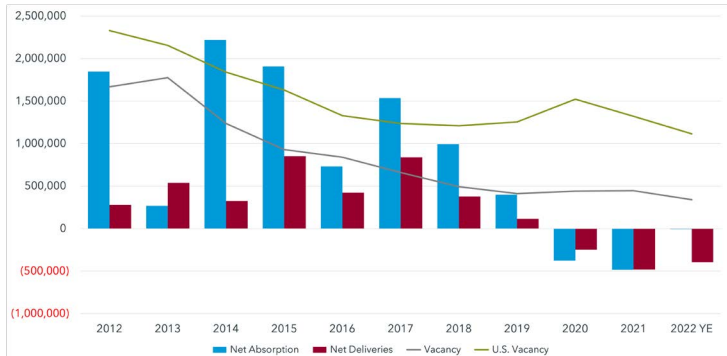
RETAIL MARKET OVERVIEW

KYLE PROSSER, *Principal*

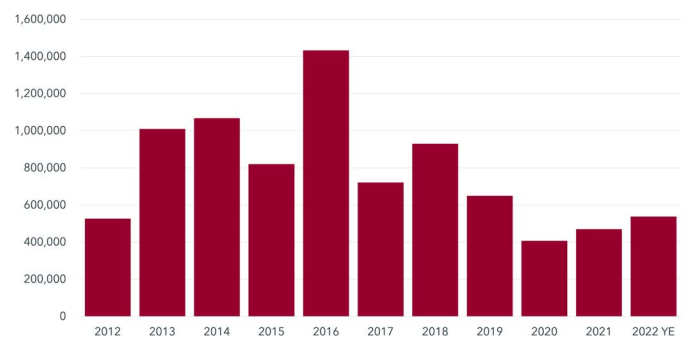
Inflation and higher interest rates are here to stay! Although interest rates hover around 7%, people are still spending money. Prices remain level. Inventory remains low. Many investors recall rates at 13% in the late 1980's and 7% doesn't seem to be enough of a barrier to stop people from buying. Retail continues to take hits. Just this week in Tacoma, two long time retailers announced that they were forced to close. The biggest problem continues to be our labor market - retailers are struggling to have enough employees to keep their businesses open and are constantly adapting to new and better ways to serve customers.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	(6,873)	(242,851)	(207,765)	58,005	(484,103)
▼ Vacancy Rate	2.68%	2.70%	2.84%	2.63%	2.89%
▲ Avg NNN Asking Rate PSF	\$28.25	\$27.91	\$27.83	\$27.68	\$27.46
▼ SF Under Construction	538,279	562,007	613,283	636,495	470,399
▲ Inventory SF	178,893,352	178,859,377	178,950,893	179,014,727	179,287,696

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
505 SE Everett Mall Way* Everett, WA	83,035 SF	Undisclosed	Transnational Investments ACF Property Management, Inc.	Single-Tenant
31 Montana Avenue Tacoma, WA	67,862 SF	\$11,000,000 \$162.09 PSF	Islamic Center of Tacoma Fitness Evolution Corp Office	Multi-Tenant
26015 14th Avenue SE Kent, WA	67,240 SF	\$5,000,000 \$74.36 PSF	Undisclosed Merlone Geier Management, Inc.	Single-Tenant

*Part of 4-property Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
31 Montana Avenue Everett, WA	57,546 SF	Islamic Center of Tacoma	Zenith West Academy	Arts, Entertainment and Recreation
7601 - 7625 Evergreen Way Tacoma, WA	22,800 SF	Oregon Public Employees Retirement	Big Box Outlet	Retailer
710 SE Everett Mall Way Everett, WA	21,118 SF	Undisclosed	Brooks Running Shoes	Retailer



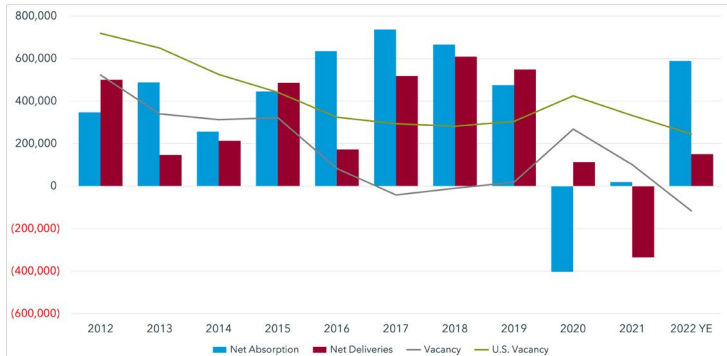
RETAIL MARKET OVERVIEW

CAMP PERRET, Vice President

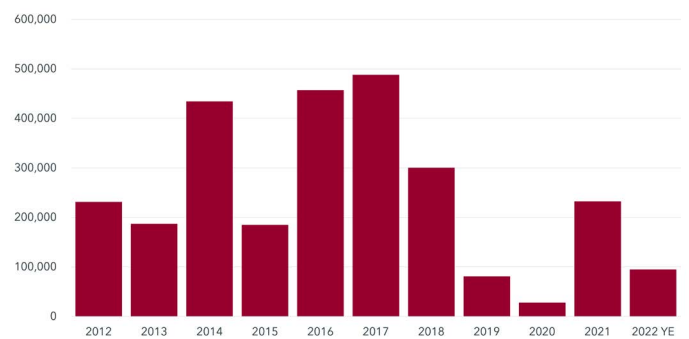
Strong demand in the Madison Retail Market persists due to impressive demographic trends with above-average median household incomes, low unemployment rates and soaring population growth. Little speculative development along with continued demand has led vacancy rates to hit a 10-year low at 2.4%, far below the national average of 4.2%. Asking rents are up 2.9% year over year. Sales volumes for 2022 are up 5% from 2021. These positives are expected to continue into the foreseeable future.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	588,697	312,871	230,919	216,237	19,554
▼ Vacancy Rate	2.4%	2.9%	2.9%	3.4%	3.5%
▲ Avg NNN Asking Rate PSF	\$16.57	\$16.55	\$16.45	\$16.34	\$16.19
▼ SF Under Construction	95,000	216,132	231,965	245,397	232,397
▲ Inventory SF	40,884,246	40,785,737	40,758,492	40,732,980	40,733,660

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
3801 E. Washington Avenue Madison, WI	104,000 SF	\$25,757,600 \$247.67 PSF	Inland Real Estate Group of Co's Inc. Hy-Vee, Inc.	Single-Tenant
675 S. Whitney Way Madison, WI	80,000 SF	\$18,010,800 \$225.14 PSF	Inland Private Capital Corp. Hy-Vee, Inc.	Single-Tenant
2413 S. Park Street Madison, WI	25,230 SF	\$1,700,000 \$67.38 PSF	Park Bank Murray & Locust LLC	Single Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7401 Mineral Point Road Madison, WI	50,000 SF	Galway Companies, Inc.	Crunch	Health Club
615-623 Highway 136/33 Baraboo, WI	22,380 SF	Americo	Uhaul	Vehicle Rental and Leasing
6602-6654 Odana Road Madison, WI	8,545 SF	Apex Property Management	Undisclosed	Undisclosed

MULTIFAMILY OVERVIEW: INFLATION COOLS U.S. DEMAND

Overall tenant demand in the United States continued to weaken as the pandemic-fueled apartment market and its sky-high rent growth returned to earth in 2022.

Net absorption totaled 169,0659 units in 2022, down from the outsized 697,041 units absorbed in the apartment boom of 2021, when a near-record 11 million job openings drove up wages and consumers spent savings accumulated in the lockdown. There also was pent-up demand from first-time renters, and well-paid workers throughout the North and Midwest decamped to toil remotely from the Sun Belt.

The market began hit an inflection point late in 2021 as the Federal Reserve said “transitory” no longer suitably described the rising inflation manifested in the shock of high gas prices that arrived in Q1. Hit with new economic uncertainty that included higher interest rates and expectations for a downturn and recession, prospective tenants started backing away from increased rents that were soaring an average 11% nationally. The combination of sharply reduced demand along with delivery of an elevated number of new apartments has cut rent growth to 3.6% for 2022.

There was no slowing in the Canadian multifamily market. In 2022 Canada topped its 2021 net absorption record and posted record 7.7% rent growth in each of the last two years. The surge in tenant demand has driven down the 2022 vacancy rate to 0.6% in Toronto, which has 44% of the nation’s inventory with 379,204 units. The vacancy rate in Vancouver, the second largest metro with 15% of the base, settled at 0.7%.

But in the U.S., at the end of Q4 2022, Sun Belt markets such as Palm Beach, Orlando and Las Vegas that dominated 2021’s rent growth were posting double-digit percentage-point declines. While there is no oversupply nationally, there are several markets, including Austin and Phoenix - metros with more than 20% annual rent growth in 2021 - in which new deliveries are outpacing recent demand.

Some metros will see greater oversupply as deliveries of more than a half-million new apartments, the most ever, are scheduled by the end of 2023. Nearly 1.3 million units were added in the last three years.

Not all markets posted increased vacancies. Rising demand in Los Angeles pushed down its vacancy rate slightly to 3.5%. Chicago continued its recovery with vacancy falling 10 basis points to 4.9%. The vacancy rate in Portland fell to 4.6% as demand is outstripping new supply.

Completed transactions fell 19% in 2022 and totaled \$221.6 billion compared to \$262.1 billion in 2021 as investment capital continued to pour into the multifamily sector.

