

# OAKLAND | CALIFORNIA RESEARCH & FORECAST REPORT



## Office Market Review

Modest leasing activity and low net absorption has not extinguished property owners' burning optimism about the future of the Oakland Metro market. Rental rates increased between 5 and 6 percent across all sub markets compared to year end 2013. We attribute this to optimistic property owners anticipating robust net absorption during the second half of the year. Tenant demand from San Francisco is the fuel that is feeding the fire. Despite the absence of a large user making the move east, tour activity is frenetic and it is only a matter of time before a big user lands in the inner east bay market.

Large blocks of space have been scarce in Downtown Oakland so it was no surprise that the Sears building at 1945 Broadway, captured the attention of capital partners throughout the country. The 380,000 square foot building situated on top of the 19th Street BART station in the heart of Oakland's burgeoning Uptown neighborhood sold for a reported \$25,000,000 in late June. Walton Street Capital executed the transaction within one week of seeing the opportunity and plans to re-tenant the retail portion of the building, and re-skin and retrofit the balance of the building with hopes of attracting that elusive technology tenant to downtown Oakland. The large floor plates, direct entry to BART, and rumored basement parking garage will surely appeal to the segment of larger users in the market. By contrast however, Emeryville boasts several projects capable of capturing a large technology user. Emeryville's challenge has been the lack of BART and that has impacted demand for space from San Francisco tenants.

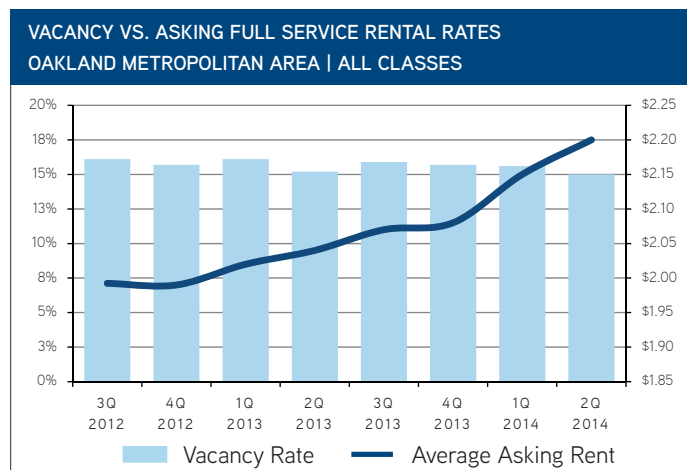
Development activity has accelerated this year in residential real estate as apartment rents continue to climb to unprecedented levels. As mentioned last quarter, the Brooklyn Basin project along the Oakland Estuary is currently in progress and will provide over 3,100 new mixed residential units. Emeryville and Berkeley have a number of projects under construction and Alameda is also entering the race for multi-family development with 9 developers responding to the City's RFP for the first phase of the 800 unit mixed use project at Alameda Point, a former naval base on the San Francisco Bay. Demand continues to outpace supply with no end in sight.

### MARKET INDICATORS

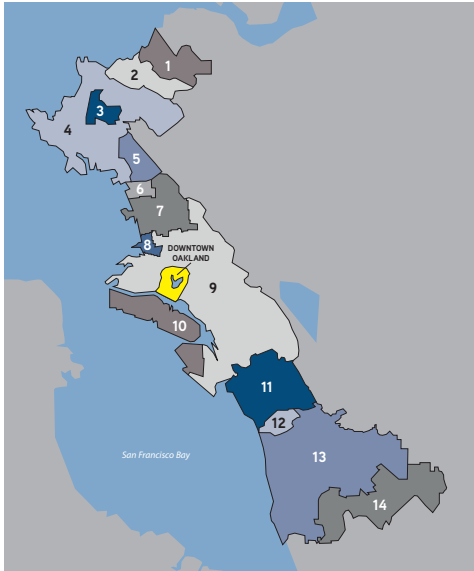
	Q2-14	Projected Q3-14
VACANCY RATE	↓	↓
RENTAL RATE	↑	↑
NET ABSORPTION	↑	↑
CONSTRUCTION	↔	↔

### SELECTED MARKET STATISTICS

- > Second quarter leasing activity is 451,119 square feet and 729,451 square feet year to date.
- > Vacancy this quarter was 15.0 percent compared to 15.6 percent last quarter
- > Net absorption is positive 202,972 square feet



Overall vacancy decreased in the second quarter of 2014 and rental rates edged up. We expect to see increased demand resulting in a further decrease in vacancy over the next two quarters.



**SUBMARKET MAP KEY**

- 1 Hercules
- 2 Pinole
- 3 San Pablo
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**DOWNTOWN OAKLAND**

The vacancy rate in Downtown Oakland has remained close to flat since the beginning of the year. While there was increased traction from tenants moving out of San Francisco in the first half of 2014, downtown Oakland has yet to benefit from strong spillover growth. The Class A market saw a trivial decrease in the vacancy rate from 9.7 percent to 9.8 percent with a number of full and multiple floor spaces coming online in the second quarter. Class B/C & Flex vacancy rates are presently 15.1 percent down from 15.7 percent in the last quarter. Vacancy is expected to continue a downward trend over the next six months as existing tenants secure their space and new tenants migrate to Downtown Oakland from surrounding submarkets and San Francisco.

