

2020
JANUARY

MARKET REPORT

WEST U.S. 192
COMMUNITY
REDEVELOPMENT
DISTRICT

OSCEOLA COUNTY,
FLORIDA



WEST 192 DISTRICT MARKET REPORT

JANUARY 2020

The GAI Community Solutions Group's (CSG) Economics + Strategy practice provides public, private, and institutional clients with the tools they need to better understand market, financial, and economic context, while developing approaches to realize opportunity.

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About this Market

West U.S. 192 Community Redevelopment District Overview

The West U.S. 192 Community Redevelopment District (“West 192 District”, “W192” or “W192 District”) was established under the W192 Development Authority, which is a single management agency responsible to oversee all of the programs and projects related to planning, coordinating, implementing and managing the redevelopment and revitalization of the W192 tourism district. The Development Authority plans, designs, operates, and maintains programs and projects that enhance the functioning and aesthetics of the District. The Community Redevelopment District was created to help revitalize and restore the U.S. 192 Corridor that runs between the City of Kissimmee on the east to the Osceola/ Polk County line on the west. The corridor is known to provide entertainment, shopping, dining and lodging for visitors in the area.

West 192 Redevelopment Plan

The CRA and subsequent Tax Increment Financing (TIF) were created to help support the West 192 Redevelopment

Plan, adopted in April 2014. The plan outlines new initiatives consistent with the W192 Development Authority’s efforts to redevelop, improve, and sustain this area, which has long been associated with the region’s tourist and hospitality industries. The main objectives of the plan include:

- Identifying programs and projects that can enhance the area’s appeal to the leisure tourism market and attract new investments;
- Creating a vision supporting activities that have been selected and developed through a public process;
- Identifying actions that best strengthen the corridor’s economic position; and
- Ensuring future investments are targeted towards and address the problems and strategies identified by the West 192 Economic Advisory Committee.

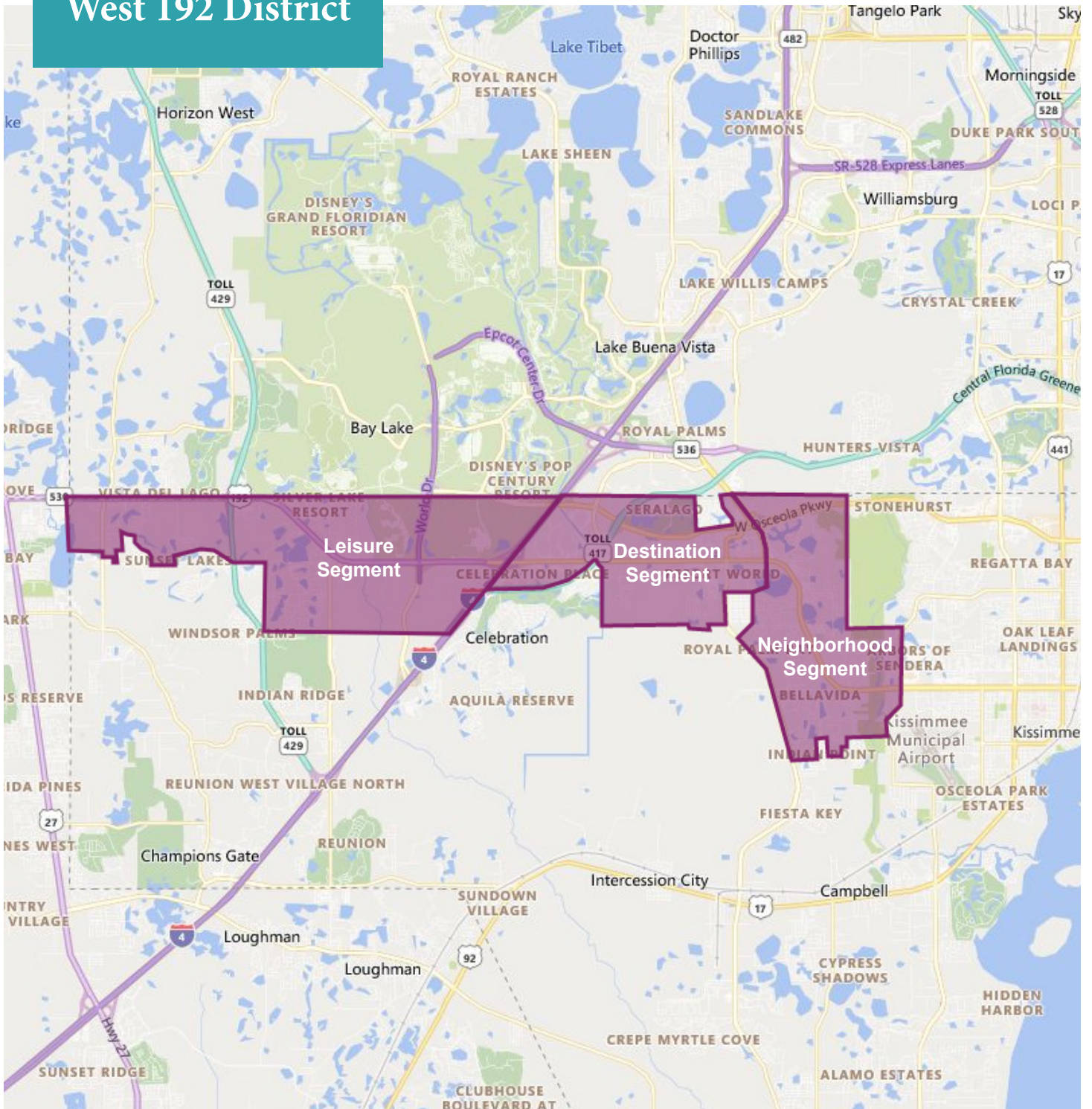
Current Performance

The West 192 District is made up of mostly single family residential homes, with small pockets of multi-family residential and commercial businesses. Residential accounts for about 66.8% of the total building area within the District, whereas non-residential and institutional properties comprise

approximately 30.8% and 0.48%, respectively. Currently, the overall District is performing with an average market value per acre of approximately \$917,140, and an average taxable value of \$858,010. Additionally, the average FAR is roughly 0.245 for all property types within the District.

	Building Area (000s Sq. Ft.)	FAR	Market Value / Acre (000s)	Taxable Value / Acre (000s)
Residential				
Single Family	16,953	0.400	\$2,012	\$1,956
Multi-Family	2,433	0.394	\$1,754	\$1,648
Non-Residential	8,957	0.099	\$388.4	\$385.6
Vacant	-	-	\$200.1	\$200.0
Institutional	138	0.085	\$231.3	\$100.2

West 192 District



Note: Segments are based on 2014 adopted redevelopment plan.

Economic Outlook

U.S. Economic Outlook January 2020

The current U.S. economy ranks as the longest expansion since 1945. The current expansionary phase of this business cycle started in July 2009, following the longest U.S. recessionary period (“Great Recession”) that lasted 18 months between January 2008 and June 2009. The prior business cycle started with the economy reaching a peak in March 2001 followed by a brief recessionary period of 8 months ending in November 2001. The subsequent economic expansion lasted 73 months, ending in December 2007, marking the beginning of the current business cycle.

The bottom-line on the performance of this economy is that it has been expanding, growing, moving forward for more than 120 months. As positive as this fact is, the prudent focus recently appears to be “when will it end?” Why? Mainly because the longer any system runs, the greater the chance of an imbalance, seen or unseen, creating an undesirable outcome (e.g. recession). The Great Recession is a perfect example – housing construction began contracting in late-2005, but growth

in gross domestic product (“GDP”) remained strong until the imbalances involving housing financing ultimately created the crisis that stalled the entire economy. So, while the baseline outlook presented below indicates that the U.S. economy will keep growing in the short-term, it is important to note the probability of recession has increased to 30%, from pressures both internal and external to the U.S. economy.

Most indicators suggest that the economy remained relatively healthy through the end of 2019. The GDP growth rate is expected to remain in an ideal range between 2% to 3%, the level of unemployment is expected to remain at or near a natural rate (below 4%), there isn’t too much inflation (or deflation), and the Federal Reserve has continued easing of interest rates. Consumer spending, still accounting for two-thirds of U.S. economic output, has been providing the impetus for steady growth over the past several years and if job growth holds up for the rest of the year, this spending is expected to continue.

