REAL ESTATE OUTLOOK

CHICAGO OFFICE MARKET

THIRD QUARTER 2016

Chicagoland office vacancy drops to a record low

Office occupancy continues to thrive

Office vacancy in Chicagoland (city and suburbs) dropped to 15.0% in 3Q16. CBD fell to 11.4% from 12.1%. Suburban vacancy dropped slightly to 19.2%. Net absorption increased in the CBD with 1.08 Million SF of space occupied this quarter, driven by companies such as Wework who took several new locations and Motorola Solutions who transitioned to the West Loop. Positive absorption is expected to continue into next quarter as major tenants that signed leases in the first half of 2016 occupy. Sublease space, which started its ascent two quarters ago, will likely increase and affect absorption in 2017. Gross rental rates in the CBD increased to $35.48 while suburban rates tipped $23.00. Market fundamentals remain stable, yet there is a sense that this cycle has hit its peak, and velocity is at risk of “slowing down.”

ECONOMY

Unemployment in pre-recession range

Chicagoland added approximately 50,037 jobs to the local economy year-over-year (as of August 2016). The Chicagoland unemployment rate in August was 5.4% (a 0.02% YOY improvement). Unemployment remains higher than the national average of 4.7%, however, the current rate is within an acceptable range compared to 2007 rates when the pre-recession economy was booming. Leisure/Hospitality and Construction industries lead in job growth (up 4.7% & 5.3% respectively), while the Financial Services and Information Technology sectors decreased 0.9% and 1.9% year over year. Despite employment being statistically positive, weak job growth in sectors that drive absorption is a matter of concern.

SUPPLY AND DEVELOPMENT

New development to be added to inventory

Two office developments, River Point at 444 W Lake St. and 150 N. Riverside Dr, are expected to be completed in December 2016/January 2017. Although this will add 2.3 million SF of total inventory to the Chicago CBD, only 21% is still available for lease. Chicago has shown an ability to support new development, especially Class A. However, there are 10 existing Class A vacancies of 200,000 SF+ contiguous as tenants transition into newly built space. Landlords are eager to see whether deal velocity remains strong enough to back fill these new vacancies. No new speculative suburban office development is expected, but there are a few pockets possible since vacancy is comparatively low and in-fill sites are available.

CBD TRENDS

5-YEAR TREND	CURRENT QUARTER
VACANCY	11.4%
ABSORPTION	1,089,013 SF
GROSS RENTAL RATE	$35.48 PSF
UNDER CONSTRUCTION	4.15 million SF

SUBURBAN TRENDS

5-YEAR TREND	CURRENT QUARTER
VACANCY	19.2%
ABSORPTION	141,171 SF
GROSS RENTAL RATE	$23.00 PSF
UNDER CONSTRUCTION	22,144 SF

CHICAGOLAND

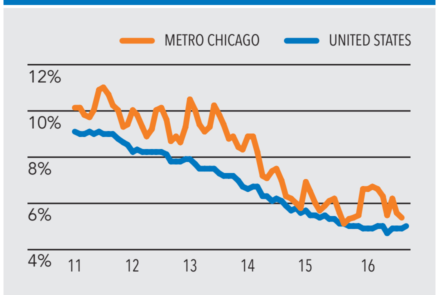
5-YEAR TREND	CURRENT QUARTER
AVERAGE SALE PRICE	$ 216.93 PSF

TRANSWESTERN®

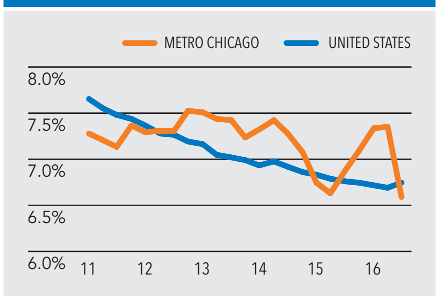
CHICAGO OFFICE MARKET

THIRD QUARTER 2016

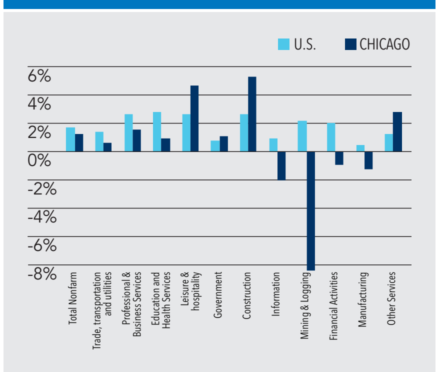
UNEMPLOYMENT RATE



CAP RATES



YEAR-OVER-YEAR EMPLOYMENT CHANGE



DEMAND

Net absorption high due to activity in CBD

Chicagoland net absorption for 3Q16 was just over 1.2 million SF. CBD made up the lion's share of activity at 1.07 Million SF while suburban net absorption was positive 141,171 SF. Class A in the East Loop and West Loop lead all submarkets in positive absorption downtown. Motorola, Amtrust Financial and Alvarez & Marsal, among others, occupied new spaces this quarter. Though River North had major movement with Beam Suntory coming to 222 Merchandise Mart (113,000 SF) from North Suburban Deerfield and WeWork taking 104,820 SF at 20 W. Kinzie, some major and many minor departures (IIT from 350 N. LaSalle) countered River North's usual high positive absorption this quarter.