Asking rates are beginning to rise in the Class A market. Class A rental rates are currently \$2.86 compared to \$2.84 FS psf/mo at the beginning of the year. The Class A City Center buildings are pushing asking rates upwards close to the \$3.30 mark and above due to low vacancy rates and increased demand. Most tenants who require larger Class A spaces in the CBD are moving toward Lake Merritt as a result of the limited availabilities in City Center, giving Landlords in Oakland the upper hand in lease negotiations. We expect asking rates and completed lease

rates to trend upward with fewer concessions given by Landlords over the next two quarters of 2014. Class B/C & Flex rates have edged up as well to \$2.06 in comparison to \$1.94 FS psf/mo at the beginning of the year. In order to combat rising rental rates, we have seen an increased trend in renewals and expansions since the beginning of the year as tenants are reviewing their space options early. We anticipate an in-migration of tenants from San Francisco and neighboring cities over the next couple quarters, provoking greater tenant competition and placing more upward pressure on rental rates, especially within Class A buildings.

Overall leasing activity for the year is approximately 240,353 square feet, 2.28 percent lower than mid-year leasing activity in 2013. Though leasing activities have been subdued this year, we do not see this as indicative of a long term trend and are hopeful that leasing activity will pick up as rates continue to increase and vacancy remains low.

Investment activity continued into 2014 with the sale of two iconic buildings. The 113,726 square foot, historic Class B/C Latham Square Building at 1611 Telegraph and the approximately 400,000 square foot Sears building sold for re-development.

**DOWNTOWN OAKLAND | LEASE AND SALES ACTIVITY**

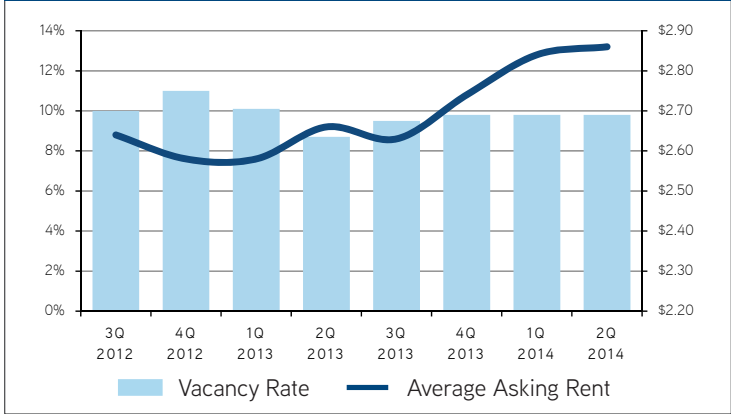
**LEASE ACTIVITY**

PROPERTY ADDRESS	LEASE DATE	SIZE	TENANT	TYPE
1500 Broadway, Oakland	May 2014	22,700	Visual Supply Company	Office
426 17th Street, Oakland	June 2014	14,707	Solar for Universal Need	Office
1901 Harrison Street, Oakland	June 2014	13,841	Regus	Office
1000 Broadway, Oakland	April 2014	11,775	Sterling Health Services	Office

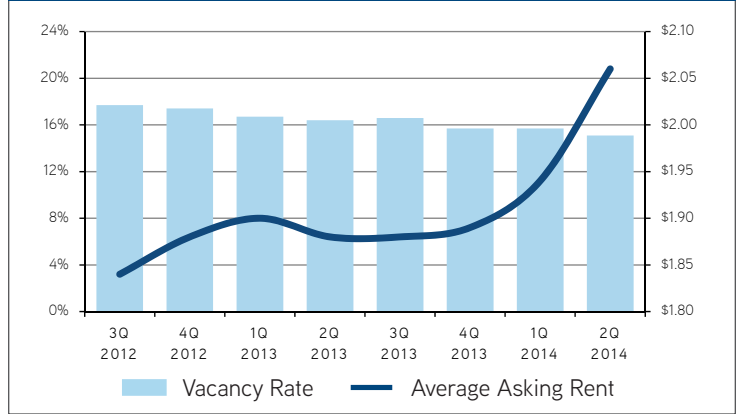
**SALES ACTIVITY**

PROPERTY ADDRESS	SALE DATE	SIZE	BUYER	TYPE
1600 Broadway, Oakland	April 2014	26,598	D'Andre, Peterson, Bobus & Rosenberg LLP	Office

**VACANCY VS. ASKING FULL SERVICE RENTAL RATES  
DOWNTOWN OAKLAND | CLASS A**



**VACANCY VS. ASKING FULL SERVICE RENTAL RATES  
DOWNTOWN OAKLAND | CLASS B/C**



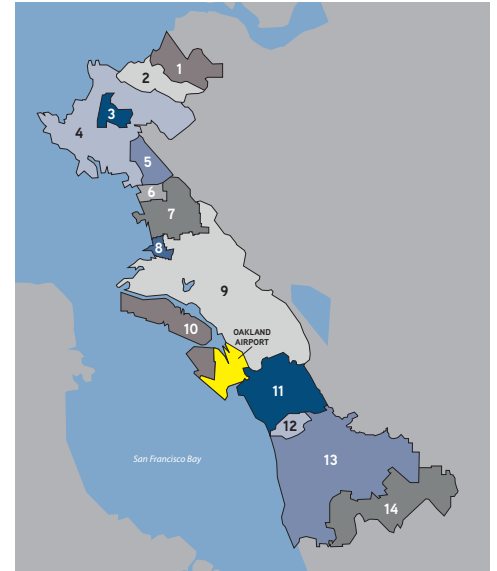
**OAKLAND AIRPORT**

Overall vacancy in the Oakland Airport has remained close to flat with only marginal changes since the beginning of the year. The submarket continues to have the highest vacancy at 31.8 percent overall in the Oakland Metropolitan office market. Class A vacancy is currently 52.1 percent, up from 51.3 percent and Class B/C & Flex vacancy is currently 25.9 percent compared to 25.7 percent at the beginning of the year.