Although rent growth is expected to remain above the long-term average despite the moderation in 2022, rising interest rates have changed the composition of the acquisition pool, opening the door for more traditional capital sources and private buyers that require less leverage to make purchases. Sun Belt metros continued to lead the most active markets in transactions, assets in New York and Los Angeles have shown particular appeal to investors.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / UNIT		HIGHEST 12 MO. SALES VOLUME	
ON, Toronto	0.8%	CA, San Francisco	\$3,033	GA, Atlanta	\$19,227,602,997
BC, Vancouver	0.9%	NY, New York*	\$2,979	NY, New York*	\$17,162,764,106
NY, New York*	2.2%	MA, Boston	\$2,681	AZ, Phoenix	\$16,645,023,279
CA, San Diego	2.7%	CA, Orange County	\$2,586	CA, Los Angeles	\$14,179,350,353
CA, Orange County	2.8%	CA, East Bay	\$2,415	DC, Washington	\$10,801,089,515
U.S. Index	6.1%	U.S. Index	\$1,623	U.S. Index	\$220,807,384,014
Canada Index	1.1%	Canada Index	\$1,318 CAD	Canada Index	\$4,004,968,219 CAD

MOST UNITS UNDER CONSTRUCTION		LARGEST INVENTORY BY UNITS		LOWEST MARKET CAP RATE	
NY, New York*	56,268	NY, New York*	1,498,905	BC, Vancouver	2.4%
DC, Washington	36,393	CA, Los Angeles	998,156	ON, Toronto	3.3%
TX, Dallas-Fort Worth	35,721	TX, Dallas-Fort Worth	811,065	CA, San Francisco	3.5%
GA, Atlanta	32,388	TX, Houston	670,356	CA, Orange County	3.5%
AZ, Phoenix	28,602	DC, Washington	546,715	CA, San Diego	3.8%
U.S. Index	936,546	U.S. Index	18,677,490	U.S. Index	4.9%
Canada Index	43,129	Canada Index	865,004	Canada Index	3.7%

* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / UNIT	MARKET SALE PRICE / UNIT	UNDER CONST. UNITS	INVENTORY UNITS	MARKET CAP RATE
AB, Calgary **	2.4%	\$1,134	\$193,424	4,686	72,013	4.6%
AZ, Phoenix	9.0%	\$1,559	\$298,968	27,770	361,544	3.9%
BC, Vancouver **	0.7%	\$1,466	\$397,567	9,014	127,983	2.5%
CA, East Bay	7.6%	\$2,369	\$441,008	5,618	189,947	4.1%
CA, Inland Empire	4.7%	\$1,946	\$298,921	6,430	168,715	4.2%
CA, Los Angeles	3.9%	\$2,185	\$424,868	28,323	1,004,853	3.9%
CA, Orange County	3.5%	\$2,539	\$521,305	5,772	247,286	3.6%
CA, San Diego	3.6%	\$2,319	\$451,340	6,908	272,299	3.8%
CA, San Francisco	7.7%	\$2,980	\$661,566	7,677	178,555	3.5%
CA, San Luis Obispo	4.0%	\$1,965	\$328,846	248	6,924	4.4%
CA, Santa Barbara	2.4%	\$2,292	\$398,521	711	19,486	3.8%
CA, Stockton	5.1%	\$1,624	\$186,912	594	28,477	5.6%
CA, Ventura	4.9%	\$2,424	\$403,242	970	35,236	3.9%
CO, Denver	7.3%	\$1,766	\$353,969	25,754	277,849	4.2%
DC, Washington	6.8%	\$2,034	\$344,586	35,502	550,829	4.6%
FL, Fort Myers	5.9%	\$1,955	\$262,371	3,448	29,146	4.5%
FL, Miami	4.8%	\$2,212	\$342,654	27,948	181,196	4.4%
FL, Naples	9.2%	\$2,407	\$340,891	1,353	12,970	4.0%
FL, Orlando	7.3%	\$1,778	\$269,669	23,322	198,929	4.2%
GA, Atlanta	8.8%	\$1,619	\$235,603	34,371	482,909	4.5%
GA, Savannah	7.0%	\$1,521	\$204,027	2,847	29,763	4.5%
ID, Boise	7.9%	\$1,502	\$274,090	2,297	34,458	4.0%
IL, Chicago	5.4%	\$1,617	\$238,793	16,686	539,275	5.6%
IN, Indianapolis	6.8%	\$1,163	\$128,398	4,973	159,307	5.6%
MA, Boston	4.8%	\$2,642	\$497,592	17,751	258,471	4.2%
MD, Baltimore	6.4%	\$1,577	\$206,285	3,952	205,125	5.2%
MI, Detroit	6.4%	\$1,200	\$110,001	5,221	226,250	6.1%
MN, Minneapolis	7.2%	\$1,410	\$199,049	16,466	260,031	5.3%
MO, Saint Louis	8.6%	\$1,134	\$142,159	4,669	140,697	5.9%
NC, Durham	6.6%	\$1,498	\$231,326	4,009	55,986	4.5%
NC, Raleigh	8.0%	\$1,530	\$259,605	15,684	114,415	4.4%
United States Index	6.1%	\$1,623	\$260,291	936,546	18,677,490	4.9%
Canada Index	1.1%	\$1,318 CAD	\$253,380 CAD	43,129	865,004	3.7%

MARKET	VACANCY RATE	MARKET RENT / UNIT	MARKET SALE PRICE / UNIT	UNDER CONST. UNITS	INVENTORY UNITS	MARKET CAP RATE
NE, Omaha	5.6%	\$1,089	\$110,586	3,757	78,483	6.0%
NJ, Atlantic City	2.6%	\$1,497	\$147,123	88	10,123	5.8%
NJ, Northern New Jersey *	4.1%	\$1,929	\$260,774	15,929	155,672	5.0%
NJ, Trenton	2.3%	\$1,935	\$306,482	1,530	19,498	4.6%
NJ, Vineland	2.6%	\$1,211	\$115,503	0	3,153	5.7%
NV, Reno	8.4%	\$1,488	\$248,465	3,863	42,191	4.3%
NY, Long Island	3.2%	\$2,744	\$384,555	2,507	55,968	4.3%
NY, New York *	2.4%	\$2,976	\$439,907	61,767	1,527,062	4.2%
OH, Cincinnati	5.7%	\$1,144	\$110,309	5,700	135,713	6.5%
OH, Cleveland	6.1%	\$1,076	\$89,033	3,714	131,550	7.4%
OH, Columbus	6.4%	\$1,190	\$130,144	8,620	204,115	5.9%
ON, Toronto **	0.6%	\$1,416	\$262,202	19,581	379,204	3.5%
PA, Harrisburg	5.1%	\$1,245	\$137,855	776	30,069	5.7%
PA, Lehigh Valley *	3.8%	\$1,521	\$169,855	447	34,168	5.8%
PA, Philadelphia *	4.8%	\$1,622	\$222,626	20,647	341,958	5.1%
SC, Charleston	8.2%	\$1,643	\$242,857	3,820	64,096	4.3%
SC, Greenville	7.4%	\$1,305	\$187,501	2,725	47,964	4.9%
SC, Spartanburg	12.9%	\$1,184	\$151,634	893	14,248	4.9%
TN, Nashville	8.2%	\$1,628	\$256,183	22,075	149,026	4.5%
TX, Dallas-Fort Worth	8.0%	\$1,505	\$196,722	35,567	819,215	4.7%
TX, Houston	9.1%	\$1,291	\$166,858	24,441	672,420	5.2%
WA, Seattle	6.3%	\$1,928	\$421,890	27,631	373,784	3.9%
WI, Madison	2.5%	\$1,400	\$167,146	3,178	67,288	5.5%
United States Index	6.1%	\$1,623	\$260,291	936,546	18,677,490	4.9%
Canada Index	1.1%	\$1,318 CAD	\$253,380 CAD	43,129	865,004	3.7%

* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

** Numbers shown are in Canadian dollars (CAD)



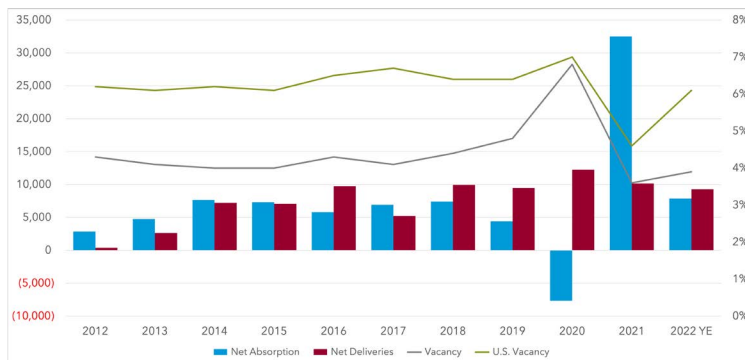
MULTIFAMILY MARKET OVERVIEW

WARREN BERZACK, *National Director of Multifamily*

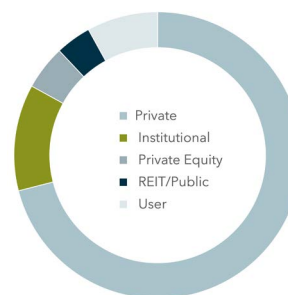
The L.A. apartment market has witnessed notable improvements since the beginning of 2021 after experiencing the worst conditions in 2020 in over a decade. Vacancies have been trending down since peaking at the end of 2020 and are currently 3.9%. Demand, after a record-breaking 2021, moderated in 2022 but remains historically strong. Gains in the market have been broad-based, as almost every location in the metro has seen solid occupancy gains. Los Angeles has lagged the nation with respect to rent growth since the onset of the pandemic. Rents recovered to pre-pandemic peaks in May 2021. Record-level gains were seen during most of 2021 and the first half of 2022. However, asking rents peaked in August 2022 and have since been starting to decline.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	7,861	13,184	22,139	31,790	32,508
▲ Vacancy Rate	3.90%	3.50%	3.40%	3.40%	3.60%
▲ Asking Rent/Unit (\$)	2,187	2,183	2,164	2,128	2,092
▲ Under Construction Units	28,040	27,560	29,204	27,390	26,216
▲ Inventory Units	1,004,511	997,905	993,440	996,601	987,224