% Year-Over-Year Change, Unless Noted Otherwise	History				Est	Forecast	
	2015	2016	2017	2018	2019	2020	2021
Real Gross Domestic Product	2.9	1.6	2.4	2.9	2.5	1.7	1.9
Real Disposable Personal Income	4.1	1.8	2.9	4.0	2.6	1.8	2.1
Federal Deficit Share of GDP (%)	(2.4)	(3.1)	(3.4)	(3.8)	(4.2)	(4.7)	(5.2)
Consumer Price Index	0.1	1.3	2.1	2.4	2.0	1.9	1.8
Employment Cost Index	2.0	2.2	2.6	2.9	2.8	2.1	2.3
Average Monthly Employment Change (000s)	227	193	179	223	180	100	45
Unemployment rate (%)	5.3	4.9	4.4	3.9	3.7	3.9	3.9
Employment-to-Population (%)	59.3	59.7	60.1	60.4	60.8	61.0	60.7
Housing Starts (000s)	1,107	1,177	1,209	1,250	1,230	1,000	1,100
30-Year Fixed Mortgage Interest Rate (%)	3.85	3.65	3.99	4.54	4.00	4.25	4.50
Federal Funds Rate (%)	0.13	0.40	1.00	1.83	2.24	2.10	2.15
10-year Treasury Note Yield (%)	2.14	1.84	2.33	2.91	3.10	3.15	3.50

Sources: Secondary Research; GAI Consultants

Looking into 2020

Looking into 2020, the U.S. economy is expected to experience subdued economic growth below 2%. A few of the factors representing a drag on U.S. economic growth in 2020 include the impacts of the continuing trade war and tariffs, the effect of interest rate increases in 2019, expected constraints on fiscal spending and stimulus starting in 2020, and recent events in the Middle East arising from tensions between the U.S. and Iran. Albeit less than desired by the current administration, any growth in U.S. economic output in 2020 could be a best-case scenario.

Projecting the future of the U.S. economy today is frankly challenging. So far, the lack of any substantial increases in inflation rates at this stage of economic expansion has allowed the Federal

Reserve to more quickly to pull back on interest rate tightening. However, contributing to relatively modest growth in prices has been a lack of wage rate growth that is generally expected with a tight labor market. From an economic perspective, this is a mixed blessing. We have avoided high inflation so far, but rising income inequity could pose a significant challenge on consumer's perceptions of economic security. Add the U.S.'s enormous debt at \$23 trillion (more than 105% of GDP) and any number of risks to global economic growth that have not dissipated (e.g. oil prices, Brexit, Middle East conflict) and consumer spending may contract sufficiently to provide the recessionary event that most are looking to avoid. Yet investors seem unabated with the DOW charging to 30,000 early in 2020.

State of Florida Economic Outlook January 2020

Two key measures of employment are job growth and the unemployment rate. The job market in Florida continues to grow at steady rates, with a 2.4 percent growth rate for nonfarm employment for the first quarter of 2019 compared to the same period last year. The Florida Economic Estimating Conference expects total nonfarm employment to grow 2.3 percent in Fiscal Year 2019-20, with more modest rates of growth throughout the long run.

Florida's unemployment rate continues to drift downward and is now below the "full employment" unemployment rate (assumed to be about 4 percent). The state's actual unemployment rate in June was lower than the nation at 3.4 percent; the U.S. was at 3.7 percent. The state's rate was as low as 3.1 percent in March 2006 (the lowest unemployment rate in more than thirty years), and most recently peaked at 11.3 percent in January 2010. The forecast expects the downward trend to continue through the third quarter of 2020 and then slowly

move upwards to 4.4 percent in Fiscal Year 2028-29.

Overall, the housing market continues to trudge forward, although slowing from the stronger growth over the past few years. For the first quarter of 2019, single-family building permits were 7.6 percent higher than the same period last year, while multi-family building permits were 4.6 percent lower. Combined, total private housing starts are expected to decline 1.3 percent in Fiscal Year 2019-20 before recovering to a positive rate of 1.1 percent in Fiscal Year 2020-21 and then shifting further up to 2.0 percent in Fiscal Year 2021-22. Total private housing starts are still well below the peak Fiscal Year 2004-05 level of 272,250 units; they do not recover to their previous peak level at any time during the ten-year forecast period. Reflecting the strains of the housing market,, the median price of existing single-family homes sold surpassed its prior peak from Fiscal Year 2005-06 in Fiscal Year 2018-19.

Business Market Trends

W192 District Business Snapshot



24,760 Employees



1,798 Businesses



1.06 Employee / Population Ratio



3.0% Household Unemployment

Largest Osceola County Employers

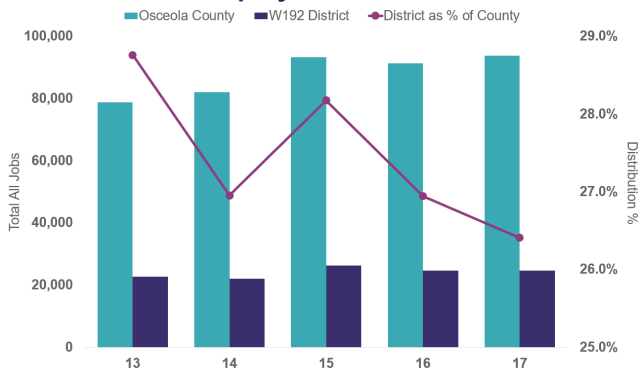
Employer Name	Approx. Employees
School District of Osceola County	8,300
Walt Disney World	3,700
Advent Health Celebration*	3,400
Gaylord Palms Resort & Convention Center*	1,600
Osceola County Board of Commissioners	1,400
Osceola Regional Medical Center	1,400

* Within W192 District Boundaries

Jobs by Industry Location Quotient



Employment Trends



Sources: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics Data; 2019 ESRI Estimates; Orlando Business Journal, "Largest Osceola County Employers, March 2019"; GAI Consultants
Notes: ¹ Other Services (excluding Public Administration)

W192 District Business Snapshot

The most current employment by sector data provided by the U.S. Census Bureau for Economic Studies for Osceola County, the West 192 District, and the three segments within the district – Leisure, Destination, and Neighborhood – is year-end 2017. The West 192 District had approximately 24,760 total jobs, which accounts for 26.4% of the total jobs within the County. The Destination segment comprises the greatest amount of jobs within the West 192 District at 65.0%, followed by the Leisure and Neighborhood segments at 22.6% and 12.4%, respectively. In addition, the largest concentration of employment within the West 192 District is within accommodation and food services, administrative and support, and retail trade accounting for 37.9%, 24.0%, and 15.7%, respectively. Over the last fifteen years, the West 192 District has seen an average annual growth rate of 4.3%, increasing total employment by more than 10,000 employees from 2002 to 2017. Over this same time frame, the County experienced an average annual growth rate of 3.3%.

If the employment within the West 192 District's local economy continues to grow at a positive rate, there may be a potential new demand to fill existing office and retail space, in conjunction with creating a need for new commercial use buildings along the corridor and the surrounding residential communities. Currently, there are 1.2 employees per 1,000 square foot of non-residential building space within the West 192 District.

Jobs by Industry Sector, 2017

	Osceola County	W192 District	% of W192 District		
			Leisure	Destination	Neighborhood
1. Agriculture & Mining	441	0	0.0%	0.0%	0.0%
2. Construction	5,891	1,213	1.0%	93.8%	5.2%
3. Manufacturing	1,490	72	5.6%	69.4%	25.0%
4. Wholesale Trade	2,676	80	0.0%	31.3%	68.8%
5. Retail Trade	15,194	3,881	15.9%	41.1%	42.9%
6. Transportation & Utilities	2,403	23	0.0%	43.5%	56.5%
7. Information	391	126	1.6%	98.4%	0.0%
8. Finance & Insurance	1,057	46	8.7%	82.6%	8.7%
9. Real Estate & Leasing	3,189	1,232	34.7%	56.7%	8.6%
10. Professional Services	2,390	117	31.6%	53.0%	15.4%
11. Management of Companies	119	8	12.5%	87.5%	0.0%
12. Administration & Support	10,579	5,946	10.4%	88.2%	1.4%
13. Educational Services	10,544	103	0.0%	60.2%	39.8%
14. Health Care & Social Assistance	11,042	1,549	3.8%	94.3%	1.9%
15. Arts & Recreation	1,953	899	12.3%	53.5%	34.1%
16. Accommodation & Food Services	17,999	9,374	39.4%	54.0%	6.6%
17. Other Services ¹	1,922	91	9.9%	49.5%	40.7%
18. Public Administration	4,470	0	0.0%	0.0%	0.0%
TOTAL	93,750	24,760	22.6%	65.0%	12.4%

Additionally, the unemployment rate within Osceola County is down approximately 20.5% from the previous year, and the labor force participation rate has remained constant at 61.8%, this indicates that the labor force may continue to increase within the next year – presenting opportunities for new businesses to enter the market area.

A location quotient (“LQ”) is an analytical statistic that measures how concentrated a particular industry, cluster, occupation, or demographic is within an area. As illustrated in the figure on the previous page, the concentration of employment by industry sector within the West 192 District, as compared to a larger region, Osceola County. Retail trade is the only industry which the West 192 District and Osceola County are equally specialized (LQ equals 1.0). In addition, the District has a higher concentration (LQ greater than 1.0) in information, real estate and leasing, administration and support, arts and recreation, and accommodation and food services than the County.

Sales Tax Revenues

The State of Florida authorizes each County to collect, on its behalf, various sales taxes which are redistributed back to the County and to each incorporated community within the County on a formula largely based on population. As a result, the actual collection and subsequent distribution of these proceeds can appear very different on an order of magnitude basis.

Although all sales are not subject to a sales tax, the patterns of collections does tend to reflect the general volume of gross (total) sales activity which varies materially within Osceola County, and the West 192 District. For reporting purposes, the West 192 District sales tax revenue data is reflected at the zip code (“ZC”) levels – 34747 and 34746. Although the total area captured at the zip code level may be large, the greatest concentration of employment falls within the West 192 District boundaries. Due to disclosure laws, the smaller West 192 District data may not reflect all businesses by Kind Code.