Despite having double digit vacancy rates, asking rates have increased. Rates are presently \$1.47 FS psf/mo overall. Class A rates are \$1.85 FS psf/mo compared to \$1.62 at year end 2013, and Class B/C & Flex rates are \$1.36 FS psf/mo compared to \$1.35. The silver lining is that the submarket continues to offer the value-driven tenant the best rent in the Oakland Metropolitan area and the additional benefits of a business park environment, free parking and close proximity to retail, BART, I-880 and the Oakland Airport. Parking is free in the Airport office buildings with easy access to I-880 via the Hegenberger or 66th Street freeway ramps, and provides direct access to the Oakland Airport. The Airport business park also offers transportation. It is serviced by the Coliseum BART station and a shuttle bus is provided by office building owners or AC Transit. The Airport connector from BART will be completed in the next year, making the Airport business park directly accessible on the BART line.

The Airport office buildings offer space for as little as \$1.00 FS psf/mo with most spaces in the \$1.25 to \$1.75 range. The product type is varied from single story to high rise. Arena Center, a newer three building complex fronting on I-880, offers nearly 200,000 square feet of Class A office space, one of the largest concentrations of space in the metro market and ideal for a campus style user who is looking for a cost effective space and looking for a cheaper alternative to downtown Oakland and San Francisco.

The Oakland Airport submarket experienced positive 34,525 square feet of absorption in the first half of 2014 with negative 7,105 square feet of absorption in the second quarter. There have been slight gains in the past six months and we expect to see more leasing activity as more favorable conditions in transportation and development arise. New developments include housing projects under construction in close proximity, just to the North of the business park on I-880, in the exciting Brooklyn Basin project being built on the Oakland Estuary. The Brooklyn Basin will bring approximately 3,100 new mixed residential units, along with new commercial and retail space. Further retail and housing is planned in and around the Coliseum in Coliseum City. The City and County are very close to extending the Coliseum lease with the Oakland Athletics which all parties hope will provide additional impetus for making Coliseum City a reality.



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**OAKLAND AIRPORT | LEASE AND SALES ACTIVITY**

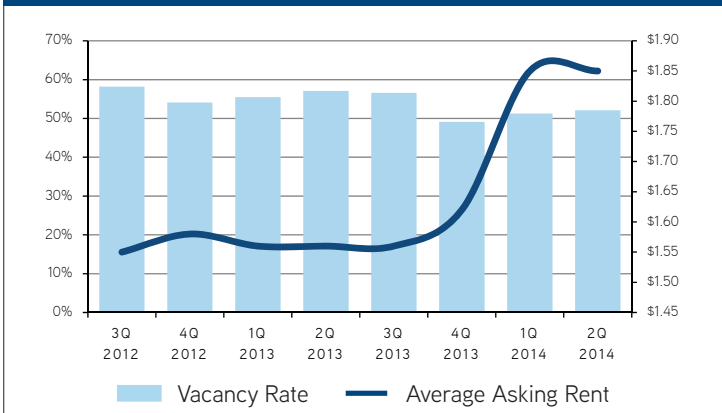
**LEASE ACTIVITY**

PROPERTY ADDRESS	LEASE DATE	SIZE	TENANT	TYPE
333 Hegenberger Road, Oakland	June 2014	5,935	American Lung Association	Office

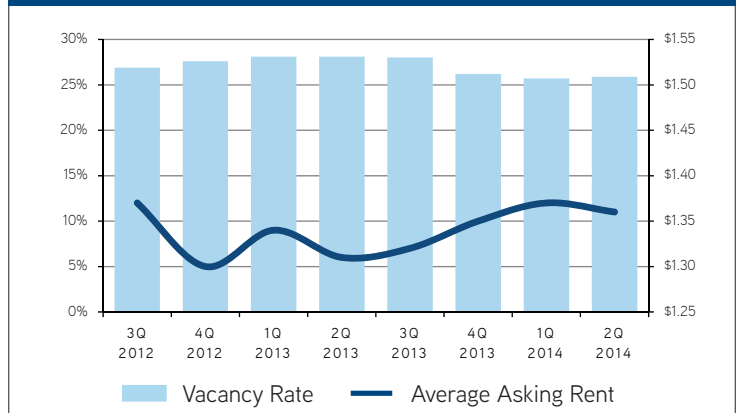
**SALES ACTIVITY**

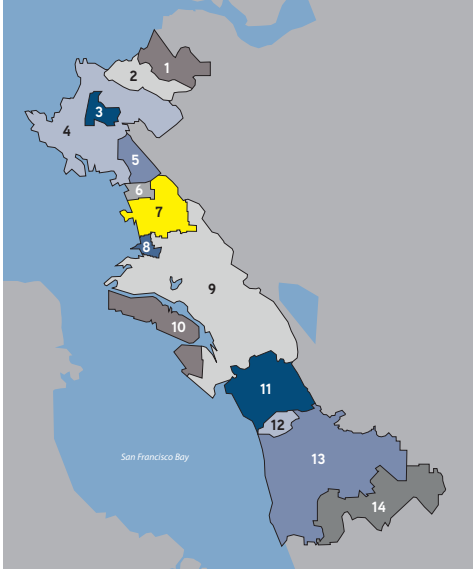
PROPERTY ADDRESS	SALE DATE	SIZE	BUYER	TYPE
300 Pendleton Way, Oakland	April 2014	36,360	Timothy Chen	Office