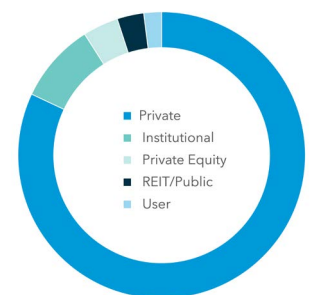
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1000 W 8th Street Los Angeles, CA	\$504,000,000 \$735,766 Per Unit	685	Northland Greenland Group
3150 Wilshire Boulevard Los Angeles, CA	\$235,000,000 \$506,466 Per Unit	464	Harbor Group TruAmerica
24640 Town Center Drive Santa Clarita, CA	\$96,248,000 \$458,324 Per Unit	210	Bell Partners TA Realty

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Greenland Group	\$504,000,000
Royalty Realty	\$410,000,000
JPI	\$365,000,000
Irvine Company	\$330,000,000
Venture Property Management	\$260,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Harbor Group International, LLC	\$530,000,000
Northland	\$504,000,000
Laguna Point Properties LLC	\$405,000,000
Douglas Emmett Management	\$330,000,000
Postive Investments	\$290,000,000



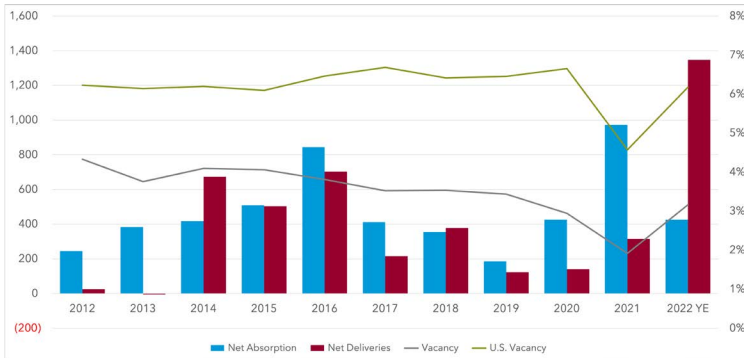
MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, *Senior Vice President*

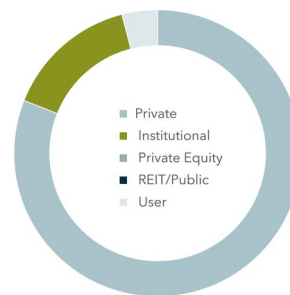
For the first time in two years, asking rents declined in Los Angeles County. In fact, asking rents declined across the country. While it is modest in scope, it is an indication of broader equilibrium of the market. Interest rates continued to increase, causing investors to push the pause button, and potential sellers to rethink if selling in the near term is the right move. As of this writing, the 10 Year Treasury Note is 3.525%. Additionally, with early January positive jobs report, it is widely anticipated the Federal Reserve will continue to raise rates, causing further softening in multifamily transactions in the near term.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Absorption Units	71	64	177	114	56
▲ Vacancy Rate	3.2%	2.7%	2.7%	2.2%	1.9%
▼ Asking Rent/Unit (\$)	\$1,831	\$1,833	\$1,828	\$1,798	\$1,766
▼ Under Construction Units	1,588	1,898	1,541	2,031	2,113
▲ Inventory Units	72,145	71,708	71,629	71,139	70,797

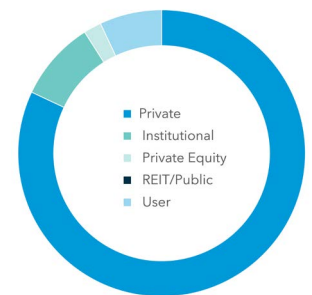
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1000 E Alostia Avenue Azusa, CA	\$20,127,676 \$209,663 Per Unit	96	Positive Investments, Inc. Azusa Pacific University
750 W Bonita Avenue Claremont, CA	\$13,300,000 \$316,667 Per Unit	42	Positive Investments, Inc. Boschetti Management Group
422 W. Front Street Covina, CA	\$5,100,000 \$255,000 Per Unit	20	Alan Gindi Frumkin Family Trust

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Legacy Partners	\$92,000,000
Abacus Capital Group	\$48,600,000
Venture Property Management	\$38,500,000
Barker Pacific Group	\$33,600,000
Jagdish & Usha K Varma	\$25,566,500

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Positive Investments, Inc	\$172,124,176
Clarion Partners	\$92,000,000
Langdon Park Capital	\$48,600,000
Eden Housing, Inc	\$31,300,000
Sirott Investments	\$23,500,000



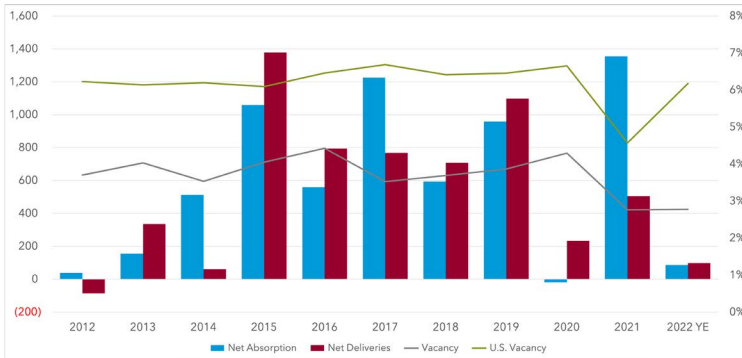
MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, *Senior Vice President*

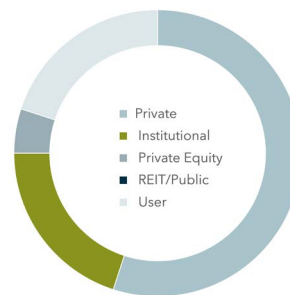
For the first time in two years, asking rents declined in Los Angeles County. In fact, asking rents declined across the country. While it is modest in scope, it is an indication of broader equilibrium of the market. Interest rates continued to increase, causing investors to push the pause button, and potential sellers to rethink if selling in the near term is the right move. As of this writing, the 10 Year Treasury Note is 3.525%. Additionally, with early January positive jobs report, it is widely anticipated the Federal Reserve will continue to raise rates, causing further softening in multifamily transactions in the near term.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	(146)	70	36	127	107
▲ Vacancy Rate	2.8%	2.5%	2.5%	2.5%	2.8%
▼ Asking Rent/Unit (\$)	\$2,357	\$2,360	\$2,336	\$2,300	\$2,270
◀▶ Under Construction Units	1,958	1,958	1,813	1,585	1,585
◀▶ Inventory Units	56,958	56,958	56,860	56,860	56,860

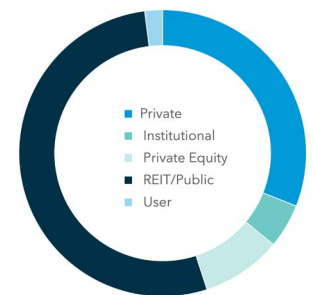
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
975 San Pasqual Street Pasadena, CA	\$38,000,000 \$441,860 Per Unit	86	HSR Management Inc. The Guardian Life Insurance Company
1550 Verdugo Road Glendale, CA	\$16,200,000 \$360,000 Per Unit	45	Faruque & Maria S Sikder Walker Family Trust Survivors Trust A
617 E Palmer Avenue Glendale, CA	\$5,340,000 \$445,000 Per Unit	12	Vitus Group The Walton Associated Companies

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Equity Residential	\$280,000,000	CA Statewide Communities Dev Authority	\$179,871,135
AvalonBay Communities, Inc.	\$172,300,000	CalSTRS	\$172,300,000
Interstate Equities Corporation	\$79,742,270	Waterford Property Company	\$140,000,000
Legendary Group	\$48,000,000	Frank W Butler Family Trust	\$48,000,000
The Guardian Life Insurance Co of America	\$38,000,000	BLVD Capital	\$39,871,135