Suburban Class B fared well, accounting for most of the absorption this quarter, especially in the Eastern East West. A handful of mid-sized tenants in the 20,000 SF range combined to total 134,893 SF of positive absorption. While suburban absorption was positive, it had a marginal impact and was below what is needed for truly recovering conditions.

VACANCY

Vacancy rates dropping dramatically but not for long

The Chicago Metro vacancy rate dipped to 15.0% quarter over quarter (a 40 basis point drop overall). CBD dropped to 11.4% from12.1% while suburban vacancy decreased just 10 basis points to 19.2%. It's likely that we are at or near the low water mark for vacancy; CBD will level off as more new product comes on line, and suburban rates may improve slightly thanks to no new additional inventory coming on line and very modest expansion.

RENTAL RATES

CBD at all time high while Suburban continues to climb

The blended overall Chicagoland gross asking rate is $29.66, setting a new historical benchmark for the region. CBD average gross asking rate reached $35.48 PSF while Suburban asking averages are now at $23.00 PSF. The increases were most evident in the Class A product and in CBD new construction properties. Class B & C buildings reported nominal increases in rental rates.

Metro Chicago Office Market Indicators

PROPERTY CLASS	INVENTORY	UNDER CONSTRUCTION	Q3 NET ABSORPTION	YTD NET ABSORPTION	DIRECT VACANCY	SUBLET VACANCY	TOTAL VACANCY	AVERAGE RATE PSF
Class A	155,909,067	4,088,441	680,379	1,062,887	13.8%	3.4%	17.2%	$33.79
Class B	99,856,929	310,072	390,328	313,211	15.1%	2.4%	17.5%	$24.88
Class C	23,601,797	0	159,477	277,034	10.4%	1.4%	11.8%	$22.62
Metro Chicago Total	**279,367,793**	**4,398,513**	**1,230,184**	**1,653,132**	**14.0%**	**2.9%**	**16.9%**	**$29.66**

CHICAGO OFFICE MARKET

THIRD QUARTER 2016

INVESTMENT MARKET

Investment slowdown

Investment sale activity for the quarter was generally positive, but overall year-to-date activity in Chicagoland and nationally has been down from 2015. The volume of deals in the market right now and widening spread between buyer and seller pricing may result in flat pricing and an eventual pricing correction. Cap rate compression has stopped despite availability of capital.

Investment interest is focused on Class A, CBD and Suburban properties. Interest in Class B suburban property is tepid at best, although a few suburban Class B assets have sold. Comparables suggest that the current delta between CBD and suburban cap rates is approximately 175 bps.

Chicago's precarious financial situation has yet to impact sale activity, but investors are watching to see where high property taxes and other usary fees will go before corporate real estate decision making is statistically affected.

Debt remains affordable, and provided key fundamentals stand, the deal stream and pricing should remain stable or only slightly down. Fewer deals actually closing today is a reflection of both sellers prepared to hold assets longer, and values peaking and failing to rise further. That peak is not compelling investors to "reach" with the same vigor we've seen in recent years. There does not appear to be any discernible trend emerging in hold-time; stabilized assets trade less frequently than value add.

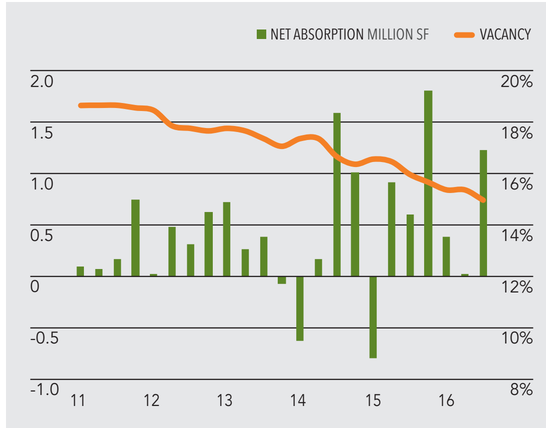
OUTLOOK

Diversity in office users is key

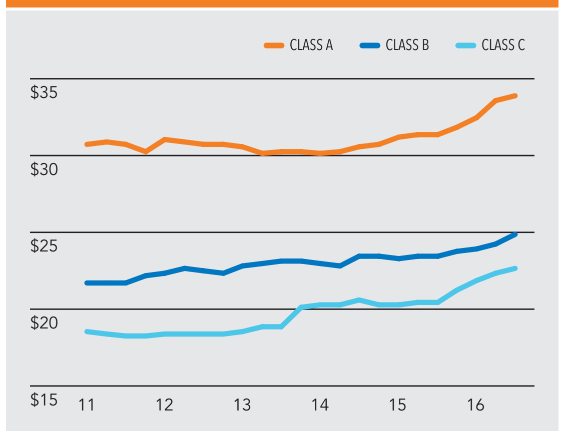
The office market is prone to swings in demand more than other property types. Tech has fueled an upswing in the short term with a rise in start-ups, many of whom survive, but that sector seems to be leveling off. One example is Motorola Mobility in the Merchandise Mart downsizing from its original lease of 604,000 SF just a few years ago down to a possible 287,000 SF. Continued M & A activity is on the radar in the form of occupancy leakage as redundancy after acquisition is eliminated.

The Chicago office market has always benefited from a diverse set of office users, from government to healthcare and law firms to insurance. If tech expansion is slowing, the overall impact to the office market will be nominal. For occupancy to remain stable, employers, need to see predictability in the local economy, business friendly tax reform, pension reform and job growth in sectors that utilize office space.