**VACANCY VS. ASKING FULL SERVICE RENTAL RATES  
OAKLAND AIRPORT | CLASS A**



**VACANCY VS. ASKING FULL SERVICE RENTAL RATES  
OAKLAND AIRPORT | CLASS B/C**





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**BERKELEY**

Overall vacancy in the Downtown Berkeley market has slightly increased to 6.3 percent compared to 5.3 percent at the start of 2014. Class A vacancy is the lowest in the overall market at 4.0 percent, up from 3.6 percent at the beginning of the year. Class B/C vacancy is presently 7.9 percent, up from 6.4 percent. Vacancy in West Berkeley has increased to 11.9 percent from 10.9 percent with an overall negative net absorption of 82,320 square feet year to date as a result of the completion of the Marchant Building earlier this year. The Marchant Building brings 395,930 square feet of mixed use space to the market in West Berkeley, 62,621 of which has been added to the Class B/C/flex office market in West Berkeley.

Touring activity remains high in Berkeley, however leases are slow to be completed. Tenants in Berkeley largely consist of small technology startups or new ventures looking for one to two year lease agreement. The largest lease of the quarter in Berkeley was TCHO Ventures' 40,601 square foot lease of an office/flex and light industrial mixed space at The Marchant Building in the West Berkeley submarket. Followed by two leases signed at the Saul Zentz Media Center in downtown Berkeley, where Avid leased 10,000 square feet and Moodcast took 7,000. Other heavily toured buildings of investor interest are 2120 University, an approximately 50,000 square foot, in-progress retrofit by Ten Capital Management and 1625 Shattuck, a Class C 30,000 square foot building in Downtown Berkeley.

There has been significant asking rental rate growth in Berkeley in the first half of the year due to landlord optimism and low overall vacancy rates. Downtown Berkeley asking rents are presently \$2.47 overall, up from \$2.44 FS per/mo at the outset of the year and are consistent with the neighboring markets of Downtown Oakland and Emeryville. West Berkeley rates are presently \$2.05, up from \$1.99 FS psf/mo. There is a demand for more Class A and quality Class B spaces as the spillover from the booming technology industries and other sectors continue driving tenants into the East Bay Market and rents continue to increase in neighboring cities. We expect to see rents increase at approximately the same rate over the next six months as vacancy remains low and the overall economy and activity continue to improve.

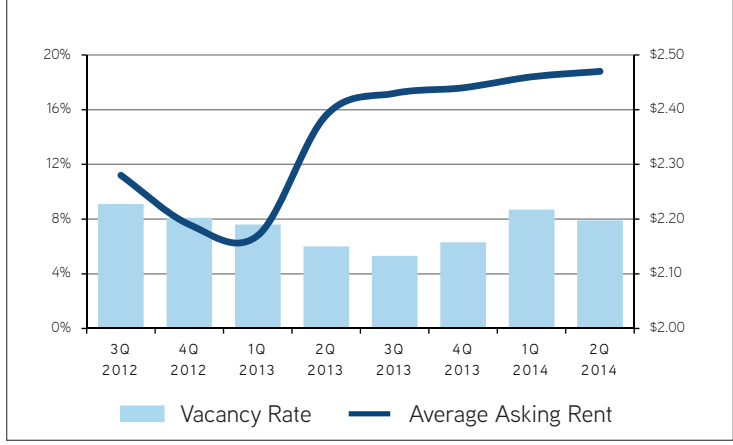
The multifamily market continues its growth in Berkeley and continues to impact potential new development of office inventory as apartment, land, entitled land and existing product sales surge and determined developers and investors look for full sites and re-developable buildings for sale. Approximately one thousand apartment units are scheduled to come online in the next few years. Approved projects include: 78 units at 2024 Durant, 186 units at 2600 Shattuck, 84 units at 2201 Dwight, 205 units at 2133 University, 99 units at 2107 Dwight, and the nearly completed 651 Addison by Avalon Bay in West Berkeley. The retail market is beginning to thrive as new local, fresh food concepts are successfully introduced to the market.

**BERKELEY | LEASE AND SALES ACTIVITY**

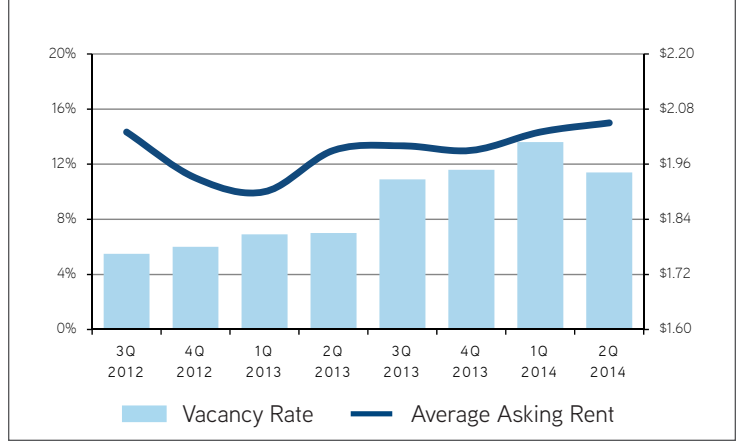
**LEASE ACTIVITY**

PROPERTY ADDRESS	LEASE DATE	SIZE	TENANT	TYPE
2600 10th Street, Berkeley	June 2014	10,000	Avid	Office
2600 10th Street, Berkeley	June 2014	7,000	Moodcast Inc	Office