The amount generated in 2018 by Osceola County was about \$436.7 million in total receipts, with the primary contributors being hotel/motel accommodations and other lodging places at 20.7%, general miscellaneous merchandise stores at 14.7%, and restaurants, lunchrooms and catering services at 13.3%, of the total sales tax collected within the County. Sales tax collections within the West 192 District (ZC 34747 and 34746) were about \$114.7 millions for 2018, and were primarily stimulated by a sales tax levy against hotel/motel accommodations and other lodging places, and restaurants, lunchrooms and catering services.

The adjacent table reflects the top ten sales tax collections by Kind Code for the West 192 District (ZC 34747 and 34746), compared to Osceola County. Overall, the West 192 District’s capture of the sales tax collections within Osceola County is approximately 45.4% as of year-end 2018 data.

Spending Behaviors

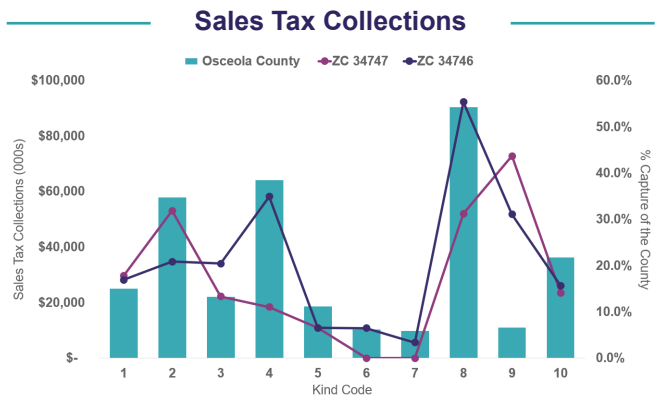
The West 192 District has long been associated with the region’s tourist and hospitality industries. This is evident in the total consumer spending within the District and where dollars are spent. In 2019, total expenditures within the District were estimated to be \$447.7 million, with consumers spending about 27.6% on retail goods, 11.4% on food, and 4.0% on entertainment and recreation. Housing comprised about 29.9% of total expenditures, whereas health care and education made up smaller portions of total consumer spending within the District at 7.1% and 1.9%, respectively. In addition, total expenditures within the West 192 District make up approximately 6.2% of the consumer spending within Osceola County. Similar to the District, housing and retail goods comprise the majority of consumer spending within the County.

Additional information for the West 192 District Business Market Trends can be located in the Appendix B which accompanies this report.

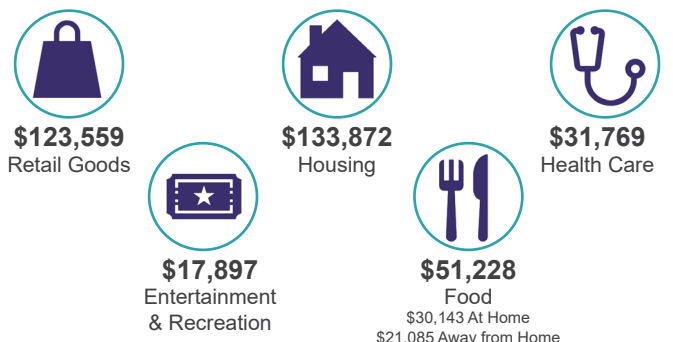
State Sales Tax Collections, 2018

Kind Code	Kind Code Description	Osceola County (000s)	Zip Code 34747 (000s)	Zip Code 34746 (000s)
1	Food & Beverage Stores	\$25,134	\$4,471	\$4,261
8	Restaurants, Lunchrooms, Catering Services	\$57,988	\$18,498	\$12,116
10	Apparel & Accessory Stores	\$22,116	\$2,950	\$4,522
20	General Miscellaneous Merchandise Stores	\$64,105	\$7,101	\$22,415
23	Automotive Dealers, Tag Agencies & Tax Collectors	\$18,659	\$1,222	\$1,223
24	Automotive Accessories & Parts	\$10,419	\$-	\$678
29	Home Furniture, Furnishings & Equipment	\$9,815	\$-	\$331
39	Hotel/Motel Accommodations & Other Lodging Places	\$90,444	\$28,271	\$50,100
59	Admissions, Amusement & Recreation Services	\$11,095	\$4,852	\$3,450
82	Lease or Rental of Commercial Real Property	\$36,233	\$5,112	\$5,679
Total of All Kind Codes		\$436,726	\$83,618	\$114,605

Sources: Florida Department of Revenue, Osceola County Sales Tax Collections, Year-End 2018; GAI Consultants. Notes: (1) Represents the Total for All Kind Codes not mentioned within the above tables, refer to Appendix for the full list.



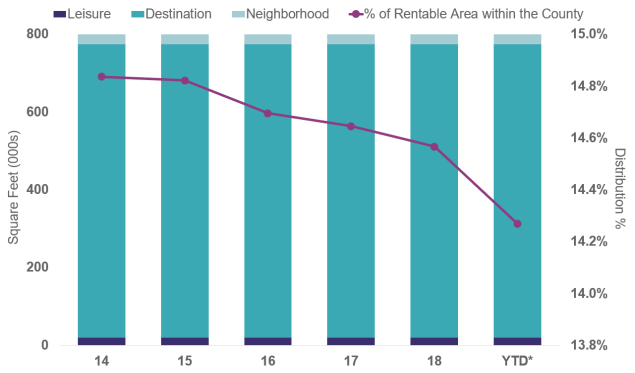
W192 District Consumer Spending (000s)



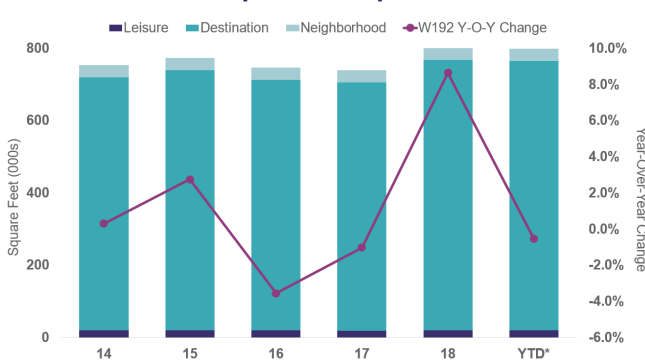
Sources: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics Data; 2019 ESRI Estimates; Orlando Business Journal, ‘Largest Osceola County Employers, March 2019’; GAI Consultants

Office Market Trends

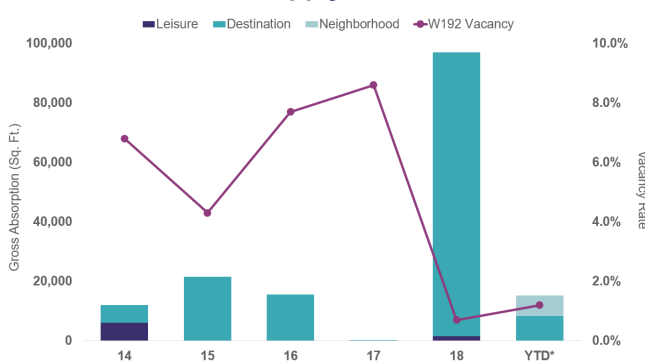
Total Inventory



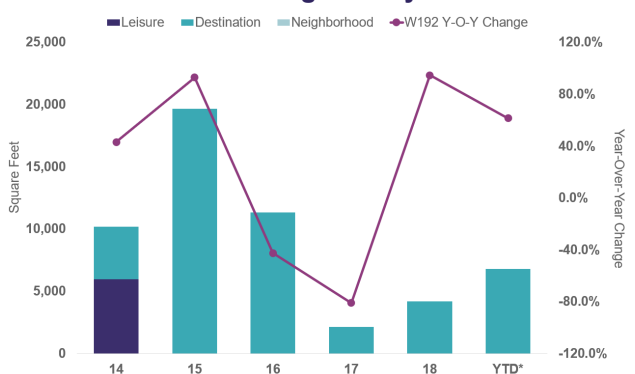
Space Occupied



Office Supply & Demand



Leasing Activity



Key Statistics Snapshot

Rentable Area
809,493 Sq. Ft.

Total Rentable Area within the W192 District has remained constant at 809,493 square feet since the 3rd quarter 2013, with a total number of 18 office buildings within the district. In the 3rd quarter 2019, the W192 District made up approximately 14.3% of the total rentable area within the County. The Destination segment comprises the majority of rentable area within the W192 District at 93.3%. Whereas, the Neighborhood and Leisure segments make up approximately 4.2% and 2.4%, respectively.

Vacancy
1.1%

In the 3rd quarter 2019, vacancy is down 63.3% from the previous year, and 47.6% from the previous quarter within the district. Vacancy within the W192 District is lower than that of the County at 5.6%. The Destination segment has the highest vacancy at 1.1%, whereas the Leisure and Neighborhood segments each have 0.0% vacancy.

Gross Absorption
9,052 Sq. Ft.