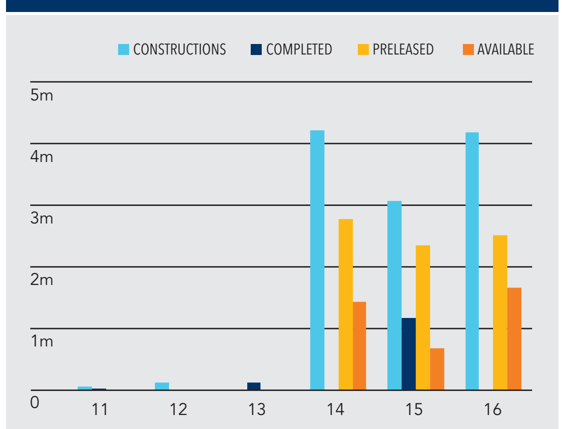
METRO CHICAGO NET ABSORPTION AND VACANCY



METRO CHICAGO AVERAGE ASKING RENTAL RATES



METRO CHICAGO DEVELOPMENT PIPELINE MILLION SF



CBD Market

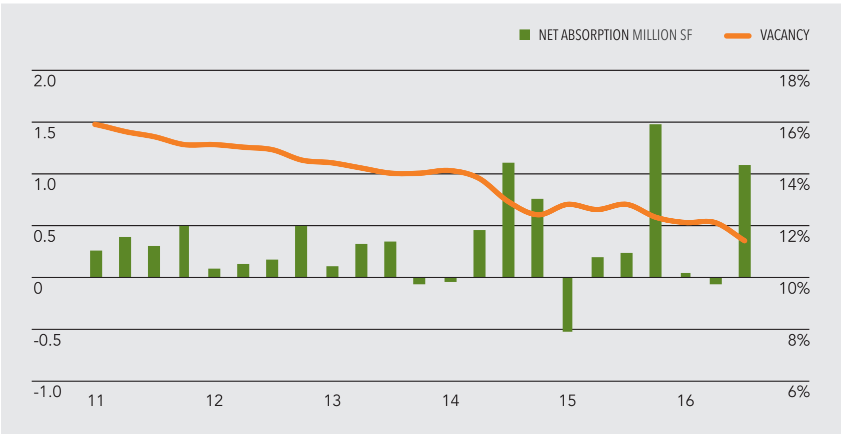
Continued positivity for landlords may begin to shift

CBD vacancy declined 11.4% in 3Q16, continuing a trend of record low vacancy in downtown Chicago. CBD rental rates increased to $35.48 overall. Class A in River North and the West Loop continue to be the most popular submarkets with rates ranging from $42-$47 PSF.

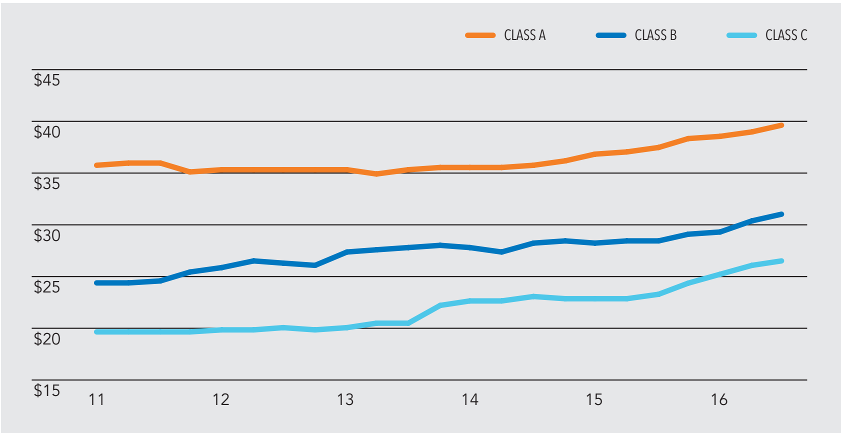
CBD net absorption was positive 1,089,013 SF. All submarkets with the exception of River West, had positive absorption overall. River West fell negative due to in part the renovated Coyne College building at 330 N Green St being added back into the inventory (76,000 SF). The West Loop had the highest absorption of all CBD submarkets with 417,024 SF with 500 W Monroe, 540 W Madison and 111 S Wacker welcoming new and expanding tenants such as Motorola and Alvarez & Marsal this quarter.

Though current conditions point toward a landlord's market, a shift to favor tenants, particularly those looking for large contiguous space, could be on the horizon in the next 12-24 months. With two much-anticipated new developments, River Point at 444 W Lake St and 150 N Riverside, about to open their doors for occupancy, some new space and a good amount of newly vacated space will flood the market. Fortunately, only 20% of the total space in these new buildings is still available for lease, but there are at least 10 existing office properties advertising 200,000 SF of contiguous space available. It remains to be seen if suburban migration downtown and job growth in key sectors will be enough to maintain the healthy occupancy levels we enjoy now.

CBD NET ABSORPTION AND VACANCY



CBD AVERAGE ASKING RENTAL RATES



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Suburban migration has changed the Chicago office landscape. McDonald's Corporation, who will be moving from Oak Brook, has inspired a new development at the former Harpo Studios at 110-134 N Carpenter St/1058 W Washington Blvd. This property has been razed, will be rebuilt, and expanded to accommodate 500,000 SF. Similarly, Motorola Mobility (Lenovo), who inspired a total conversion of the Merchandise Mart when it took 600,000 SF+ of office space, sent a wave through the market. Ironically, Moto recently announced plans to shed as much as 300,000 SF after less than 5 years of occupancy.