**VACANCY VS. ASKING FULL SERVICE RENTAL RATES  
DOWNTOWN BERKELEY | ALL CLASSES**



**VACANCY VS. ASKING FULL SERVICE RENTAL RATES  
WEST BERKELEY | ALL CLASSES**



**EMERYVILLE**

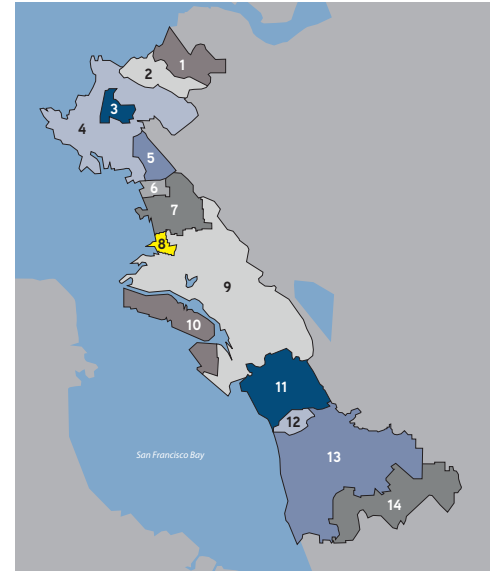
The Emeryville office market saw a minimal positive absorption in the second quarter of 2014, with moderate leasing activity. Despite average levels of leasing activity, year to date absorption remains negative with the addition of large, new available space put out to market earlier this year. Primarily composed of Class A office space at 2000 and 2100 Powell Street and approximately 42,000 square feet of Class B/C/flex space at the EmeryTech Centre. We expect a trickle of major tenant relocation and expansions in the Oakland Metro market will result in positive net absorption in the coming quarters of 2014.

Vacancy is presently 20.4 percent overall compared to 21.0 percent last quarter and 18.2 percent at the beginning of the year. Class A vacancy is presently 23.0 percent compared to 19.9 percent at the beginning of the year, and Class B/C & Flex vacancy is 16.2 percent compared to 15.7 percent. We anticipate vacancy will continue its quarter over quarter decline as demand persists and further in-migration from San Francisco is anticipated throughout 2014.

Asking rental rates in the Emeryville market are up since the beginning of the year to \$2.58 from \$2.45 FS psf/mo. Class A rates steady at \$2.68, consistent with growth in the competing

Downtown Oakland submarket. Rates in Class B/C & Flex product are presently \$2.37, up from \$1.96 FS psf/mo at the beginning of the year. Rates are expected to trend upward over the next few months as we see more of a demand from tenants looking to expand or relocate from San Francisco and neighboring cities to Emeryville. Renewals and expansions have been consistent this year and Landlords are holding firm on rental rates, capitalizing on the growth of the competing Downtown Oakland submarket.

Touring activity has been heavy in the Emeryville market, however, year-to-date leasing activity is nearly 100,000 square feet less than second quarter 2013, presently just under 140,000 square feet. The Hollis Business Center saw the bulk of absorption this quarter, with two larger blocks of space leased. Lawrence Berkeley National Laboratory renewed and expanded into 30,770 square feet of office/flex at 6401 Hollis and NMI Epic Care signed a new lease on 20,276 square feet at 1480 64th. We also anticipate an increase in leasing to come as a result of expansions by UCSF and other large users gained in 2013. Overall leasing activity is expected to pick up over latter half of the year, and we expect to realize net absorption of space in Emeryville for the remainder of 2014.



**SUBMARKET MAP KEY**

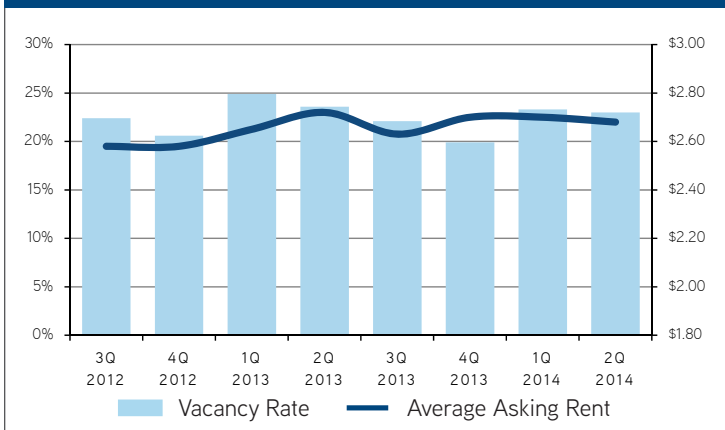
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|---|------------|----|-------------|
| 1 | Hercules   | 8  | Emeryville  |
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**EMERYVILLE | LEASE AND SALES ACTIVITY**