Gross Absorption is up 5,352 square feet from the previous 3rd quarter of 2018, and makes up approximately 10.0% of the absorption within the County. The Neighborhood segment comprised the largest amount of absorption within the W192 District at 77.3% during the 3rd quarter 2019.

Average Rental Rate
\$17.97

In the 3rd quarter 2019, average Rental Rate decreased 24.9% from the previous year, 2018. The Destination segment has the highest average rental rate at \$25.90, followed by the Neighborhood and Leisure segments at \$15.00 and \$13.00, respectively.

Leasing Activity*
6,789 Sq. Ft.

Year-to-date leasing activity accounts for 6,789 square feet, which occurred within the Destination segment. This activity makes up about 3.9% of the leasing activity within the County. Leasing activity is up 61.6% from the previous year, 2018.

Sale Price per Sq. Ft.*
\$-

Year-to-date 2019 sales volume within the W192 District is zero, resulting in a sale price per square foot of zero. The last office building sale occurred in the 2nd quarter 2018 of \$1,520,000. Additionally, the sale price per square for 2018 was \$169.

Market Cap Rate
7.9%

The Market Cap Rate remained stable at 7.9% from the previous year. The market cap rate within the W192 District is 0.2% higher than that of the County at 7.7%.

Notable Leasing Activity

- ▶ 2954 Mallory Circle
 - 3,300 and 2,385 Sq. Ft. of Medical Office Space
 - Leases signed in January 2019
- ▶ 215 Celebration Place
 - 504, 400 and 200 Sq. Ft. of General Office Space in the Celebration Place IV building
 - The first lease was signed in January 2019, and the second two were signed in June 2019

The list shown above is intended to be a complete list but is subject to the limitation of reporting and verification. The data above reflects Year-To-Date 2019 leasing activity.

Sources: CoStar Group, Inc.; GAI Consultants
Notes: * YTD January–November 2019 Values (including Sale Price per Sq. Ft. and Leasing Activity)

Market Overview

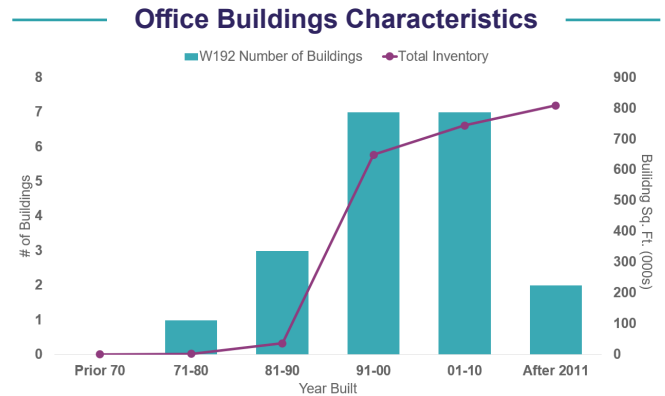
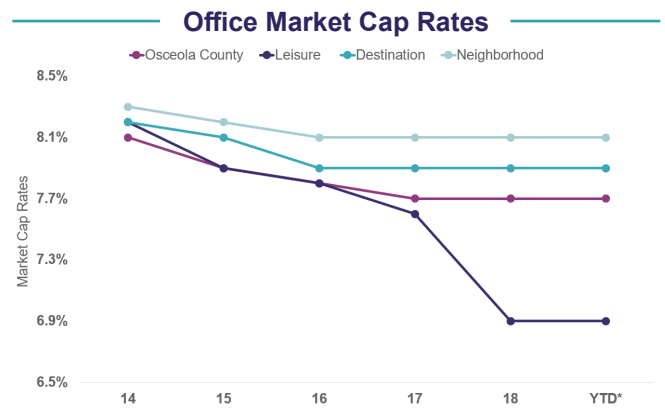
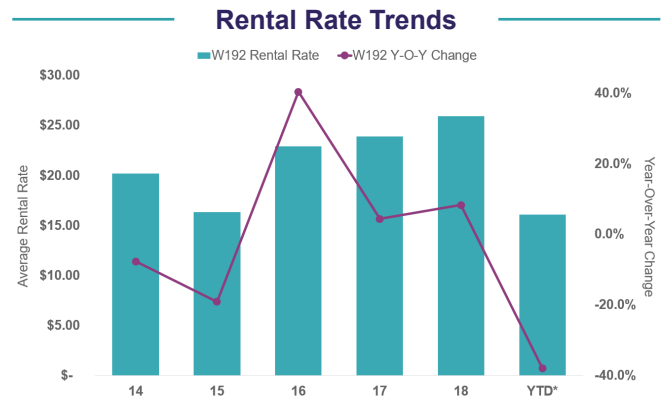
The growing tourism, medical and hospitality industries are driving the local economy and instilling optimism in the West 192 District's office market. Although the market has seen little to no growth in development of office space over the last six years, the improving local economy and steady overall job growth may lead to new demand for additional office space within the West 192 District. On average, there is approximately 6.2 employees per 1,000 square feet of office space. In addition, the West 192 District saw the largest growth in inventory over a 10-year period from 1991 to 2000 where total inventory of office space increased by more than 600,000 square feet.

Currently, the West 192 District contains 18 commercial office buildings, which account for about 809,500 square feet of rentable space. The Destination segment contains the majority of commercial office space within the West 192 District, followed by the Neighborhood and Leisure segments. As illustrated in the total inventory figure, the West 192 District comprises approximately 14.3% of the total rentable area within Osceola County. The figure depicts that although total office space within the West 192 District remains the same year-over-year, the capture of office space within the County is steadily decreasing as there is additional office development occurring elsewhere within the County.

The West 192 District's occupancy at 98.9% is greater than that of the County at 94.4%, which reflects a healthy commercial office market. Although the Neighborhood and Leisure segments contain relatively small portions of the total office supply within the District, their occupancies are both 100%. In 2018, the Destination segment experienced the greatest amount of gross absorption within the District over the last decade. This is due to the increase in the amount of office space leased within the Celebration Place and Celebration Medical Office Building. Currently, the year-to-date absorption for the West 192 District is about 15,491 square feet with the greatest amount of leasing activity occurring in the Destination segment at about 6,789 square feet. In addition, the current average rental rate within the District's office market at \$17.97, is approximately \$3.15 below the average rental rate within Osceola County. Year-to-date, there have been zero sales which have occurred within the West 192 District's office market.

Additionally, the capitalization rate ("Cap Rate") is the ratio of Net Operating Income ("NOI") to property asset value. The West 192 District's office market cap rate at 7.6%, is approximately 0.1% below the cap rate within Osceola County. The Neighborhood segment has the highest cap rate within the District at 8.1%, closely followed by the Destination and Leisure segments at 7.9% and 6.9%, respectively.

Additional information for the West 192 District Commercial Office Market Trends can be located in the Appendix which accompanies this report.



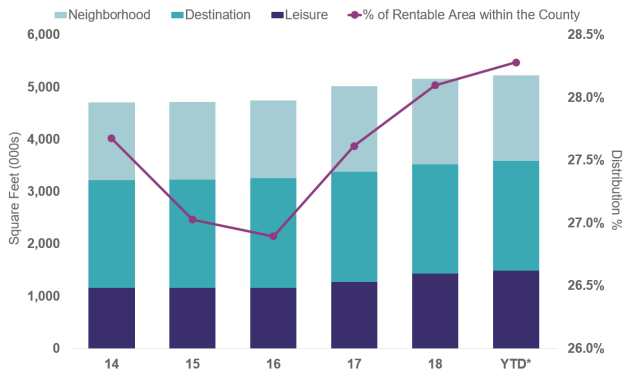
Office Market Characteristics, 3rd Quarter 2019

Area	Rentable Area		Occupied Sq. Ft.	Occupancy %	Vacant Sq. Ft.	Vacancy %	Gross Absorption Sq. Ft.	Average Rental Rate	Sale Price per Sq. Ft.*
	Sq. Ft.	% of County							
Osceola County	5,671,103	100.0%	5,353,377	94.4%	317,726	5.6%	90,869	\$21.24	\$159.55
West 192 District	809,493	14.3%	800,885	98.9%	8,608	1.1%	9,052	\$17.97	-
Leisure	20,163	0.4%	20,163	100.0%	0	0.0%	0	\$13.00	-
Destination	755,205	13.3%	746,597	98.9%	8,608	1.1%	2,052	\$25.90	-
Neighborhood	34,125	0.6%	34,125	100.0%	0	0.0%	7,000	\$15.00	-

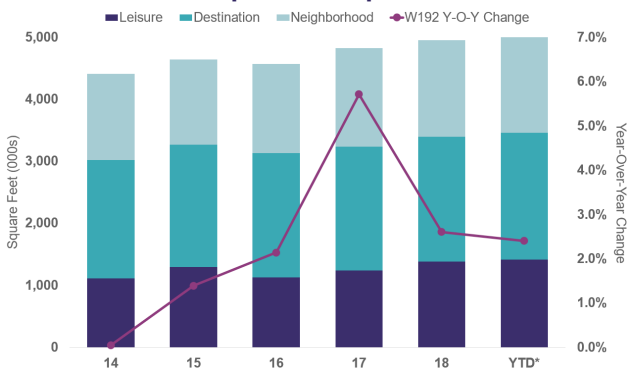
Sources: CoStar Group, Inc.; GAI Consultants
Notes: * YTD January–November 2019 Values (including Sale Price per Sq. Ft. and Leasing Activity)