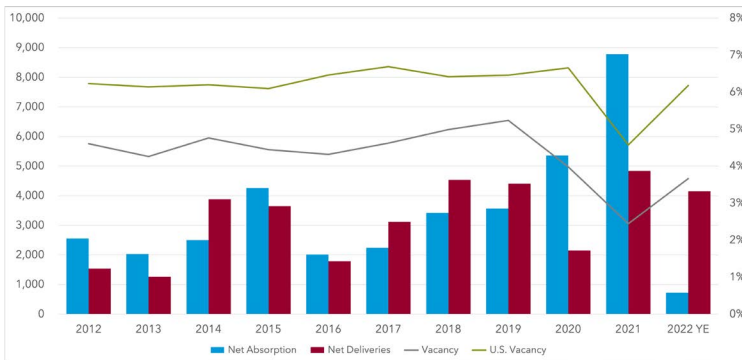
MULTIFAMILY MARKET OVERVIEW

CONNOR MACOMBER, *Jr. Associate*

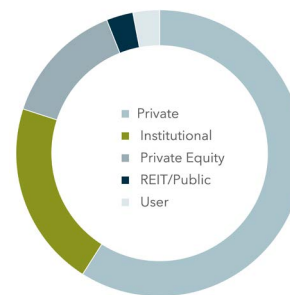
Multifamily vacancy rate is trending at 3.7%. Rents are up 4.9% year-over-year coming off the 12-month peak of 14% at the end of Q1 2022. The current construction pipeline of 7,300 units will not affect the vacancy rate due to the constant demand to live in San Diego. Price/unit increased by 15% across the country and 26% for San Diego County. Cap rates decreased nationwide from low 5%'s down to high 4%'s. Cap rates fell from 3.9% in 2021 to 3.845% in 2022. With rental rates increasing at a slower pace, investors are experiencing utilities, labor, and appliances increasing at a greater rate. Slower rent increases and higher expenses are narrowing the gap between the top and bottom lines, thus further creating strains on cap rates and ultimately bid vs asking prices on for sale multifamily.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	724	1,834	4,632	7,417	8,779
▲ Vacancy Rate	3.7%	3.4%	2.8%	2.6%	2.4%
▼ Asking Rent/Unit (\$)	\$2,321	\$2,357	\$2,349	\$2,258	\$2,206
▲ Under Construction Units	7,276	7,171	8,119	8,432	7,876
▲ Inventory Units	272,298	272,002	270,668	269,094	268,149

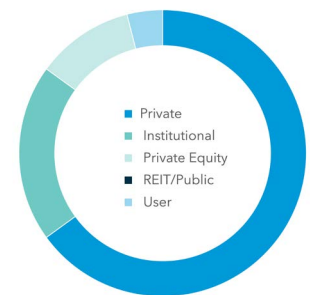
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
5353 Baltimore Drive La Mesa, CA	\$141,000,000 \$347,291 Per Unit	406	WRPV XIV Veranda La Mesa LLC Pur Veranda, LLC
8798 Spectrum Center Boulevard San Diego, CA	\$184,600,000 \$487,071 Per Unit	379	Domain San Diego Apartments Owner MCREF Kearny Mesa, LLC
310 Del Sol Drive San Diego, CA	\$183,765,000 \$651,649 Per Unit	282	Bradbury/Felix Investors LLC T&C Lot 2 LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone Inc.	\$363,145,000
Sekisui House	\$148,250,250
Island Capital Group LLC	\$128,870,118
G.W. Williams Co.	\$127,700,000
Jefferies	\$122,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Interstate Equities Corporation	\$193,300,000
Bridge Investment Group	\$169,250,000
Rockwood Capital	\$164,800,000
Pacific Life Insurance Company	\$148,250,250
Waterton	\$141,000,000



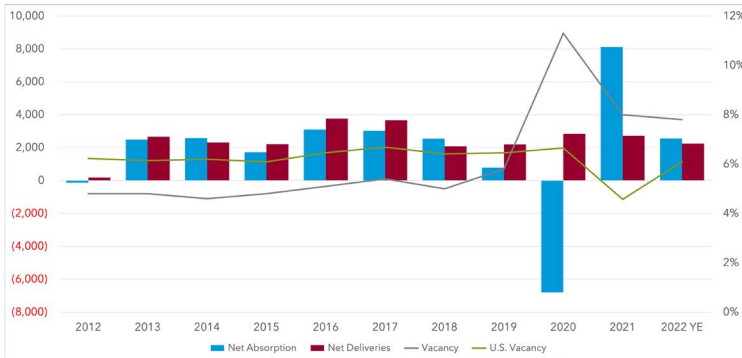
MULTIFAMILY MARKET OVERVIEW

RYAN ABEL, *Vice President*

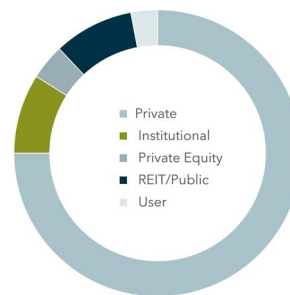
In the 4th quarter of 2022, multifamily sales volume continued a slow rate with prices lower due to interest rates and the uncertainty in the employment market. Vacancy rates have remained steady with the previous quarter and may increase during the 1st quarter of 2023 with the economy shedding more jobs. Many of the problems we see coming from the office and retail space will reflect in the stagnation of rent growth. Given the state requirements for the city to add additional housing we do expect more multifamily development and more affordable housing being approved and constructed in 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	(43)	1,000	629	972	846
▲ Vacancy Rate	7.8%	7.6%	7.5%	7.9%	8.0%
▼ Asking Rent/Unit (\$)	\$2,979	\$3,023	\$3,068	\$3,006	\$2,954
▼ Under Construction Units	7,892	7,899	5,357	4,658	4,374
▲ Inventory Units	178,745	178,505	177,226	177,199	176,497

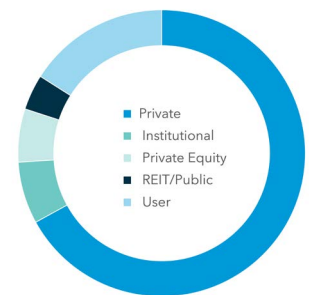
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
2230-2242 Polk Street San Francisco, CA	\$33,100,000 \$788,095 Per Unit	42	Veritas Investments J. Michael Doyle
1835 Vallejo Street San Francisco, CA	\$18,350,000 \$382,292 Per Unit	48	Veritas Investments Couch Family Trust
899 Green Street San Francisco, CA	\$15,625,000 \$411,184 Per Unit	38	899 Green St Owner LP Jaime Leigh Teiser/Scott A. Flaxman

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Gerson Bakar & Associates	\$187,500,000
AFL-CIO Building Investment Trust	\$103,000,000
Sares-Regis Group	\$103,000,000
Ruder Revocable Inter Vivos Trust	\$51,581,000
Apartment Income REIT	\$38,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Bell Partners, Inc	\$206,000,000
Prometheus Real Estate Group, Inc	\$187,500,000
Vertias Investments, Inc	\$98,400,000
Mosser Companies	\$39,100,000
Tishau Properties	\$38,500,000



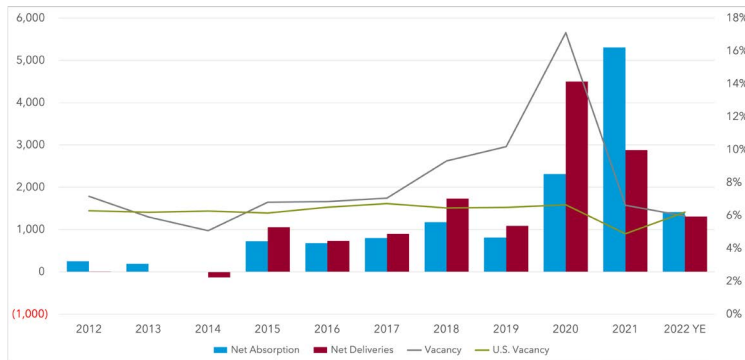
MULTIFAMILY MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

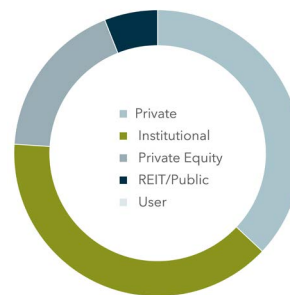
Demand for multifamily product remained high in Lee County. Despite the increase in deliveries and slowdown in year-over-year (YOY) absorption, average market rent posted at an all-time high. Average market rent was approximately \$2,000 per unit with concessions taking a sharp decline. Overall sales volume slowed in fourth quarter. The largest sale transaction was Versol in Bonita Springs, which closed for more than \$363k/unit. The Praedium Group acquired the 240-unit community, which will now be managed by Cushman & Wakefield. New development is expected to continue across the market. Inventory increased nearly 5% alone in the past 12 months, with an additional 5,600 units currently planned or in final planning stages.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	1,412	1,636	3,115	4,444	5,306
▼ Vacancy Rate	6.0%	6.7%	6.0%	6.5%	6.6%
▲ Asking Rent/Unit (\$)	\$1,952	\$1,850	\$1,848	\$1,839	\$1,789
▼ Under Construction Units	3,448	3,898	3,232	3,232	2,622
▲ Inventory Units	29,146	28,696	28,248	28,248	27,838

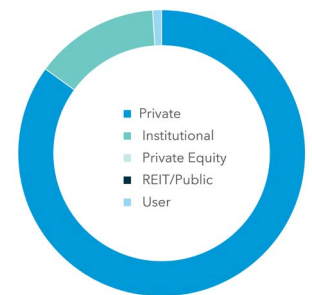
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
28790 Versol Drive Bonita Springs, FL	\$87,250,000 \$363,542 Per Unit	240	The Praedium Group TerraCap
1117 SW 48th Terrace Cape Coral, FL	\$2,700,000 \$225,000 Per Unit	12	Lascari SAG, LLC Spizzirri Family Trust

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Blue Roc Premier	\$152,000,000
IMH Companies	\$139,500,000
Courtelis Company	\$122,500,000
LURIN Capital	\$122,287,500
The NRP Group	\$109,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Osso Capital LLC	\$152,000,000
Crow Holdings	\$139,500,000
Hercules Real Estate Services	\$122,500,000
Cardinal Capital Partners, Inc.	\$122,287,500
PassiveInvesting.com	\$109,000,000