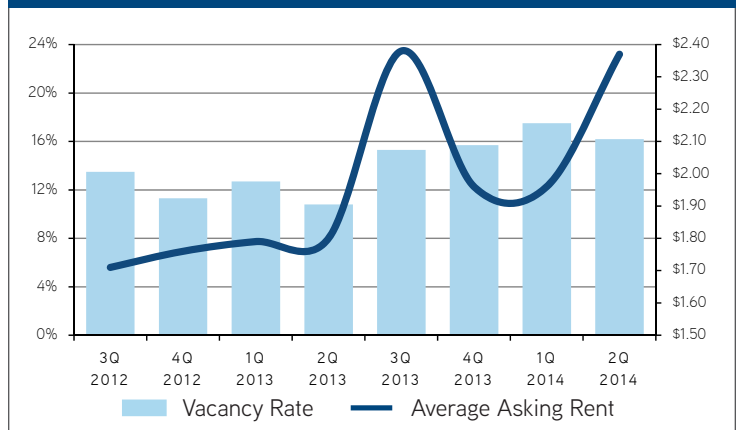
**LEASE ACTIVITY**

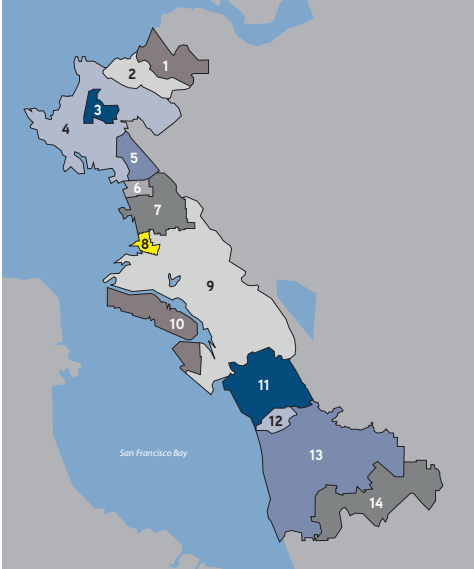
PROPERTY ADDRESS	LEASE DATE	SIZE	TENANT	TYPE
6401 Hollis Street, Emeryville	May 2014	30,770	Lawrence Berkeley National Lab	Office/Flex
1480 64th Street, Emeryville	June 2014	20,276	Epic Care	Office

**VACANCY VS. ASKING FULL SERVICE RENTAL RATES  
EMERYVILLE | CLASS A**



**VACANCY VS. ASKING FULL SERVICE RENTAL RATES  
EMERYVILLE | CLASS B/C**





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**ALAMEDA**

The Alameda office market ended the first half of 2014 with a vacancy rate of 30.4 percent, compared to 33.5 percent at the end of 2013, a notable decline as Alameda has evolved into a burgeoning hub for new development. Vacancy in the Marina Village submarket is presently 33.0 percent, down 6.5 percent and vacancy in the Harbor Bay submarket is presently 27.8 percent, down 12 percent since 2013. Alameda continues to have the second highest vacancy rate in the Oakland Metro Market with over half of this vacancy is composed of blocks of spaces ranging from 18,000-40,000 square feet. Harbor Bay business park with 7 spaces and Marina Village with 11 spaces 18,000 square feet or larger. As larger blocks of space become harder to find in the CBD, Alameda will be a viable alternative for lab, tech, and other office users. Lab space in Alameda encompasses over 10 percent of all available space. We expect to see a gradual decrease in vacancy rates until activity picks up and these large blocks of space are leased.

Asking rental rates in Alameda have risen since the beginning of the year due to optimism in the overall economy. Rates are currently \$2.01 in the Marina Village submarket compared to \$1.79 FS psf/mo six months ago and \$1.84 in the Harbor Bay submarket compared to \$1.80 FS psf/mo. We expect rates to remain flat through the end of the year. Asking rents were stable from the first quarter to the second quarter of 2014 and the overall market has shown positive absorption year to date. Year to date 2014 net absorption is positive 104,643 square feet.

Leasing activity has been moderate over the past six months and is expected to accelerate as new development and renovations create more favorable conditions within the submarket this year.

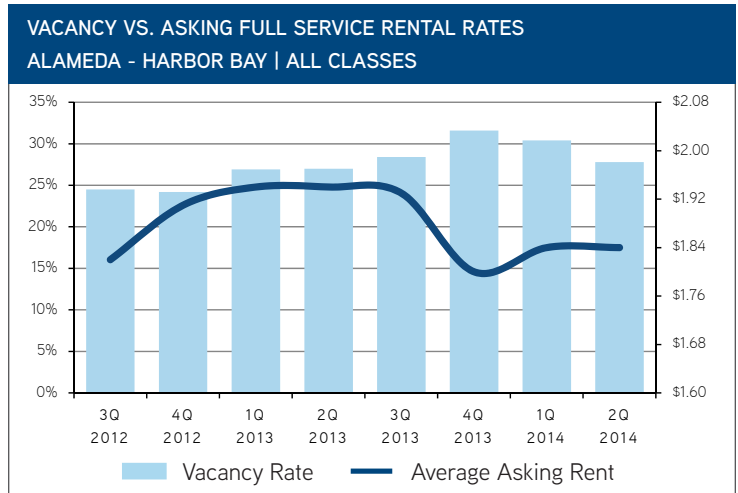
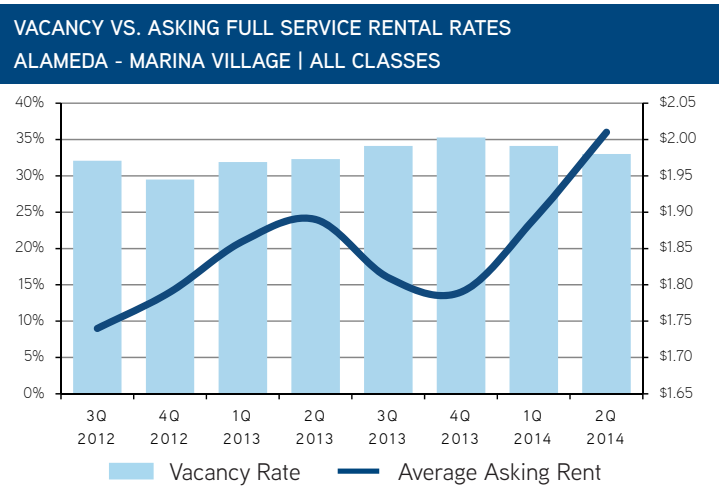
The largest lease in Alameda this year was Singulex Inc's 52,000 square foot lease at 1751 Harbor Bay Parkway. Most of the renewals and new deals executed this quarter were local tenants from nearby cities. Alameda remains the best submarket for single story flex and midrise suburban buildings in business parks locations within the Oakland Metro Market, poised to take advantage of those tenants who do not wish to be in a downtown urban setting. In the future Alameda should benefit from larger tenants migrating from San Francisco and from growing tech firms in downtown Oakland, Emeryville or Berkeley as rents in those cities continue to rise.