Retail Market Trends

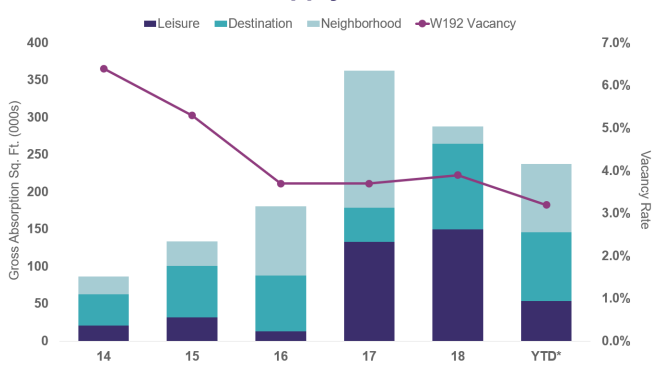
Total Inventory



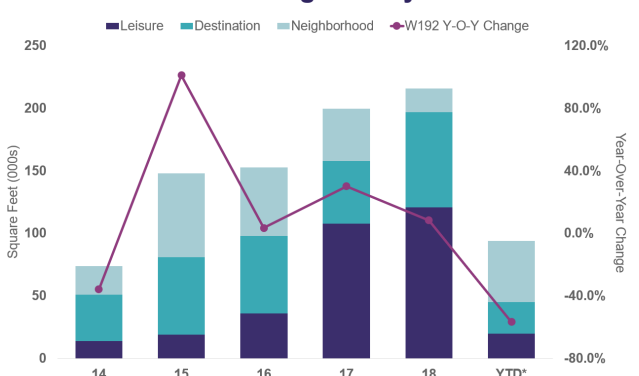
Space Occupied



Retail Supply & Demand



Leasing Activity



Key Statistics Snapshot

Rentable Area
5,215,222 Sq. Ft.

Total Rentable Area within the W192 District has increased by 191,784 square feet over the last year, 2018. This includes the addition of eleven buildings bringing the total retail buildings within the district to 277. In the 3rd quarter 2019, the W192 District made up approximately 28% of the total rentable area within the County. The Destination segment comprises the majority of rentable area at 40.2%, followed by the Leisure and Neighborhood segments at 28.4% and 31.4%, respectively.

Vacancy
3.3%

Vacancy is down 15.8% from the previous quarter, and has remained constant at 3.3% from the previous year. Vacancy within the W192 District is lower than that of the County at 3.4%. In the 3rd quarter 2019, the Leisure segment has the highest vacancy at 4.8%, followed by the Neighborhood and Destination segments with 2.5% and 2.4%.

Gross Absorption
63,144 Sq. Ft.

Gross Absorption is up 29,326 square feet from the previous year and makes up approximately 45.7% of the absorption within the County. The Destination segment comprised the largest amount of absorption within the W192 District at 68.8%.

Average Rental Rate
\$16.91

Average Rental Rates increased 6.6% from the previous year in the 3rd quarter 2019. The Destination segment has the highest average rental rate at \$21.00, followed by the Neighborhood and Leisure segments at \$19.48 and \$10.25.

Leasing Activity*
93,973 Sq. Ft.

Year-to-date Leasing Activity is down 56.6% from the previous year, 2018. This activity makes up about 39.5% of the leasing activity within the County. The Neighborhood segment comprised the majority of leasing activity at 52.3%.

Sale Price per Sq. Ft.*
\$167

Sale Price per square foot increased by 29.2% from the previous year, 2018. The sales volume is about \$33,770,000 year-to-date 2019, which makes up approximately 31.1% of the sales volume within the County. The Leisure segment has a significantly higher sales price per sq. ft. at \$904.60, followed by the Destination and Neighborhood segments with \$196.66 and \$81.86, respectively.

Market Cap Rate
7.3%

The Market Cap Rate remained stable at 7.3% from the previous year. The market cap rate within the W192 District is 0.1% higher than that of the County at 7.2%.

Notable Leasing Activity

- ▶ 4677 W. Irlo Bronson Memorial Hwy.
 - 10,240 Sq. Ft. of General Freestanding Retail Space
 - Lease signed July 2019
- ▶ 5341 W Irlo Bronson Memorial Hwy.
 - 7,205 And 5,395 Sq. Ft. of General Retail Space in the Kissimmee Strip Center
 - The first lease was signed July 2019, followed by the second in August 2019
- ▶ 4730 W. Irlo Bronson Memorial Hwy.
 - 5,500 Sq. Ft. of General Freestanding Retail Space
 - Lease signed February 2019

The list shown above is intended to be a complete list but is subject to the limitation of reporting and verification. The data above reflects Year-To-Date 2019 leasing activity.

Sources: CoStar Group, Inc.; GAI Consultants
Notes: * YTD January–November 2019 Values (including Sale Price per Sq. Ft. and Leasing Activity)

Market Overview

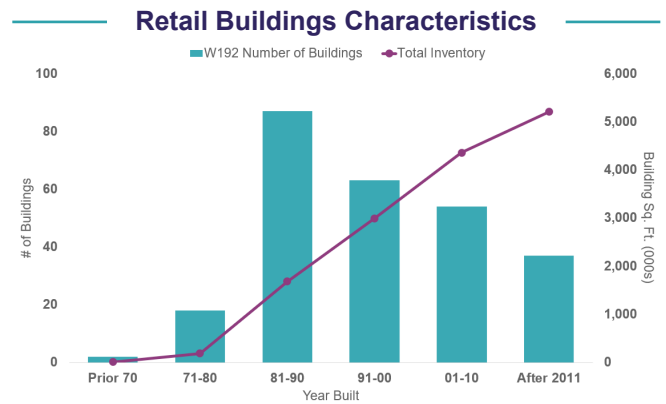
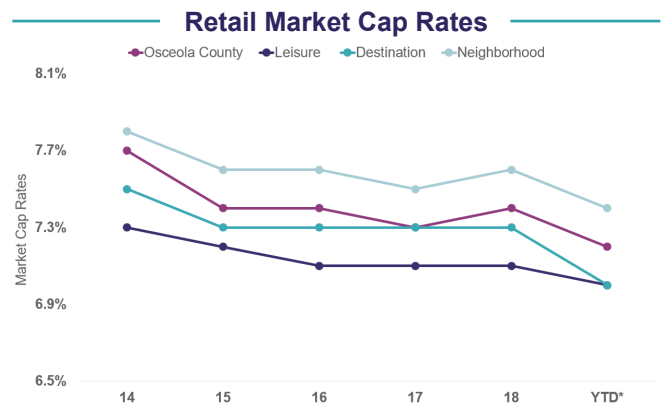
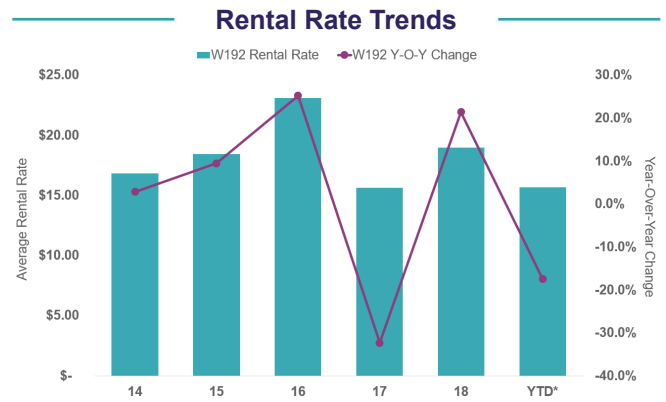
Healthy spending behaviors can strengthen the retail market in terms of occupancy and rental rates, indicating a stable future for the West 192 District retail market in the coming years. Given the minimal amount of development, demand trends will drive the market in the near term, enabling property owners to fill vacant spaces and press for higher rents as leases renew. This is evident by the current market indicators, total rentable area increased by approximately 4.1% from the 3rd quarter 2018 and has remained relatively stable over the following years. As the demand for retail space within the District rises, there is a shift towards lower vacancy rates and higher average rental rates within the existing retail environment. In addition, there have been 37 additional retail buildings built since 2011. The District saw the largest growth in inventory over a 10-year period from 1981 to 1990 where total inventory of retail space increased by more than 1.4 million square feet.

Currently, the West 192 District contains 277 retail buildings, which account for about 5.2 million square feet of rentable space. There is approximately 0.702 employees per 1,000 square feet of retail space. As illustrated in the total inventory figure, the District comprises approximately 28.3% of the total rentable area within Osceola County. The figure indicated that as more retail space is developed within the District, the capture of total retail space within the County is steadily increasing.