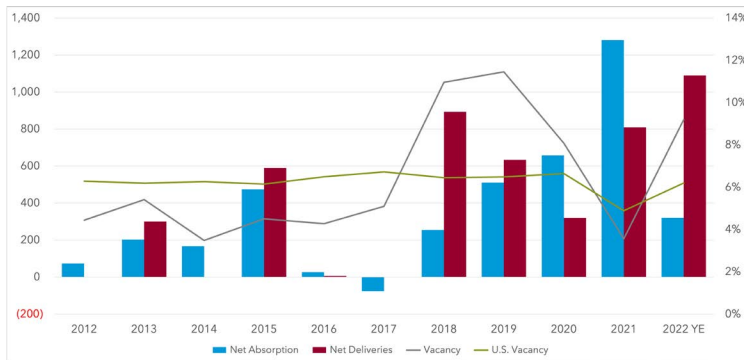
MULTIFAMILY MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

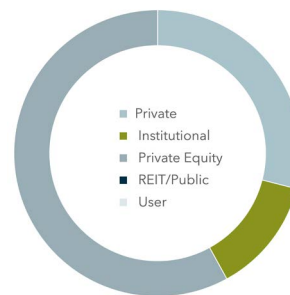
Rent growth continued in Collier County, closing the year at an average asking rate of \$2,406 per unit. Overall vacancy increased year-over-year (YOY) to 9.2%, up 560 basis points from fourth quarter 2021. While there are numerous projects underway, the multifamily pipeline remained relatively unchanged. The volume of planned units declined as multifamily demand stabilized. The latest delivery was 286 units at Mark Lane Apartments. Most new development took place in the East Naples submarket of Collier County, which accounted for 74% of construction. Fourth quarter sales volume totaled \$194M, surpassing the Fort Myers market. The largest transaction for the quarter closed at \$310k/unit at Meadow Brook Preserve. The community is a 268-unit complex.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	321	409	513	958	1,281
▲ Vacancy Rate	9.2%	7.9%	9.2%	6.7%	3.6%
▲ Asking Rent/Unit (\$)	\$2,406	\$2,281	\$2,245	\$2,305	\$2,230
▼ Under Construction Units	1,353	1,639	1,433	1,303	1,390
▲ Inventory Units	12,970	12,684	12,584	12,280	11,880

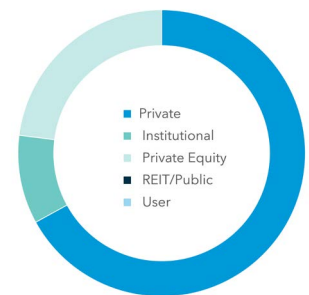
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
14815 Triangle Bay Drive Naples, FL	\$48,600,000 \$123,980 Per Unit	392	Spira Equity Partners FFAH Brittany Bay I, LLC
1130 Turtle Creek Boulevard Naples, FL	\$83,000,000 \$309,702 Per Unit	268	Cardinal Capital Partners, Inc. Atlas Real Estate Partners
1600 Wellesley Circle Naples, FL	\$62,000,000 \$310,000 Per Unit	200	The Dolben Company Phoenix Realty Group, LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone Inc.	\$142,564,726
Bluerock	\$120,258,604
Continental Realty Corporation	\$113,500,000
Phoenix Realty Group LLC	\$62,000,000
Atlas Real Estate Partners	\$41,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone Inc.	\$262,823,330
Cardinal Capital Partners, Inc.	\$83,000,000
The Dolben Company, Inc.	\$62,000,000
The Bainbridge Companies	\$56,750,000
TPG Global LLC	\$56,750,000



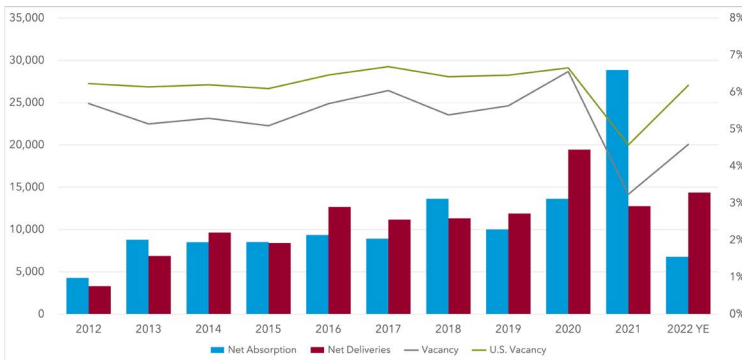
MULTIFAMILY MARKET OVERVIEW

MATTHEW JACOBS, *Principal*

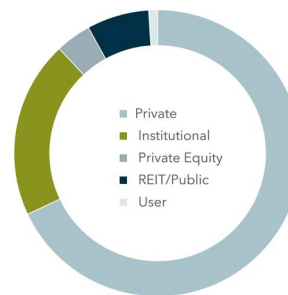
Rents will likely remain high and vacancies low as more people move from other parts of the nation to South Florida to avoid state income taxes and over-regulation. But with construction costs 25% higher than in December 2021, and the cost of lending elevated, market conditions for new developments are less than ideal. Some projects may not happen, get delayed or not make any sense. At the same time, there's a ton of capital willing to purchase existing apartment buildings, but they're having trouble finding landlords willing to part with their properties at a decent price.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	6,791	8,150	12,890	21,886	28,858
◀▶ Vacancy Rate	4.6%	4.6%	4.1%	3.5%	3.2%
▲ Asking Rent/Unit (\$)	\$2,069	\$2,064	\$2,068	\$2,029	\$1,973
▲ Under Construction Units	51,569	45,140	44,866	41,548	36,408
▲ Inventory Units	532,044	530,506	525,017	520,709	517,657

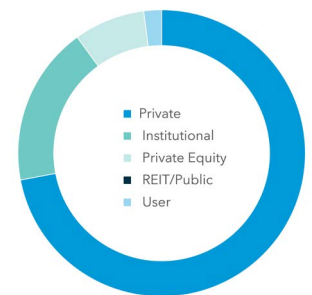
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
11900 SW 3rd Court Miramar, FL	\$138,000,000 \$371,968 Per Unit	371	The Connor Group Bell Partners, Inc.
5851 Holmberg Road Parkland, FL	\$155,000,000 \$391,414 Per Unit	396	Capital Square Realty Advisors Bell Partners, Inc.
5201 W Hillsboro Boulevard Coconut Creek, FL	\$132,000,000 \$333,333 Per Unit	396	Mesirow Financial PGIM Real Estate

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Florida East Coast Industries, LLC	\$450,000,000	Harbor Group International, LLC	\$459,500,000
Rockpoint	\$352,114,333	Hines	\$365,743,707
Bell Partners, Inc.	\$293,000,000	Pantzer Properties	\$319,500,000
Elco Ltd.	\$285,600,000	Elco Ltd.	\$302,500,000
Mill Creek Residential Trust LLC	\$278,500,000	AvalonBay Communities, Inc.	\$295,000,000



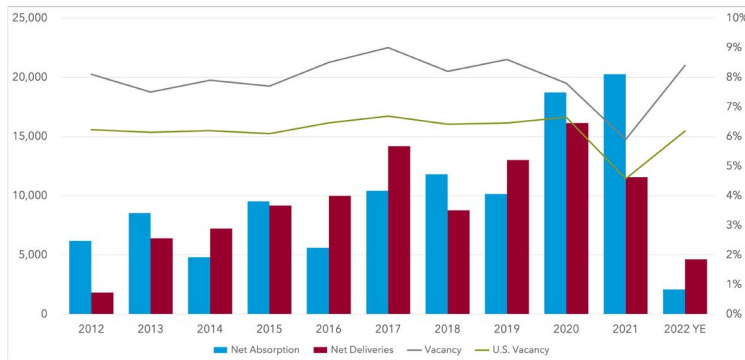
MULTIFAMILY MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

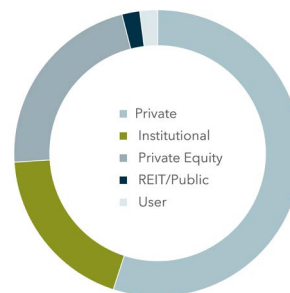
Atlanta's multifamily market remains overall solid; however, several factors have combined to push macro fundamentals back from recent highs. Absorption totals realistically had nowhere to go but down following a record-setting 2021. Developers are standing behind the 39,241 units under construction, with suburban submarkets accounting for the majority share of multifamily development. Nonetheless, for the second consecutive quarter, average asking rents declined. An overall slowing is occurring in multifamily as we head into 2023 - and rising vacancy levels, a slowing of rental growth and elevated costs of construction are likely to become headwinds to new development activity.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	2,076	4,525	4,958	12,961	20,262
▲ Vacancy Rate	8.4%	7.4%	6.8%	6.5%	5.9%
▼ Asking Rent/Unit (\$)	\$1,603	\$1,629	\$1,637	\$1,592	\$1,571
▲ Under Construction Units	39,214	34,747	31,204	29,389	27,476
▼ Inventory Units	534,614	536,389	523,809	521,106	518,564

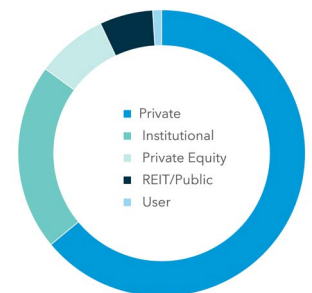
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
5501 Glenridge Drive Atlanta, GA	\$166,036,140 \$345,909 Per Unit	480	Blackstone Inc. Bluerock Residential Growth REIT, Inc.
2550 Blackmon Drive Decatur, GA	\$162,540,000 \$401,333 Per Unit	405	HHHunt Northwood Ravin
2951 Satellite Boulevard Duluth, GA	\$108,000,000 \$254,717 Per Unit	424	Birge & Held Asset Management PASSCO Companies