Brookfield Partners took over the entire Marina Village campus, over 1 million square feet of office, lab, and R&D space on Alameda's waterfront, with plans to continue improvements. There has also been a wide variety of new housing stock is planned in solid neighborhoods with close proximity to retail centers. Developers are competing to develop the next 800 unit mixed-use project at Alameda Pointe, the former naval base on San Francisco Bay and Tim Lewis Communities is overhauling the former Del Monte warehouse in Alameda into 309 apartments and 19,000 square feet of retail, scheduled to break ground in mid 2015.

**ALAMEDA | LEASE AND SALES ACTIVITY**

**LEASE ACTIVITY**

PROPERTY ADDRESS	LEASE DATE	SIZE	TENANT	TYPE
1751 Harbor Way Parkway, Alameda	June 2014	52,000	Singulex Inc	Office/Flex





MARKET COMPARISONS

OFFICE MARKET

CLASS	BLDGS	TOTAL INVENTORY SF	DIRECT VACANT SF	DIRECT VACANCY RATE	SUBLEASE VACANT SF	SUBLEASE VACANCY RATE	TOTAL VACANT SF	VACANCY RATE CURRENT QUARTER	VACANCY RATE PRIOR QUARTER	NET ABSORPTION CURRENT QTR SF	NET ABSORPTION YTD SF	COMPLETED CURRENT QTR SF	UNDER CONSTRUCTION SF	AVG ASKING FULL SERVICE
CBD SECTION														
OAKLAND - DOWNTOWN														
A	30	10,206,445	888,611	8.7%	115,387	1.1%	1,003,998	9.8%	9.8%	1,124	(42,214)	-	-	\$2.86
B/C & Flex	114	5,407,729	802,233	14.8%	13,813	0.3%	816,046	15.1%	15.7%	35,397	34,183	-	-	\$2.06
Total	144	15,614,174	1,690,844	10.8%	129,200	0.8%	1,820,044	11.7%	11.9%	36,521	(8,031)	-	-	\$2.50
OAKLAND - JACK LONDON SQUARE														
A	4	355,600	14,215	4.0%	-	0.0%	14,215	4.0%	4.8%	3,009	4,649	-	-	\$2.35
B/C & Flex	41	1,285,539	101,423	7.9%	-	0.0%	101,423	7.9%	8.5%	8,144	62,170	-	-	\$1.82
Total	45	1,641,139	115,638	7.0%	-	0.0%	115,638	7.0%	7.7%	11,153	66,819	-	-	\$1.88
CBD TOTAL														
A	34	10,562,045	902,826	8.5%	115,387	1.1%	1,018,213	9.6%	9.7%	4,133	(37,565)	-	-	\$2.85
B/C & Flex	155	6,693,268	903,656	13.5%	13,813	0.2%	917,469	13.7%	14.4%	43,541	96,353	-	-	\$2.03
Total	189	17,255,313	1,806,482	10.5%	129,200	0.7%	1,935,682	11.2%	12.7%	47,674	58,788	-	-	\$2.46
SUBURBAN SECTION														
RICHMOND														
A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B/C & Flex	98	3,480,353	251,621	7.2%	-	0.0%	251,621	7.2%	7.9%	22,821	72,138	-	-	\$1.50
Total	98	3,480,353	251,621	7.2%	-	0.0%	251,621	7.2%	7.9%	22,821	72,138	-	-	\$1.50
BERKELEY - DOWNTOWN														
A	9	558,882	10,593	1.9%	9,662	1.7%	20,255	3.6%	4.0%	2,110	106	-	-	\$2.65
B/C & Flex	28	974,473	101,173	10.4%	-	0.0%	101,173	10.4%	11.4%	10,168	(24,675)	-	-	\$2.43
Total	37	1,533,355	111,766	7.3%	9,662	0.6%	121,428	7.9%	8.7%	12,278	(24,569)	-	-	\$2.47
BERKELEY - WEST														
A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B/C & Flex	41	1,517,619	172,675	11.4%	-	0.0%	172,675	11.4%	13.6%	34,315	59,090	-	-	\$2.05
Total	41	1,517,619	172,675	11.4%	-	0.0%	172,675	11.4%	13.6%	34,315	59,090	-	-	\$2.05
EMERYVILLE														
A	15	2,668,348	450,637	16.9%	162,899	6.1%	613,536	23.0%	23.3%	7,995	(82,964)	-	-	\$2.68
B/C & Flex	44	1,683,088	248,688	14.8%	24,087	1.4%	272,775	16.2%	17.5%	21,373	(9,264)	-	-	\$2.37
Total	59	4,351,436	699,325	16.1%	186,986	4.3%	886,311	20.4%	21.0%	29,368	(92,228)	-	-	\$2.58
ALAMEDA - MARINA VILLAGE														
A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B/C & Flex	55	1,671,320	503,580	30.1%	47,560	2.8%	551,140	33.0%	34.1%	18,923	39,554	-	-	\$2.01
Total	55	1,671,320	503,580	30.1%	47,560	2.8%	551,140	33.0%	34.1%	18,923	39,554	-	-	\$2.01
ALAMEDA - HARBOR BAY														
A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B/C & Flex	28	1,684,784	447,509	26.6%	20,598	1.2%	468,107	27.8%	30.4%	44,698	65,089	-	-	\$1.84
Total	28	1,684,784	447,509	26.6%	20,598	1.2%	468,107	27.8%	30.4%	44,698	65,089	-	-	\$1.84
OAKLAND AIRPORT														
A	2	455,697	237,511	52.1%	-	0.0%	237,511	52.1%	51.3%	(3,644)	78,050	-	-	\$1.85
B/C & Flex	34	1,576,808	408,093	25.9%	-	0.0%	408,093	25.9%	25.7%	(3,461)	(43,525)	-	-	\$1.36
Total	36	2,032,505	645,604	31.8%	-	0.0%	645,604	31.8%	31.4%	(7,105)	34,525	-	-	\$1.54
SUBURBAN TOTAL														
A	26	3,682,927	698,741	19.0%	172,561	4.7%	871,302	23.7%	23.8%	6,461	(4,808)	-	-	\$2.45
B/C & Flex	328	12,588,445	2,133,339	16.9%	92,245	0.7%	2,225,584	17.7%	18.9%	148,837	158,407	-	-	\$1.86
Total	354	16,271,372	2,832,080	17.4%	264,806	1.6%	3,096,886	19.0%	20.0%	155,298	153,599	-	-	\$2.03