Conversions in CBD have also played a part in changing the landscape of Chicago. Trendy River West has 5 buildings equaling 466,000 SF converted from brick and timber loft/industrial space to high quality Class A & B office space. Not only are new developments increasing inventory, a number of renovations from former industrial building are also adding square footage to the landscape.

Landlords are still in a preferred office environment with strong rents on average and much movement in the marketplace. Despite that, making renewals will be a high priority once again as the general feeling around town is that every occupied square foot will be increasingly precious.

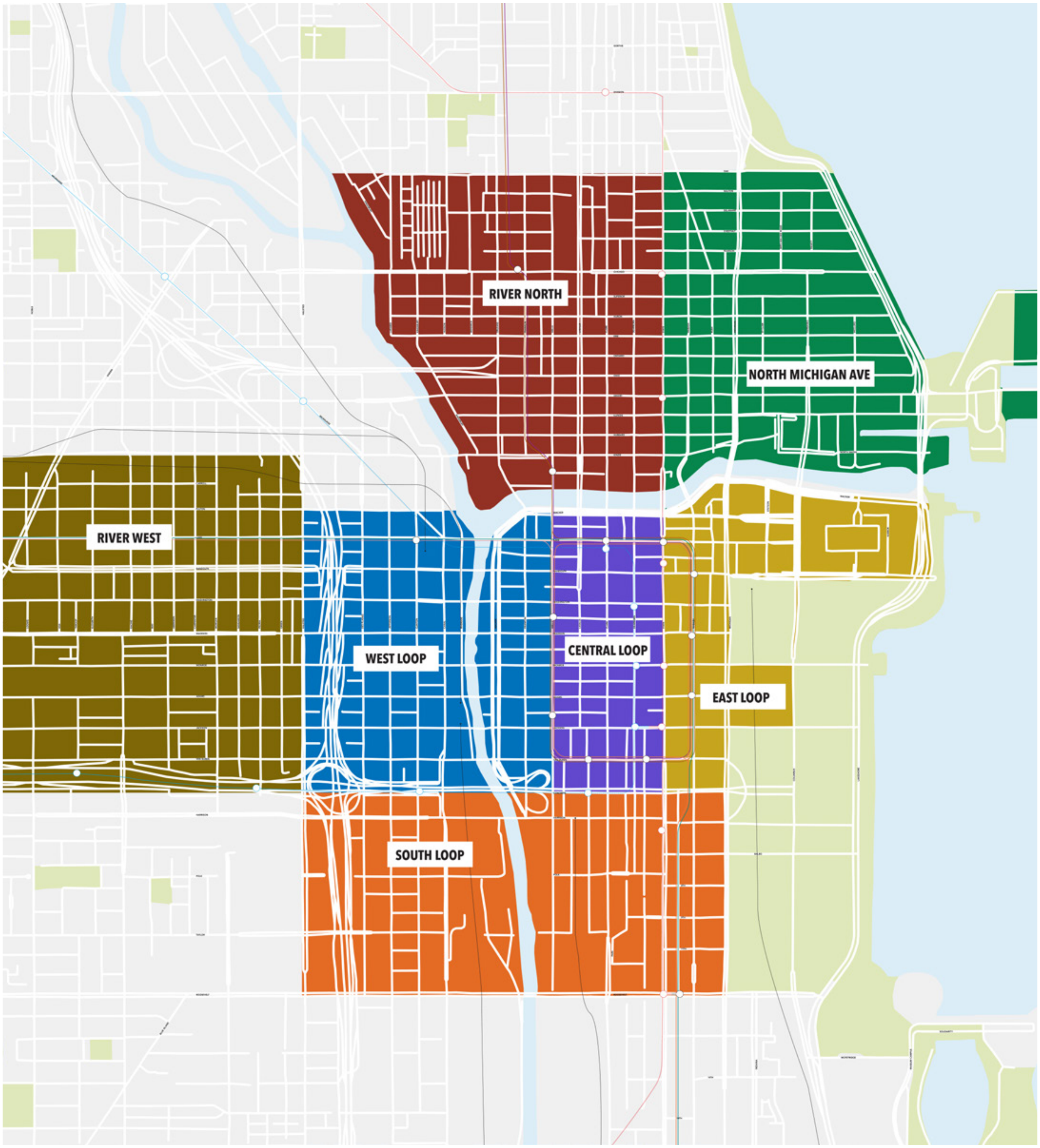
Finally, landlords are keeping a keen eye on the sublease market and the impact it will have on direct vacancy. A number of subleases with near full terms and fresh conditions lie ahead, creating viable competition with direct vacancy being marketed by Landlords.