The West 192 District's occupancy at 96.7% is slightly greater than that of the County at 96.6%, which reflects a healthy retail market. In 2018, the Destination segment experienced the greatest amount of gross absorption within the District, closely followed by the Neighborhood segment. Currently, the year-to-date absorption for the West 192 District is about 63,144 square feet with the greatest amount of leasing activity occurring in the Neighborhood segment at about 27,322 square feet. In addition, the current average rental rate within the District's retail market at \$16.91, is approximately \$0.48 higher than the average rental rate within Osceola County at \$16.43. Year-to-date, there has been \$33.7 million in total sales volume within the District, with the average sale price per square foot at \$167, approximately 7.7% smaller than the average sale price per square foot of the County.

Additionally, the capitalization rate ("Cap Rate") is the ratio of Net Operating Income ("NOI") to property asset value. The West 192 District's retail market cap rate at 7.1%, is approximately 0.1% below the cap rate within Osceola County. The Neighborhood segment has the highest cap rate within the District at 7.4%, closely followed by the Destination and Leisure segments both at 7.0%.

Additional information for the West 192 District Retail Market Trends can be located in the Appendix which accompanies this report.



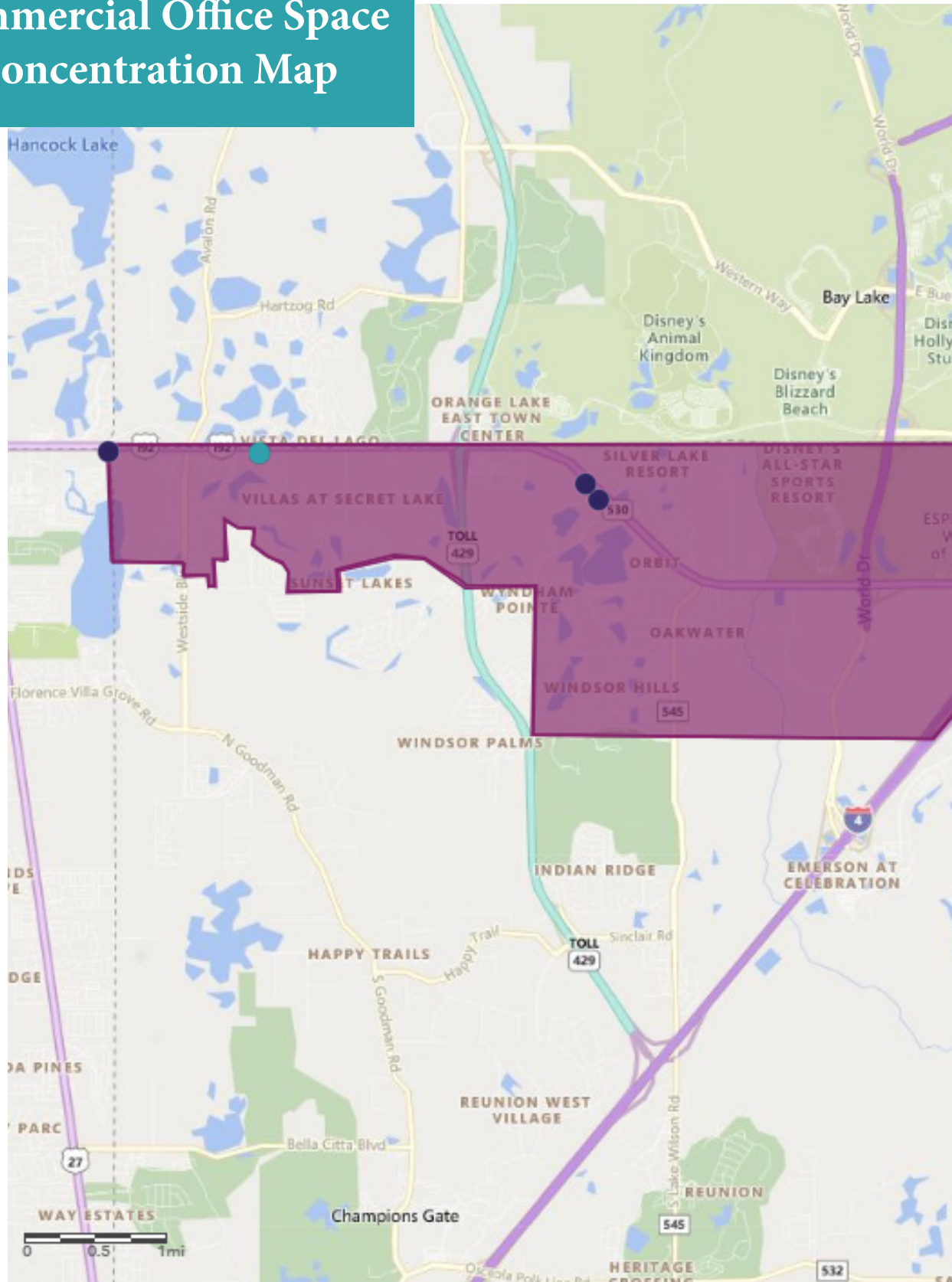
Retail Market Characteristics, 3rd Quarter 2019

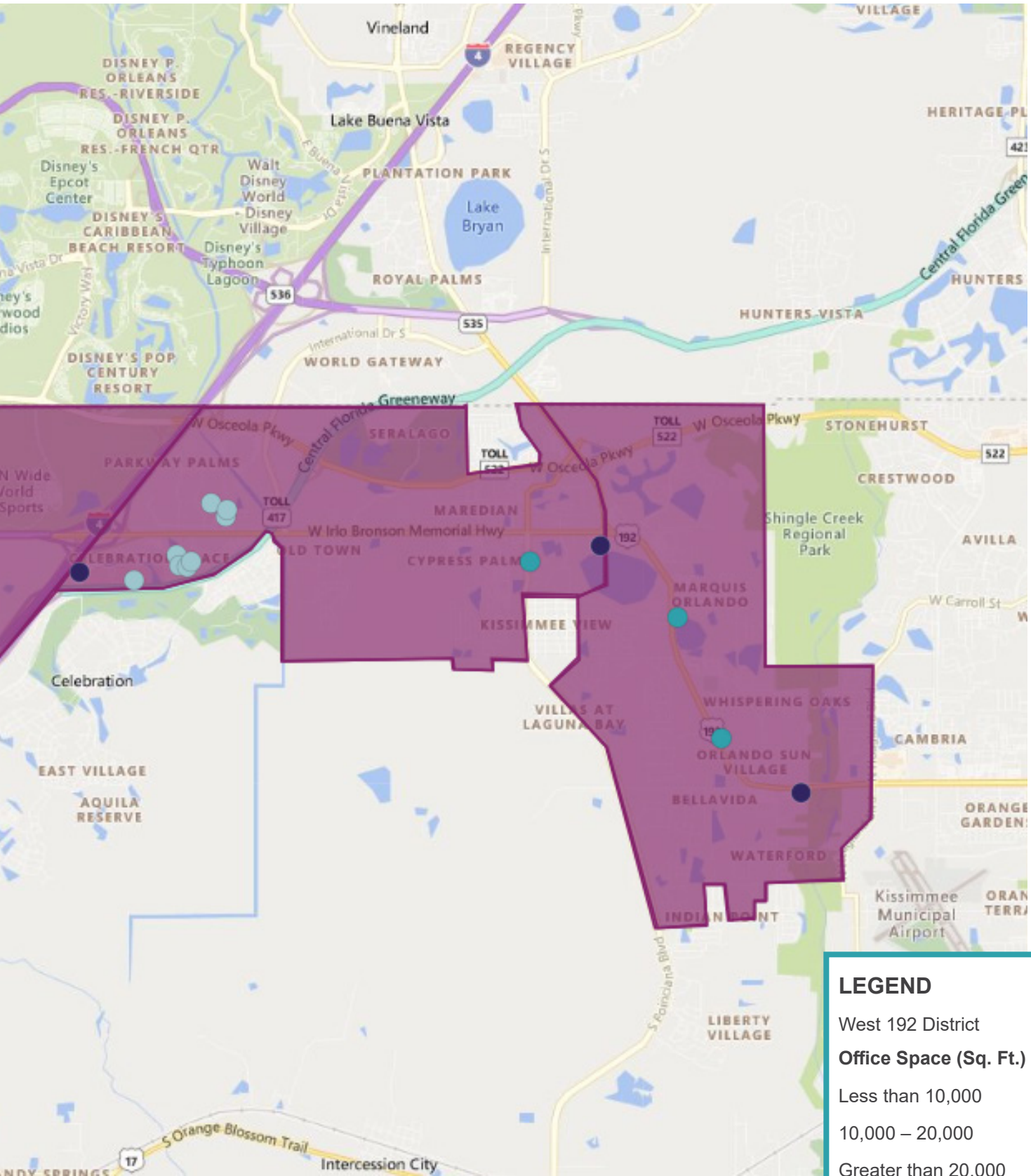
Area	Rentable Area		Occupied Sq. Ft.	Occupancy %	Vacant Sq. Ft.	Vacancy %	Gross Absorption Sq. Ft.	Average Rental Rate	Sale Price per Sq. Ft.*
	Sq. Ft.	% of County							
Osceola County	18,470,225	100.0%	17,844,749	96.6%	625,476	3.4%	138,069	\$16.01	\$177.35
West 192 District	5,215,222	28.2%	5,053,190	96.9%	162,032	3.1%	63,144	\$16.91	\$166.81
Leisure	1,478,606	8.0%	1,407,584	95.2%	71,022	4.8%	3,384	\$10.25	\$904.60
Destination	2,099,133	11.4%	2,049,296	97.6%	49,837	2.4%	43,415	\$21.00	\$196.66
Neighborhood	1,637,483	8.9%	1,596,310	97.5%	41,173	2.5%	16,345	19.48	\$81.86