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Bluerock	\$654,070,659	Blackstone Inc	\$1,884,165,512
Preferred Apartment Communities, Inc	\$621,449,756	Ashcroft Capital LLC	\$534,100,000
Island Capital Group LLC	\$608,645,097	S2 Capital LLC	\$360,600,000
Atlantic Pacific Companies	\$346,500,000	Peak Capital Partners	\$346,150,000
JAMCO Properties, Inc.	\$346,150,000	Starwood Capital Group	\$336,009,089



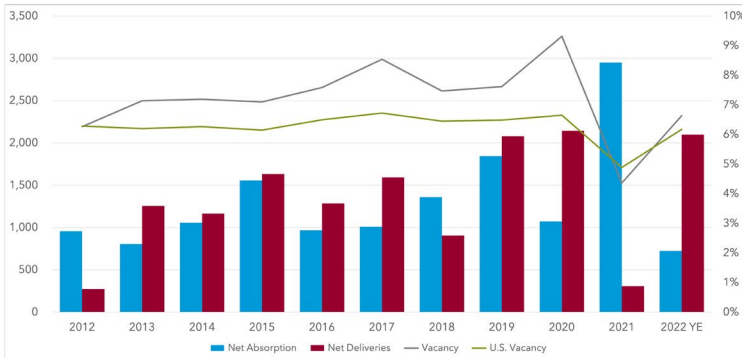
MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

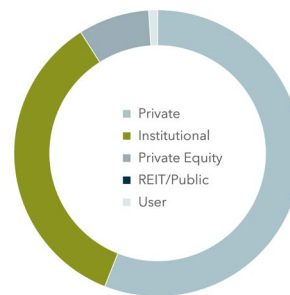
Raleigh-Durham multifamily experienced a rise in vacancy rates over the past year, with a steady new construction pipeline and net deliveries remaining consistent. Raleigh's vacancy rate increased from 4.36% in 2021 to 6.4% in 2022, while Durham's vacancy rate rose from 5.27% to 7.91%. Nationally, average vacancy rates rose from 4.89% in 2021 to 6.17% in 2022. Market rent growth has flattened, as compared to the 10%-15% growth experienced in 2020 and 2021. Net migration to the area remains strong driven by corporate expansions. Due to Raleigh-Durham's relatively low cost of living, below-average median rents, and above-average income levels, it's expected that the multifamily sector will continue to expand.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	724	729	1,833	2,837	2,950
▼ Vacancy Rate	6.64%	6.82%	6.58%	6.10%	4.36%
▼ Asking Rent/Unit (\$)	\$1,496.64	\$1,524.54	\$1,563.16	\$1,469.81	\$1,434.65
▲ Under Construction Units	4,009	3,653	3,821	3,453	3,943
◀▶ Inventory Units	55,986	55,986	55,227	55,227	53,887

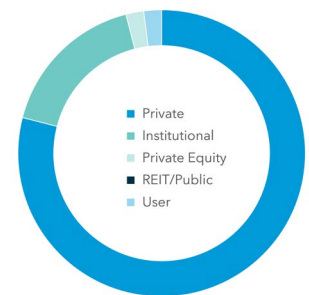
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
2530 Erwin Road Durham, NC	\$100,000,000 \$292,398 Per Unit	342	The Connor Group Northwestern Mutual Life Insurance Company
205 Kent Lane Durham, NC	\$28,000,000 \$175,000 Per Unit	160	Lincoln Avenue Capital The NHP Foundation
600 S Churton Street Hillsborough, NC	\$30,830,000 \$185,723 Per Unit	166	Railfield Partners Lexerd Capital Management

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Island Capital Group LLC	\$110,852,414
Northwestern Mutual Life Insurance Co	\$100,000,000
Kettler	\$99,742,500
Carolina Commercial	\$91,300,000
Stonebridge Investments	\$88,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Westbrook Partners	\$114,210,000
Blackstone Inc.	\$110,852,414
The Connor Group	\$100,000,000
TerraCap Management, LLC	\$99,742,500
Aldon Management	\$91,300,000



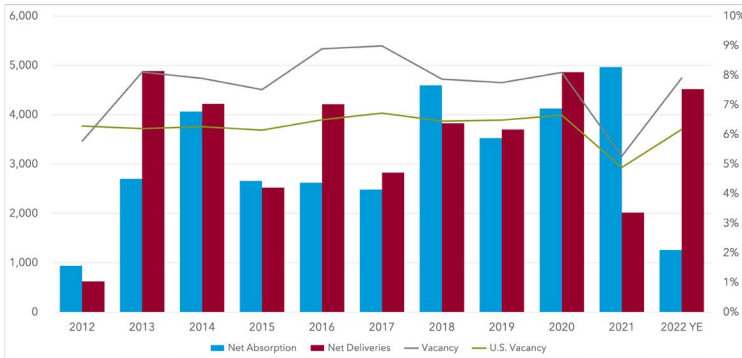
MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

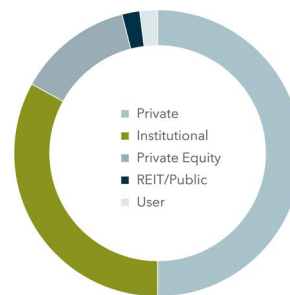
Raleigh-Durham multifamily experienced a rise in vacancy rates over the past year, with a steady new construction pipeline and net deliveries remaining consistent. Raleigh's vacancy rate increased from 4.36% in 2021 to 6.4% in 2022, while Durham's vacancy rate rose from 5.27% to 7.91%. Nationally, average vacancy rates rose from 4.89% in 2021 to 6.17% in 2022. Market rent growth has flattened, as compared to the 10%-15% growth experienced in 2020 and 2021. Net migration to the area remains strong driven by corporate expansions. Due to Raleigh-Durham's relatively low cost of living, below-average median rents, and above-average income levels, it's expected that the multifamily sector will continue to expand.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	1,262	1,289	2,455	3,951	4,965
▲ Vacancy Rate	7.91%	7.53%	6.40%	6.31%	5.27%
▼ Asking Rent/Unit (\$)	\$1,529.16	\$1,565.67	\$1,589.58	\$1,520.01	\$1,477.01
▲ Under Construction Units	15,866	13,436	12,130	11,200	10,486
▲ Inventory Units	114,233	113,619	112,231	111,441	109,716

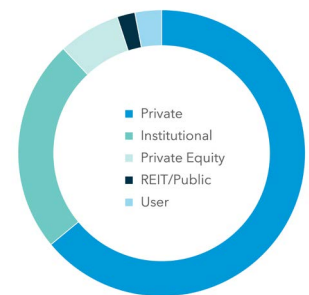
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
21035 Bradford Green Square Cary, NC	\$149,000,000 \$382,051 Per Unit	390	The Connor Group Northwood Ravin
1001 Carrington Park Circle Morrisville, NC	\$98,480,000 \$370,226 Per Unit	266	Blackstone Inc. Bluerock Residential Growth REIT, Inc.
500 Fayetteville Street Raleigh, NC	\$77,420,000 \$193,067 Per Unit	401	Brookfield Asset Management, Inc. Watermark Lodging Trust

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Bluerock	\$179,064,117
Mount Auburn Capital Group LLC	\$165,051,500
Signature Property Group	\$129,250,000
Westbrook Partners	\$120,000,000
Rock Companies	\$112,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone Inc.	\$263,414,117
GVA Property Management	\$212,100,500
Starwood Capital Group	\$206,551,500
Mitsubishi Estate Co., Ltd.	\$182,200,000
The Connor Group	\$149,000,000



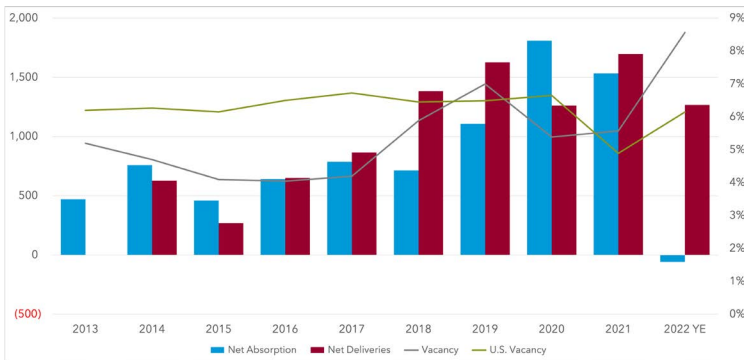
MULTIFAMILY MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

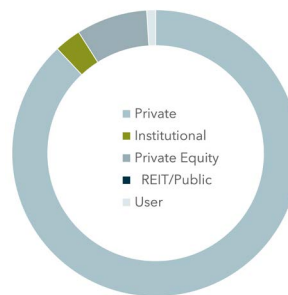
Vacancy rose a bit in the 4th quarter but the market is still solid. Construction has finally caught up with the population and demand. We had an extremely underserved market at the end of the last recession, but heavy building and rising prices has been the norm since. Prime commercial corners and other locations have been constructed into multifamily to meet the demand. The rise in interest rates will substantially slow the production of new units. A leveling of rates should occur with more choices and a slow down in production in the coming year ahead. The sales market should remain good for those "stabilized" products with an eye out for the value add product when one comes available.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Absorption Units	(59)	(266)	232	715	1,533
▲ Vacancy Rate	8.6%	7.8%	6.1%	6.1%	5.6%
▼ Asking Rent/Unit (\$)	\$1,490.97	\$1,520.66	\$1,548.34	\$1,521.92	\$1,489.18
▼ Under Construction Units	3,863	4,258	4,954	3,778	2,685
▲ Inventory Units	42,191	41,796	41,100	41,039	40,924