THIRD QUARTER SELECT LEASE ACTIVITY

TENANT	PROPERTY	SIZE (SF)	TYPE
Cushman & Wakefield	225 W Wacker Dr	83,017	New
Wilson Sporting Goods	130 E Randolph St	79,352	New
Alzheimer's Association	225 N Michigan Ave	62,043	Renewal
Merrill Lynch	225 W Wacker Dr	56,906	Renewal
Societe Generale Group	440 S Lasalle St	51,924	New
Academy of Nutrition and Dietetics	120 S Riverside Plz	37,481	Renewal
Market Track	233 S Wacker Dr	33,271	New
The Private Bank	70 W Madison St	24,500	Renewal
WeWork	20 W Kinzie St	24,221	New
Yello	55 E Monroe St	24,000	New
Ocean Tomo	200 W Madison St	22,897	Renewal
Weiser Mazars	33 W Monroe St	22,696	New
Payline Data	225 W Wacker Dr	18,962	New
International Interior Design Association	111 E Wacker Dr	17,279	New
Mizuho Securities Co.	311 S Wacker St	17,187	Renewal

THIRD QUARTER SELECT SALE ACTIVITY

PROPERTY	SIZE (SF)	SALE PRICE	PSF	BUYER
330 N Wabash Ave	992,154	467,500,000	471	Beacon Capital Partners
435 N Michigan Ave	940,000	205,000,000	218	CIM Group JV Golub & Co
321 N Clark St	896,000	358,000,000	400	Diversified Real Estate Capital JV American Realty Advisors
1 N State St	523,389	79,750,000	152	Shorenstein
20 S Clark St	376,625	72,200,000	192	EXAN Capital JV Allegra European Holdings
770 N Halsted St	149,000	23,750,000	159	York Capital Management
1 E Erie St	128,000	46,800,000	366	DRA Advisors JV M&J Wilkow
330 S Wells St	118,088	12,812,180	108	Marc Realty


RIVER NORTH
NORTH MICHIGAN AVE
RIVER WEST
WEST LOOP
CENTRAL LOOP
EAST LOOP
SOUTH LOOP

CHICAGO OFFICE MARKET

THIRD QUARTER 2016

CBD Office Market Indicators

SUBMARKET	INVENTORY	UNDER CONSTRUCTION	Q3 NET ABSORPTION	YTD NET ABSORPTION	VACANCY SF		VACANCY RATES			AVERAGE RATE PSF
					DIRECT	SUBLEASE	DIRECT	SUBLEASE	OVERALL	
Class A	22,305,763	0	86,778	84,516	1,937,755	405,963	8.7%	1.8%	10.5%	$38.60
Class B	13,224,115	0	205,451	155,434	2,043,767	74,957	15.5%	0.6%	16.0%	$31.82
Class C	1,575,127	0	-2,119	44,030	124,851	17,776	7.9%	1.1%	9.1%	$26.37
Central Loop	**37,105,005**	**0**	**290,110**	**283,980**	**4,106,373**	**498,696**	**11.1%**	**1.3%**	**12.4%**	**$35.66**
Class A	16,631,127	0	245,310	444,144	2,084,152	53,621	12.5%	0.3%	12.9%	$35.24
Class B	6,174,821	0	-18,582	-114,652	846,888	29,361	13.7%	0.5%	14.2%	$29.40
Class C	3,962,000	0	-2,978	20,211	324,239	5,000	8.2%	0.1%	8.3%	$26.98
East Loop	**26,767,948**	**0**	**223,750**	**349,703**	**3,255,279**	**87,982**	**12.2%**	**0.3%**	**12.5%**	**$32.67**
Class A	7,330,453	0	100,035	104,592	996,768	76,096	13.6%	1.0%	14.6%	$39.47
Class B	3,606,787	0	-24,195	17,759	356,264	35,034	9.9%	1.0%	10.8%	$31.41
Class C	1,526,998	0	93,894	118,493	39,264	0	2.6%	0.0%	2.6%	$28.15
N. Michigan Ave	**12,464,238**	**0**	**169,734**	**240,844**	**1,392,296**	**111,130**	**11.2%**	**0.9%**	**12.1%**	**$35.75**
Class A	3,991,073	56,000	55,684	-27,580	215,577	0	5.4%	0.0%	5.4%	$47.12
Class B	11,162,274	0	-46,072	-15,611	847,865	83,028	7.6%	0.7%	8.3%	$30.62
Class C	2,458,159	0	22,902	43,425	118,830	15,532	4.8%	0.6%	5.5%	$28.01
River North	**17,611,506**	**56,000**	**32,514**	**234**	**1,182,272**	**98,560**	**6.7%**	**0.6%**	**7.3%**	**$33.99**
Class A	531,190	178,690	8,030	40,700	17,560	6,700	3.3%	1.3%	4.6%	$39.50
Class B	2,332,835	287,928	-53,633	-99,348	354,968	8,738	15.2%	0.4%	15.6%	$30.62
Class C	1,704,885	0	-3,142	-13,482	188,450	14,797	11.1%	0.9%	11.9%	$26.38
River West	**4,568,910**	**466,618**	**-48,745**	**-72,130**	**560,978**	**30,235**	**12.3%**	**0.7%**	**12.9%**	**$30.07**
				0						
Class B	743,908	0	-13,054	-10,121	169,428	2,588	22.8%	0.3%	23.1%	$24.75
Class C	1,066,339	0	17,680	14,249	31,184	0	2.9%	0.0%	2.9%	$22.12
South Loop	**1,810,247**	**0**	**4,626**	**4,128**	**200,612**	**2,588**	**11.1%**	**0.1%**	**11.2%**	**$23.20**
Class A	33,694,189	3,629,751	330,503	217,293	3,041,096	416,656	9.0%	1.2%	10.3%	$41.81
Class B	12,609,096	0	74,333	64,061	1,487,889	205,820	11.8%	1.6%	13.4%	$31.52
Class C	2,403,550	0	12,188	-12,886	235,582	3,456	9.8%	0.1%	9.9%	$25.26
West Loop	**48,706,835**	**3,629,751**	**417,024**	**268,468**	**4,764,567**	**625,932**	**9.8%**	**1.3%**	**11.1%**	**$38.33**
Class A	84,483,795	3,864,441	826,340	863,665	8,292,908	959,036	9.8%	1.1%	11.0%	$39.70
Class B	49,853,836	287,928	124,248	-2,478	6,107,069	439,526	12.2%	0.9%	13.1%	$30.98
Class C	14,697,058	0	138,425	214,040	1,062,400	56,561	7.2%	0.4%	7.6%	$26.50
DOWNTOWN	**149,034,689**	**4,152,369**	**1,089,013**	**1,075,227**	**15,462,377**	**1,455,123**	**10.4%**	**1.0%**	**11.4%**	**$35.48**