Sources: CoStar Group, Inc.; GAI Consultants
Notes: * YTD January–November 2019 Values (including Sale Price per Sq. Ft. and Leasing Activity)

Appendix A

Commercial Office Space Concentration Map

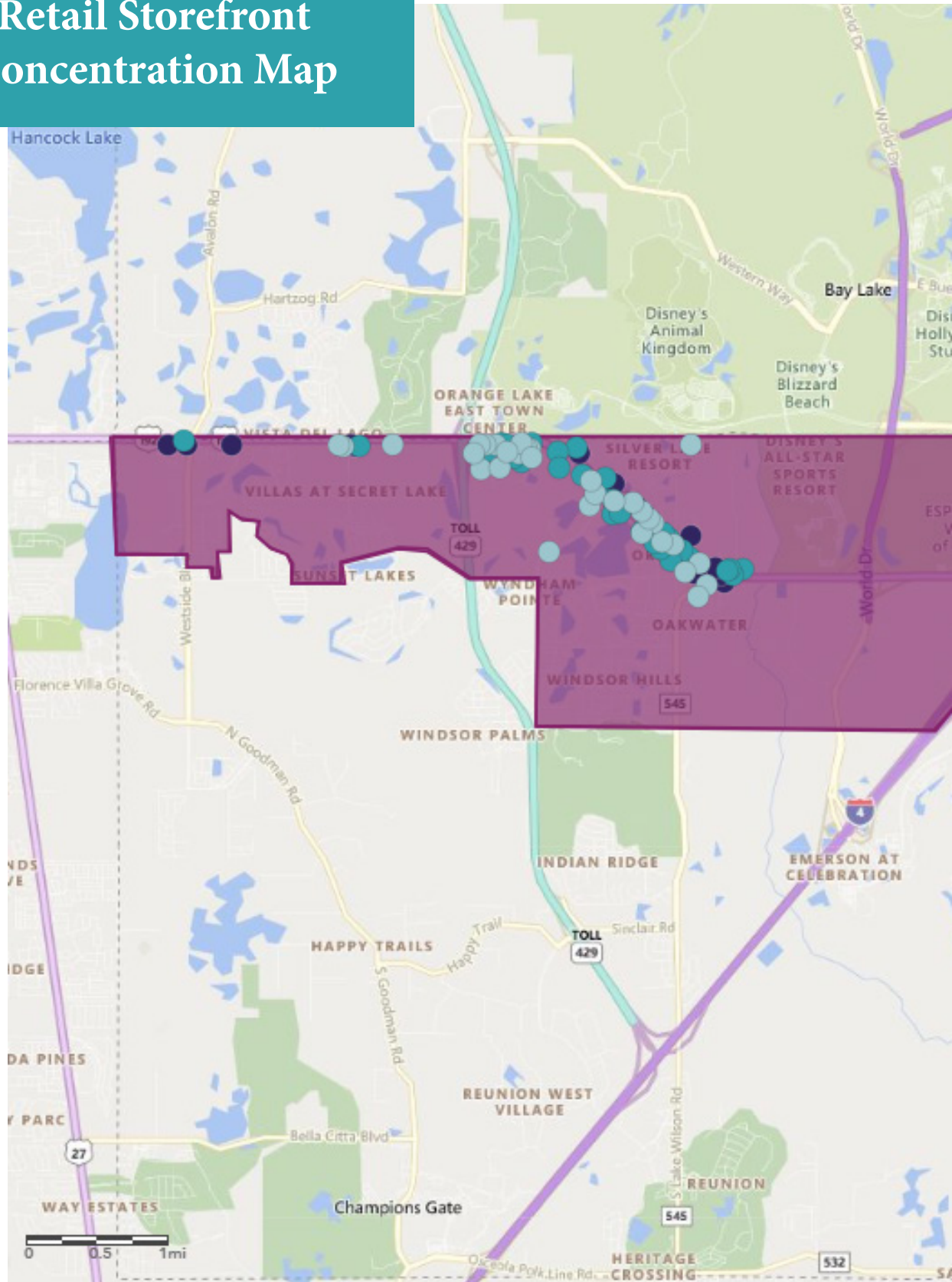


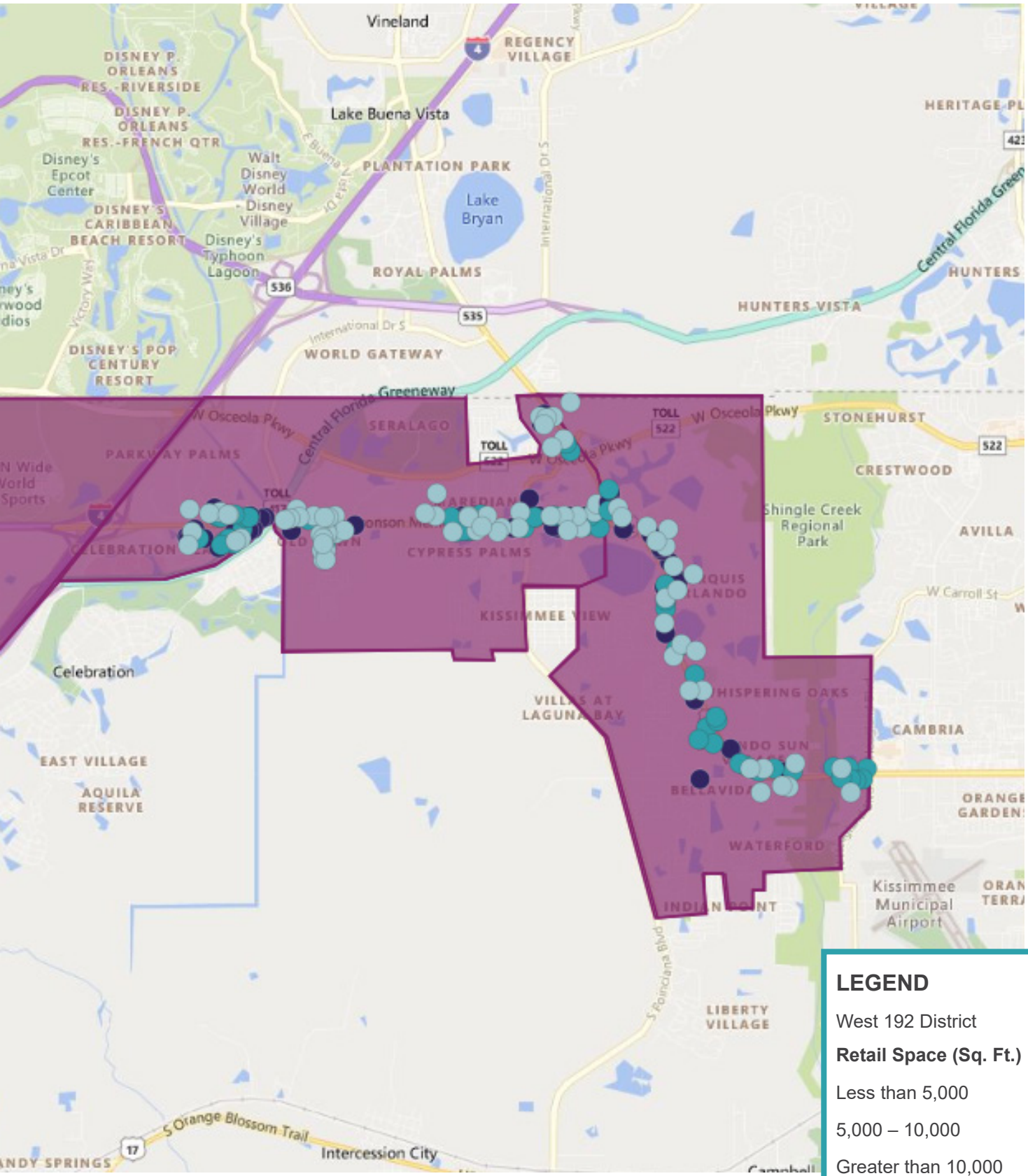


LEGEND

- West 192 District
- Office Space (Sq. Ft.)
 - Less than 10,000
 - 10,000 – 20,000
 - Greater than 20,000

Retail Storefront Concentration Map





LEGEND

West 192 District	
Retail Space (Sq. Ft.)	
Less than 5,000	
5,000 – 10,000	
Greater than 10,000	