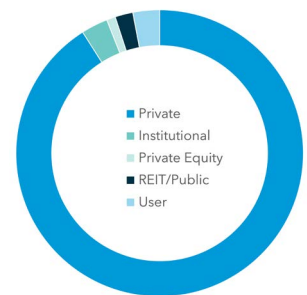
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
675 Parlanti Lane Sparks, NV	\$14,334,000 \$99,542 Per Unit	144	The Carlyle Group Jerry Helms
1000 El Rancho Sparks, NV	\$13,000,000 \$101,563 Per Unit	128	PC Banbridge II LLC LivCor LLC
1590 Lewis Reno, NV	\$7,000,000 \$152,174 Per Unit	46	Undisclosed Gwenyth G. Obryan

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
ERGS, Inc.	\$302,500,000	MG Properties	\$302,500,000
JP DiNapoli Companies	\$88,000,000	LDK Ventures	\$118,500,000
Panther Residential	\$59,250,000	Benedict Canyon Equities Inc.	\$101,250,000
Integra Land Company	\$59,250,000	Eduardo Cerna	\$56,000,000
Eduardo Cerna	\$56,000,000	Four Peaks Capital	\$47,000,000



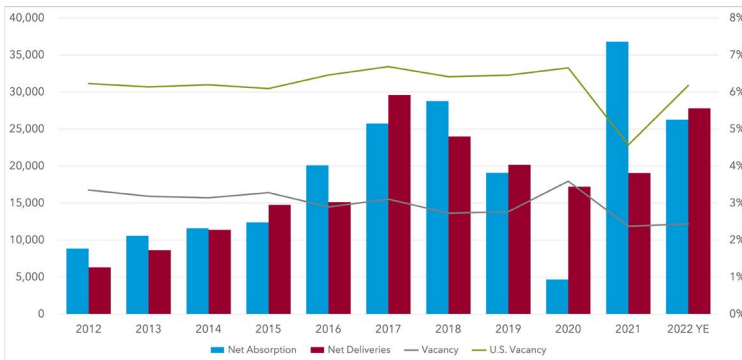
MULTIFAMILY MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

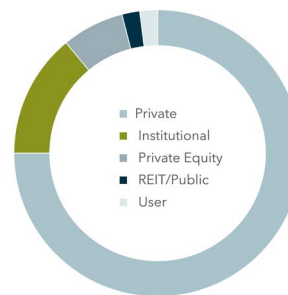
Twelve-month net absorption in New York City's multi-family market totaled 26,268 units in Q4 2022, the fifth consecutive quarter of positive absorption. Demand remained high throughout the year, with nearly 28,000 new units delivered while the vacancy rate remained unchanged at 2.4%, outpacing the national average of 6.2%. The average asking rent per unit was \$2,975 at the close of the year, a 3.7% year-over-year increase. Private and institutional buyers and sellers continued to dominate the sales market, accounting for a combined 85% of buyers and 89% of sellers this year.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	26,268	29,356	33,503	35,278	36,812
◀▶ Vacancy Rate	2.4%	2.4%	2.4%	2.4%	2.4%
▼ Asking Rent/Unit (\$)	\$2,975	\$2,979	\$2,971	\$2,912	\$2,869
▼ Under Construction Units	61,799	63,862	60,372	58,859	55,671
▲ Inventory Units	1,527,600	1,522,663	1,516,777	1,507,677	1,499,853

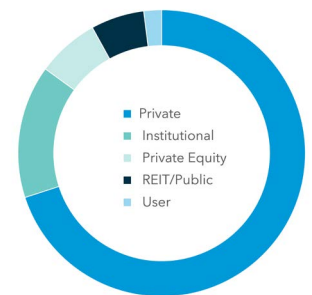
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
525 East 72nd Street New York, NY	\$410,000,000 \$987,952 Per Unit	415	GO Partners Solow Building Company, LLC
95 West 95th Street New York, NY	\$50,000,001 \$201,613 Per Unit	248	Witkoff Gept Columbus LLC/State St Global Advisors
1113 York Avenue New York, NY	\$221,270,485 \$1,063,800 Per Unit	208	GO Partners Solow Building Company, LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
The Soloviev Group	\$825,000,000	A&E Real Estate Holdings	\$957,159,350
Equity Residential	\$681,000,000	GO Partners	\$825,000,000
Carmel Partners	\$615,700,000	Ponte Gadea	\$487,500,000
AvalonBay Communities	\$451,000,000	The Orbach Group	\$418,500,000
JDS Development Group	\$418,500,000	Black Spruce Management	\$418,500,000



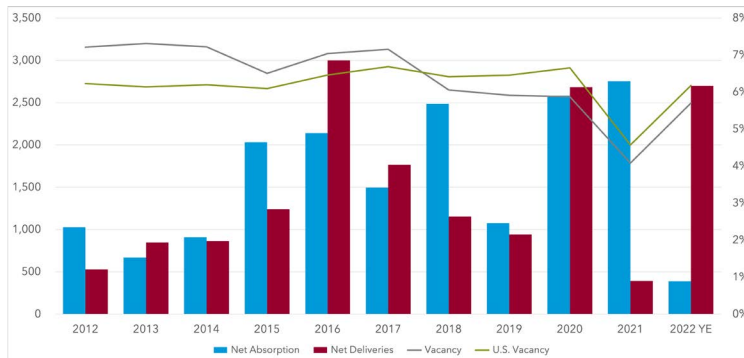
MULTIFAMILY MARKET OVERVIEW

JOSH HARKAVY, *Vice President*

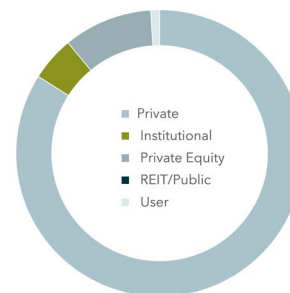
Rent growth is slowing after hitting a double-digit pace in 22Q2, with a predicted 2.7% annual increase over the next five years. At the start of the year, rents were \$1.23 PSF, increasing to \$1.29 PSF by the end of Q4. After hitting record-setting occupancy rates in 2021, demand slowed in 2022, with a 4.4% vacancy rate which increased to 5.7% in Q4. This upward vacancy rate can be attributed to new supply entering the market. Sales of multi-family properties in Cincinnati bucked the downward national trend in sales volume, with \$649 million in 2022, including a record-setting \$422 million in 22Q4.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	388	703	1,313	1,974	2,753
▲ Vacancy Rate	5.7%	5.3%	4.3%	3.9%	4.1%
▼ Asking Rent/Unit (\$)	\$1,144.68	\$1,145.27	\$1,137.51	\$1,098.95	\$1,071.88
▼ Under Construction Units	5,820	5,911	6,686	6,546	5,956
▲ Inventory Units	135,449	134,975	133,605	132,903	132,751

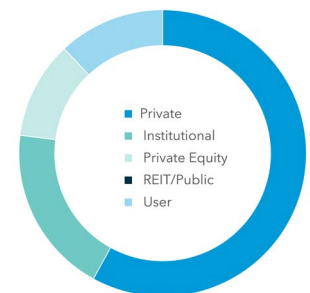
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
8502 Sugar Maple Drive Mason, OH	\$115,250,000 \$231,426 Per Unit	498	The Connor Group Coastal Ridge Real Estate
121 E Freedom Way Cincinnati, OH	\$89,700,000 \$299,000 Per Unit	300	Crawford Hoying Real Estate Services NIC Riverbanks One
3010 Eden Avenue Cincinnati, OH	\$40,725,000 \$196,463 Per Unit	205	PLK Communities University of Cincinnati

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Coastal Ridge Real Estate	\$115,250,000
The Connor Group	\$93,200,000
The Gregel Group	\$78,425,000
Resource Real Estate	\$70,000,000
Arlington Properties	\$69,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
The Connor Group	\$115,250,000
Crawford Hoying	\$89,700,000
PLK Communities	\$84,025,000
Living Residential LLC	\$78,425,000
Varia US Properties	\$62,000,000



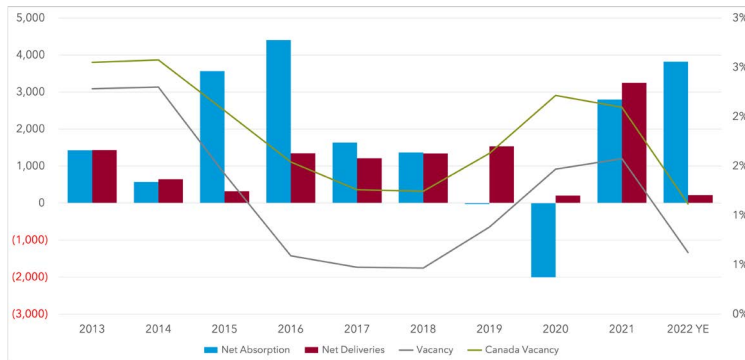
MULTIFAMILY MARKET OVERVIEW

LUIS ALMEIDA, SIOR, *Executive Vice President, Partner*

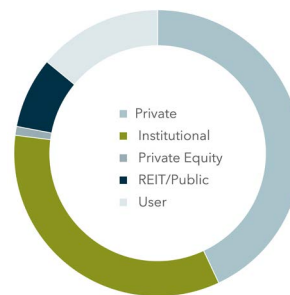
The multifamily sector in Toronto has been the most resilient market in Canada. With housing prices skyrocketing during the pandemic, the rental market continues to be the best option for people who cannot afford to purchase a home. Immigration flow has returned as Canada reopened to meet its immigration levels plan for 2022 to 2025. Canada aims to welcome a record 500,000 new permanent residents in 2025 expects to welcome 465,000 new permanent residents in 2023, up 4% from previous target, and 485,000 in 2024, up 7.5%. With economic factors, such as rising interest rates, many are reluctant to enter into a mortgage commitment, making the flexibility of the rental market more appealing than ever.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	3,893	4,829	4,935	4,456	2,794
▼ Vacancy Rate	0.60%	0.70%	0.90%	1.20%	1.60%
▲ Asking Rent/Unit (\$)	\$1,940	\$1,910	\$1,867	\$1,828	\$1,800
▲ Under Construction Units	19,776	18,936	15,024	14,077	12,983
◀▶ Inventory Units	380,650	380,650	380,621	380,621	380,367