Suburban Market

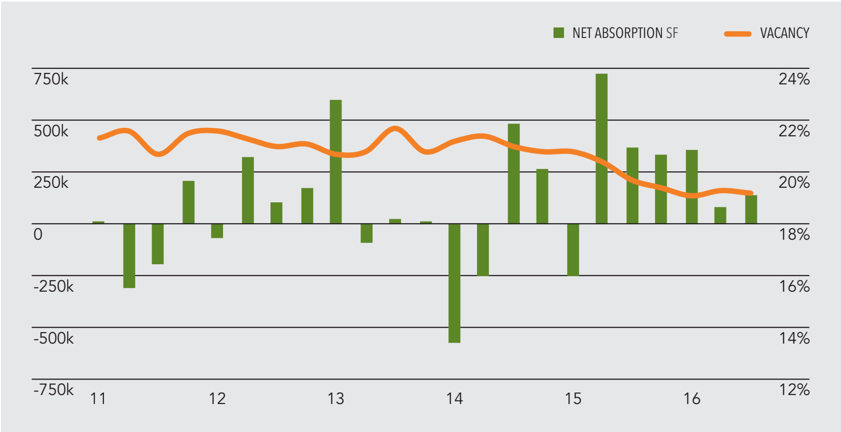
Slow and steady wins the race

Interest in suburban markets have increased yet fundamentals have not changed dramatically. Overall suburban vacancy rates decreased 10 basis points to an average of 19.2% in 3Q16. Net absorption, currently at 141,171 of positive absorption, with two thirds of suburban submarkets reporting positive absorption. Rental rates have increased from $22.35 to $23.00 PSF Gross. Well-located Class A and B properties have interest reviving.

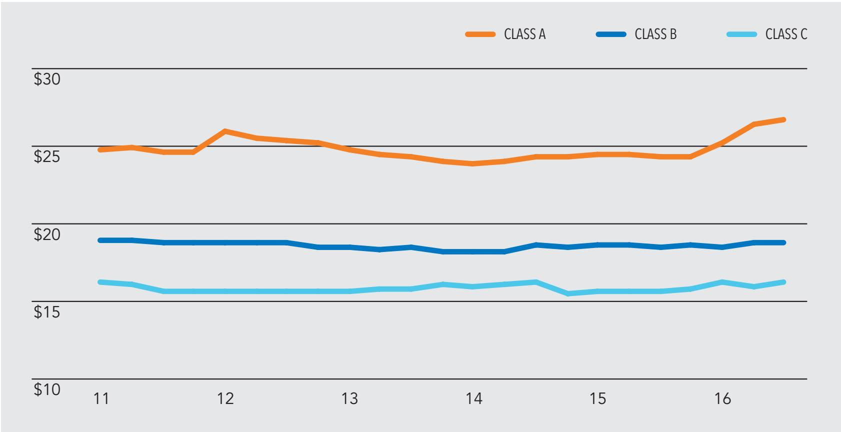
Large blocks of Class A office space is becoming scare in the thriving suburban areas in and around retail, suburban centers and areas where there is access to public transportation. Currently, in submarkets that have these qualities, namely Eastern East/West and Northwest, 12 Class A spaces 100,000 SF or greater are available, and one of those 12 will only accept a tenant of 325,000 SF or more. This may be a driver of increased rental rates in the coming months. Yet, speculative suburban office construction still does not have the market fundamentals supporting it. Only user-built constructions such as the new Zurich HQ in Schaumburg, is expected to be seen, if at all, in the suburbs.

In contrast, The Western East/West and Northwest have the highest vacancy 18.9% and 20.5%. Many major Class A buildings in these areas, such as 100 E Warrenville and 1500 McConnor Pky had major move out this quarter. These two submarkets in particular suffer due to its far proximity to Chicago CBD.

SUBURBAN NET ABSORPTION AND VACANCY



SUBURBAN AVERAGE ASKING RENTAL RATES



CHICAGO OFFICE MARKET

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A significant number of properties have changed hands in the suburbs this quarter. Most notable are the Class A 10-20 N Martingale (Woodfield Preserve) in Schaumburg, Mid America Plaza in Oakbrook Terrace and Commerce Plaza in Oak Brook. Both Commerce Plaza and Woodfield Preserve were purchased by Zeller Realty Corp. Mid America Plaza was purchased by Equus. The three properties were close to or over 90% leased. Woodfield Preserve was purchased for a significant discount to previous sale price.