MARKET TOTAL

A	60	14,244,972	1,601,567	11.2%	287,948	2.0%	1,889,515	13.3%	13.3%	10,594	(42,373)	-	-	\$2.67
B/C & Flex	483	19,281,713	3,036,995	15.8%	106,058	0.6%	3,143,053	16.3%	17.3%	192,378	254,760	-	-	\$1.91
TOTAL	543	33,526,685	4,638,562	13.8%	394,006	1.2%	5,032,568	15.0%	15.6%	202,972	212,387	-	-	\$2.20

QUARTERLY COMPARISON AND TOTALS

Q2-14	543	33,526,685	4,638,562	13.8%	394,006	1.2%	5,032,568	15.0%	15.6%	202,972	212,387	-	-	\$2.20
Q1-14	543	33,526,685	4,903,011	14.6%	332,529	1.0%	5,235,540	15.6%	15.7%	9,415	9,415	62,621	-	\$2.15
Q4-13	540	33,056,664	4,789,579	14.5%	392,755	1.2%	5,182,334	15.7%	15.9%	73,854	(25,022)	-	-	\$2.07
Q3-13	540	33,056,664	4,768,204	14.4%	487,984	1.5%	5,256,188	15.9%	15.2%	(240,817)	(98,876)	-	-	\$2.07
Q2-13	540	33,056,664	4,583,165	13.9%	432,206	1.3%	5,015,371	15.2%	16.1%	297,015	141,941	-	-	\$2.04
Q1-13	540	33,056,664	4,781,981	14.5%	477,108	1.4%	5,259,089	16.1%	15.7%	(133,883)	(133,883)	-	-	\$2.02
Q4-12	540	33,056,664	4,689,414	14.2%	489,089	1.5%	5,178,503	15.7%	16.1%	138,690	(60,392)	-	-	\$1.99

# GLOSSARY

## INDUSTRIAL DEFINITIONS

Incubator:	Multi-tenant buildings without dock-high loading doors that have a parking ratio lower than 3.5/1,000 square feet and bay sizes lower than 3,500 square feet.
Light Distribution:	Multi- or single-tenant buildings that include dock-high loading doors and have bay sizes of less than 15,000 square feet.
Light Industrial:	Multi- or single-tenant buildings without dock-high loading doors that have a parking ratio lower than 3.5/1,000 square feet and, in the case of multi-tenant buildings, bay sizes of at least 3,500 square feet.
Flex:	Multi- or single-tenant buildings without dock-high loading doors with parking ratios in excess of 3.5/1,000 square feet.
Warehouse/Distribution:	Multi- or single-tenant buildings that include dock-high loading doors and have bay sizes of at least 15,000 square feet.

## GENERAL DEFINITIONS

Vacant SF:	Space in a building that is unoccupied and offered for lease by the owner of the property.
Sublease SF:	Space in a building that is offered for sublease by the primary tenant. This space may or may not be occupied.
Net Absorption:	Difference in occupied square footage from one period to another.

485 offices in  
63 countries on  
6 continents

United States: 146  
Canada: 44  
Latin America: 25  
Asia Pacific: 186  
EMEA: 84

- > \$2.1 billion in annual revenue
- > 1.46 billion\* square feet under management
- > Over 15,800 professionals

\*Square footage includes office, industrial, and retail property under management. Residential property is excluded from this total. All statistics are for 2013.

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