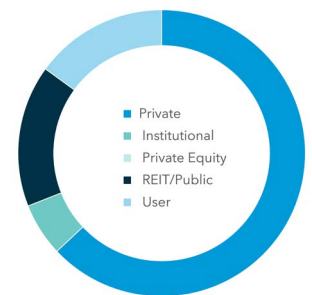
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1100 King Street W Toronto, ON	\$149,000,000* \$294,466 Per Unit	506	WCP 1100 King W I LP First Capital REIT
39 Niagara Street Toronto, ON	\$114,500,000* \$228,543 Per Unit	501	Minto Group Inc. Undisclosed
2233-2235 Hurontario Street Mississauga, ON	\$131,955,000* \$295,863 Per Unit	446	Karl Fay Investments Starlight Investments

*All numbers shown are in Canadian dollars (CAD)

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Canadian Apartment Properties REIT	\$255,100,000.00	Starlight Investments Ltd.	\$426,913,717.00
Karl Fay Investments Ltd	\$237,500,000.00	Timbercreek Capital Inc	\$249,300,000.00
Briarlane Rental Property Management Inc.	\$197,180,000.00	ARCH Corporation (DIFC) LTD	\$237,100,000.00
Perkell Brothers Construction	\$194,000,000.00	Akelius	\$168,900,000.00
First Capital Real Estate Investment Trust	\$149,000,000.00	DREAM Unlimited	\$135,775,000.00



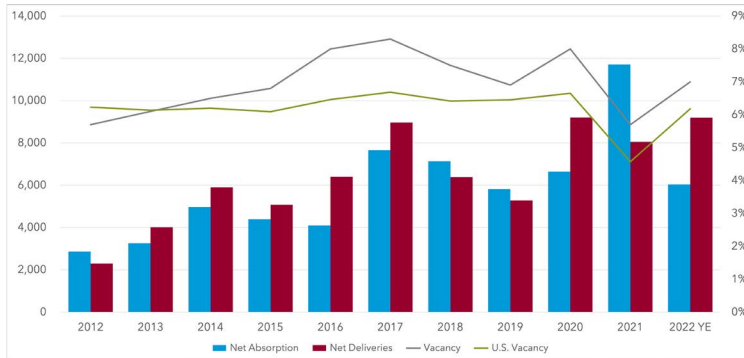
MULTIFAMILY MARKET OVERVIEW

GAINES HANKS, Associate

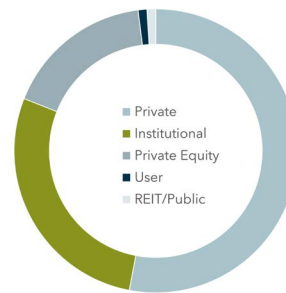
While the Nashville multifamily market has many fundamentals that have outperformed national averages, year-over-year metrics have begun to simmer. Due to supply-side pressures, especially in the downtown market, rent growth has dipped from 2021 highs. Investor sentiment remains robust in Nashville as strong multifamily fundamentals present a healthy runway for future growth, but investors are struggling to bridge the bid to ask gap. With another appearance in the Top 10 of U-Haul's growth states in 2022, net migration remains strong for the Nashville MSA. Coupled with future and ongoing corporate relocations to the city, many investors are looking to take advantage of the young and affluent demographic moving to Nashville.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	6,039	6,817	8,783	11,535	12,160
▲ Vacancy Rate	7.0%	6.2%	5.8%	5.7%	5.4%
▼ Asking Rent/Unit (\$)	\$1,511	\$1,537	\$1,538	\$1,483	\$1,432
▲ Under Construction Units	23,591	22,273	24,975	24,865	24,916
▲ Inventory Units	197,626	195,511	193,800	191,928	189,021

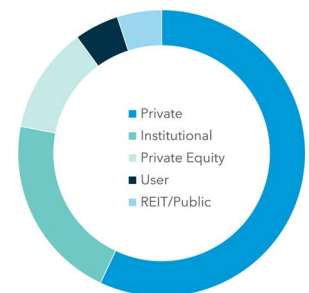
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
640 21st Avenue N Nashville, TN	\$88,620,000 \$374,978 Per Unit	231	HH Hunt Wood Partners
2500 Aventura Drive* Mount Juliet, TN	\$107,326,949 \$321,338 Per Unit	334	Blackstone Bluerock Residential Growth REIT
1000 Enclave Circle Nashville, TN	\$75,000,000 \$197,368 Per Unit	380	GVA Property Management Starwood Capital Group

*Part of Portfolio

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Mount Auburn Capital Group LLC	\$476,285,351	Starwood Capital Group	\$476,285,351
Brookfield Asset Management, Inc.	\$465,556,259	Northwood Investors LLC	\$465,556,259
Blackstone Inc.	\$356,728,223	Blackstone Inc.	\$388,855,172
The Connor Group	\$215,250,000	GVA Property Management	\$283,287,910
Wood Partners	\$183,120,000	Sunroad Holding Corporation	\$219,350,000



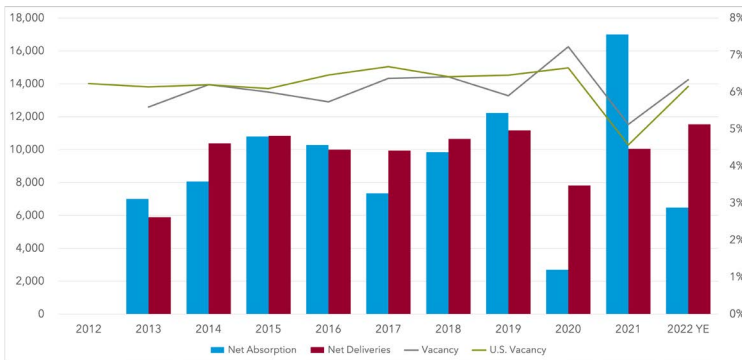
MULTIFAMILY MARKET OVERVIEW

CANDICE CHEVALLIER, CCIM, *Principal*

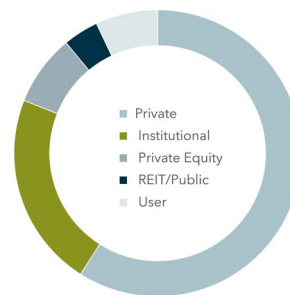
Not unlike other areas in the country, we are seeing some softness in absorption in Seattle. 12-month absorption in Q4 2022 is down 540 units from Q3 2022. Vacancies are up slightly, from 6.0% to 6.3%. Asking rents are up 2.5% from a year ago, though down from their peak in Q2 2022. Units under construction have remained fairly consistent but are expected to arc in 2023. Interest rates have spiked in the last few months and are expected to continue to increase slightly then float back down towards the end of the year. This normalization of rates will allow rents to ideally catch up with rate growth and for property values to stabilize.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Absorption Units	6,480	7,021	9,475	14,197	17,003
▲ Vacancy Rate	6.3%	6.0%	5.5%	5.2%	5.1%
▼ Asking Rent/Unit (\$)	\$1,927.61	\$1,978.35	\$2,009.13	\$1,935.45	\$1,880.35
▼ Under Construction Units	27,715	28,032	27,245	27,773	26,192
▲ Inventory Units	373,681	371,978	368,479	364,650	362,138

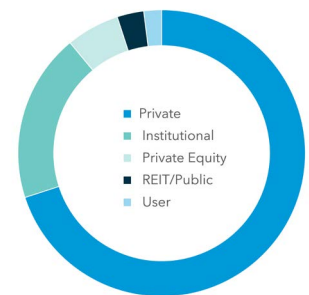
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
111 Terry Avenue N Seattle, WA	\$322,240,000 \$699,002 Per Unit	461	Ponte Gadea USA, Inc. Oxford Properties Group
9900 12th Avenue W Everett, WA	\$92,000,000 \$291,139 Per Unit	316	Abacus Capital Group TruAmerica Multifamily Inc/Blackstone REIT
3070 230th Lane, SE Sammamish, WA	\$113,934,000 \$428,323 Per Unit	266	Pacific Urban Investors Gerson Bakar & Associates

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
OMERS	\$322,240,000	Ponte Gadea	\$322,240,000
GersonBakar & Associates	\$263,862,000	Marcus & Millichap	\$263,862,000
The Blume Company	\$103,907,300	Abacus Capital Group	\$92,000,000
Blueprint Capital	\$99,463,000	Sares-Regis Group	\$78,500,000
New York Life Insurance Company	\$78,500,000	Security Properties, Inc.	\$51,953,650

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2022 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com