THIRD QUARTER SELECT LEASE ACTIVITY

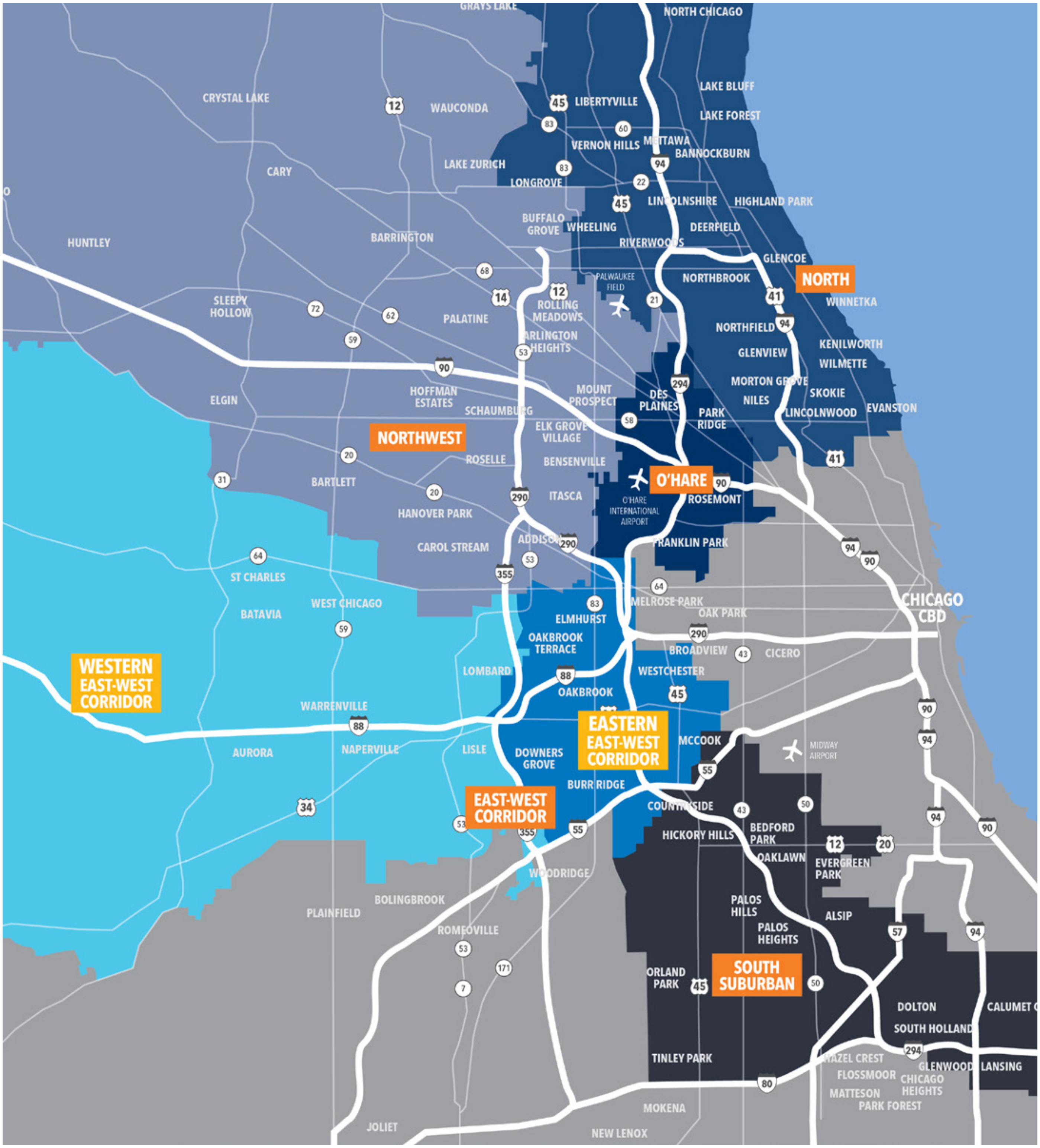
TENANT	PROPERTY	SIZE (SF)	TYPE
Acxiom Corporation	3333 Finley Rd	133,800	Renewal
Ulta Salon, Cosmetics & Fragrance	1000 Remington Blvd	88,010	Renewal
Wilton Brands	535 E Diehl Rd	86,111	New
Fresenius Medical Care	101 Waukegan Rd	45,000	New
Abercrombie & Kent USA	1411 Opus Pl	42,239	Renewal
Infogix	1240 E Diehl Rd	42,127	Renewal
Chipman Design Architecture	1350 E Touhy Ave	39,457	New
Robert Morris University	1507-1551 S Waukegan Rd	35,568	Renewal
PLZ Aeroscience	2651 Warrenville Rd	24,400	New
Corptax	2100 E Lake Cook Rd	23,265	New
Thomson Reuters	1111 W 22nd St	22,669	Renewal
Lauterbach & Amen LLP	668 N River Rd	21,018	New
Civiltech Engineering	2 Pierce Pl	20,439	New
Vail Systems	570 Lake Cook	16,477	Renewal
BDO USA	9500 W Bryn Mawr Ave	16,169	New
Life Quotes	8205 S Cass Ave	15,735	Renewal
Adreima	2651 Warrenville Rd	11,550	Renewal

THIRD QUARTER SELECT SALE ACTIVITY

PROPERTY	SIZE (SF)	SALE PRICE	PSF	BUYER
20 N Martingale, Schaumburg	647,375	$73,350,000	$113	Zeller Realty Corp
Commerce Plaza, Oak Brook	546,583	$124,150,000	$227	Zeller Realty Corp
1 Mid America Plaza, Villa Park	407,263	$78,000,000	$192	Equus Capital Partners
3 Overlook Point, Lincolnshire	283,000	$60,125,000	$212	GC Essential Asset REIT II
1901 N Roselle Rd, Schaumburg	205,654	Undisclosed	UD	Barings
3000 Lakeside Dr, Deerfield	202,218	$29,250,000	$145	Dougherty RE Equity Advisors
9801 W Higgins Rd, Des Plaines	155,649	$8,600,000	$55	Wintrust Financial
1900 Spring Rd, Oak Brook	100,303	$17,750,000	$177	Franklin Partners
852 Feehanville Dr, Mount Prospect	85,487			
1733 Park St, Naperville	32,934	$3,138,000	$95	Makk Investments LLC One

CHICAGO OFFICE MARKET

THIRD QUARTER 2016



CHICAGO OFFICE MARKET

THIRD QUARTER 2016

Suburban Office Market Indicators

SUBMARKET	INVENTORY	UNDER CONSTRUCTION	Q3 NET ABSORPTION	YTD NET ABSORPTION	VACANCY SF		VACANCY RATES			AVERAGE RATE PSF
					DIRECT	SUBLEASE	DIRECT	SUBLEASE	OVERALL	
Class A	13,444,163	0	-51,048	18,514	2,471,560	75,687	18.4%	0.6%	18.9%	$28.25
Class B	10,069,437	0	134,893	179,258	1,575,242	170,199	15.6%	1.7%	17.3%	$19.39
Class C	1,419,730	0	6,624	37,895	190,911	320	13.4%	0.0%	13.5%	$15.76
Eastern East West	**24,933,330**	**0**	**90,469**	**235,667**	**4,237,713**	**246,206**	**17.0%**	**1.0%**	**18.0%**	**$23.96**
Class A	9,730,546	0	-118,397	-106,636	1,900,599	156,728	19.5%	1.6%	21.1%	$26.36
Class B	8,318,285	22,144	40,341	178,305	1,093,146	401,527	13.1%	4.8%	18.0%	$19.59
Class C	1,571,355	0	-7,204	2,683	147,408	0	9.4%	0.0%	9.4%	$17.54
Western East West	**19,620,186**	**22,144**	**-85,260**	**74,352**	**3,141,153**	**558,255**	**16.0%**	**2.8%**	**18.9%**	**$22.78**
Class A	18,841,670	0	21,683	-116,418	3,928,164	167,579	20.8%	0.9%	21.7%	$27.68
Class B	9,673,268	0	65,288	-22,358	1,309,000	51,022	13.5%	0.5%	14.1%	$20.40
Class C	1,797,880	0	6,197	-25,187	234,175	5,118	13.0%	0.3%	13.3%	$17.18
North Suburban	**30,312,818**	**0**	**93,168**	**-163,963**	**5,471,339**	**223,719**	**18.0%**	**0.7%**	**18.8%**	**$24.73**
Class A	19,967,230	0	-20,651	335,929	3,609,376	195,240	18.1%	1.0%	19.1%	$24.05
Class B	12,522,443	0	-1,330	-29,089	2,911,892	51,574	23.3%	0.4%	23.7%	$17.18
Class C	1,826,453	0	-1,779	12,253	243,029	32,571	13.3%	1.8%	15.1%	$15.68
Northwest	**34,316,126**	**0**	**-23,760**	**319,093**	**6,764,297**	**279,385**	**19.7%**	**0.8%**	**20.5%**	**$21.10**
Class A	8,340,633	0	21,027	26,995	1,040,540	46,818	12.5%	0.6%	13.0%	$30.26
Class B	4,663,271	0	4,728	-12,894	1,271,843	4,426	27.3%	0.1%	27.4%	$18.66
Class C	739,676	0	473	4,079	338,926	0	45.8%	0.0%	45.8%	$14.68
O'Hare	**13,743,580**	**0**	**26,228**	**18,180**	**2,651,309**	**51,244**	**19.3%**	**0.4%**	**19.7%**	**$25.49**
Class A	1,101,030	0	1,425	40,838	270,897	9,247	24.6%	0.8%	25.4%	$21.08
Class B	4,756,389	0	22,160	22,467	857,806	3,454	18.0%	0.1%	18.1%	$17.21
Class C	1,549,645	0	16,741	31,271	242,546	0	15.7%	0.0%	15.7%	$15.47
South Suburban	**7,407,064**	**0**	**40,326**	**94,576**	**1,371,249**	**12,701**	**18.5%**	**0.2%**	**18.7%**	**$17.42**
Class A	71,425,272	0	-145,961	199,222	13,221,136	651,299	18.5%	0.9%	19.4%	$26.79
Class B	50,003,093	22,144	266,080	315,689	9,018,929	682,202	18.0%	1.4%	19.4%	$18.79
Class C	8,904,739	0	21,052	62,994	1,396,995	38,009	15.7%	0.4%	16.1%	$16.20
SUBURBAN	**130,333,104**	**22,144**	**141,171**	**577,905**	**23,637,060**	**1,371,510**	**18.1%**	**1.1%**	**19.2%**	**$23.00**

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METHODOLOGY

Inventory defined as existing Class A, B and C office properties, 20,000 square foot minimum rentable base area. Overall vacancy inclusive of direct and sublease space. Net absorption defined as the change in physical occupancy from one period to the next. Average asking rents are direct gross per square foot, per year and are overall averages are weighted against total inventory.

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