Appendix B

West 192 Employment Annual Trends	2002	2003	2004	2005	2006	2007
<u>Total All Jobs</u>						
County	58,283	57,959	61,249	65,511	69,561	72,528
W192 District	13,687	13,756	14,980	15,826	17,743	17,721
As a % of the County	23.5%	23.7%	24.5%	24.2%	25.5%	24.4%
As a % of the W192 District						
Leisure Segment	19.9%	19.0%	19.1%	17.9%	16.0%	16.3%
Destination Segment	61.5%	62.5%	63.0%	64.4%	68.6%	71.1%
Neighborhood Segment	18.6%	18.5%	18.0%	17.7%	15.4%	12.6%
<u>Jobs by Worker Age</u>						
Age 29 or younger	4,029	4,217	4,756	5,152	5,806	5,871
Age 30 to 54	7,967	7,820	8,304	8,541	9,579	9,482
Age 55 or older	1,691	1,719	1,920	2,133	2,358	2,368
<u>Jobs by Earnings</u>						
\$1,250 per month or less	\$6,187	\$5,747	\$6,398	\$6,156	\$5,991	\$5,985
\$1,251 to \$3,333 per month	\$5,525	\$5,916	\$6,360	\$7,039	\$8,137	\$7,704
More than \$3,333 per month	\$1,975	\$2,093	\$2,222	\$2,631	\$3,615	\$4,032
<u>Jobs by NAICS Industry Sector</u>						
Agriculture, Forestry, Fishing and Hunting	0	0	0	0	7	5
Mining, Quarrying, and Oil and Gas Extraction	0	0	0	0	0	0
Utilities	2	0	4	0	2	0
Construction	117	161	150	246	2,416	2,506
Manufacturing	2	10	9	2	14	21
Wholesale Trade	86	108	73	70	81	93
Retail Trade	2,134	2,268	2,391	2,558	2,864	2,005
Transportation and Warehousing	27	18	23	22	26	28
Information	37	51	44	70	41	32
Finance and Insurance	59	75	64	87	77	208
Real Estate and Rental and Leasing	902	894	1,073	976	882	1,035
Professional, Scientific, and Technical Services	131	217	341	430	214	234
Management of Companies and Enterprises	7	12	6	21	43	60
Administration & Support, Waste Management and Remediation	494	499	430	555	460	399
Educational Services	14	20	18	21	23	13
Health Care and Social Assistance	87	370	452	628	749	880
Arts, Entertainment, and Recreation	3,510	3,865	4,151	4,459	4,727	5,133
Accommodation and Food Services	5,896	5,027	5,570	5,492	4,841	4,808
Other Services (excluding Public Administration)	118	93	105	106	197	192
Public Administration	64	68	76	83	79	69
<u>Jobs by Worker Educational Attainment</u>						
Less than high school	-	-	-	-	-	-
High school or equivalent, no college	-	-	-	-	-	-
Some college or Associate degree	-	-	-	-	-	-
Bachelor's degree or advanced degree	-	-	-	-	-	-
Educational attainment not available (workers aged 29 or younger)	-	-	-	-	-	-
<u>Osceola County</u>						
Population 16 Years and Over	-	-	-	-	-	-
Labor Force Participation Rate	-	-	-	-	-	-
Employee / Population Ratio	-	-	-	-	-	-
Unemployment Rate	-	-	-	-	-	-

Sources: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics Data; GAI Consultants

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
73,239	70,427	68,918	72,124	74,294	78,889	82,060	93,397	91,329	93,750
18,582	18,444	17,928	18,851	19,344	22,688	22,120	26,316	24,609	24,760
25.4%	26.2%	26.0%	26.1%	26.0%	28.8%	27.0%	28.2%	26.9%	26.4%
14.9%	16.4%	16.8%	16.2%	20.3%	21.4%	21.1%	21.2%	21.1%	22.6%
71.2%	70.9%	68.5%	69.3%	65.7%	66.3%	66.0%	64.6%	66.2%	65.0%
13.9%	12.7%	14.7%	14.5%	14.0%	12.3%	13.0%	14.3%	12.7%	12.4%
5,922	5,372	5,048	5,106	6,051	6,391	6,215	7,592	7,531	7,444
9,896	10,230	10,014	10,539	10,077	12,290	11,841	13,792	12,694	12,786
2,764	2,842	2,866	3,206	3,216	4,007	4,064	4,932	4,384	4,530
\$5,866	\$6,005	\$5,930	\$6,214	\$7,305	\$7,082	\$6,780	\$7,826	\$7,287	\$6,989
\$8,793	\$8,745	\$8,242	\$8,843	\$9,429	\$10,857	\$10,317	\$12,565	\$11,787	\$11,612
\$3,923	\$3,694	\$3,756	\$3,794	\$2,610	\$4,749	\$5,023	\$5,925	\$5,535	\$6,159
8	7	4	0	0	1	0	0	0	0
0	0	0	0	0	1	1	0	0	0
0	0	0	0	1	0	0	0	0	0
2,264	2,385	1,160	946	397	1,142	1,040	1,138	1,072	1,213
17	14	14	19	24	29	40	35	32	72
87	83	105	130	145	116	149	38	59	80
2,823	2,655	2,582	3,018	3,446	3,316	3,549	4,082	3,995	3,881
20	22	25	33	52	49	34	13	14	23
28	38	22	33	18	31	25	8	7	126
300	168	194	68	86	83	109	37	61	46
1,179	1,159	1,155	1,368	1,614	1,642	1,589	1,437	1,336	1,232
217	222	176	267	168	243	281	150	145	117
38	22	28	70	15	12	12	14	14	8
524	594	593	897	1,245	5,307	4,973	5,533	5,981	5,946
11	48	27	87	67	70	47	29	103	103
936	987	1,066	1,135	1,204	1,292	1,379	1,360	1,515	1,549
5,310	5,044	4,471	4,394	2,977	1,051	643	2,222	991	899
4,551	4,669	6,118	6,172	7,697	8,077	8,082	10,139	9,189	9,374
204	266	117	121	97	119	79	80	90	91
65	61	71	93	91	107	88	1	5	0
-	2,352	2,365	2,578	2,725	3,181	3,042	3,739	3,433	3,507
-	3,787	3,784	3,940	3,940	4,633	4,606	5,368	4,818	4,721
-	4,091	4,121	4,317	4,098	5,134	4,994	5,799	5,328	5,478
-	2,842	2,610	2,910	2,530	3,349	3,263	3,818	3,499	3,610
-	5,372	5,048	5,106	6,051	6,391	6,215	7,592	7,531	7,444
-	192,962	198,430	204,048	210,290	216,796	224,558	233,772	242,893	253,747
-	66.2%	67.1%	67.1%	66.8%	64.8%	63.2%	62.4%	61.8%	61.8%
-	60.6%	60.6%	59.6%	58.5%	56.4%	56.0%	56.2%	56.7%	57.7%
-	8.4%	9.7%	11.2%	12.4%	12.8%	11.3%	9.8%	8.3%	6.6%

State Sales Tax Collections 2018

Kind Code	Kind Code Description	Osceola County		Zip Code 34747		Zip Code 34746	
		Tax Collections (000s)	Total % Capture of the County	Tax Collections (000s)	% Capture of the County	Tax Collections (000s)	% Capture of the County
1	Food & Beverage Stores	\$25,134	5.8%	\$4,471	17.8%	\$4,261	17.0%
2	Meat Markets, Poultry	\$285	0.1%	\$-	-	\$39	13.7%
5	Bakeries	\$526	0.1%	\$-	-	\$-	-
6	Eating & Drinking Places (not restaurants)	\$465	0.1%	\$-	-	\$-	-
7	Candy, Nut, Confectionery & Dairy Product Stores	\$235	0.1%	\$-	-	\$-	-
8	Restaurants, Lunchrooms, Catering Services	\$57,988	13.3%	\$18,498	31.9%	\$12,116	20.9%
9	Drinking Places (Alcoholic beverages served on premises)	\$853	0.2%	\$-	-	\$287	33.6%
10	Apparel & Accessory Stores	\$22,116	5.1%	\$2,950	13.3%	\$4,522	20.4%
11	Shoe Stores	\$1,857	0.4%	\$-	-	\$-	-
17	Feed & Seed Stores, Retail Nurseries	\$176	0.0%	\$-	-	\$-	-
18	Paint, Wallpaper & Hardware Dealers	\$6,181	1.4%	\$-	-	\$-	-
19	Farm Implements & Equipment Suppliers	\$1,377	0.3%	\$-	-	\$-	-
20	General Miscellaneous Merchandise Stores	\$64,105	14.7%	\$7,101	11.1%	\$22,415	35.0%
21	Used Merchandise Stores, Second-Hand Stores, Antique Shops	\$1,097	0.3%	\$-	-	\$429	39.1%
22	Sewing, Needlework & Piece Goods Stores	\$305	0.1%	\$-	-	\$-	-
23	Automotive Dealers, Tag Agencies & Tax Collectors	\$18,659	4.3%	\$1,222	6.5%	\$1,223	6.6%
24	Automotive Accessories & Parts	\$10,419	2.4%	\$-	-	\$678	6.5%
25	Gasoline Service Stations	\$1,583	0.4%	\$-	-	\$-	-
26	Automobile Repair & Services	\$5,506	1.3%	\$-	-	\$339	6.2%
27	Aircraft Dealers	\$49	0.0%	\$-	-	\$-	-
29	Home Furniture, Furnishings & Equipment	\$9,815	2.2%	\$-	-	\$331	3.4%
30	Household Appliances & Accessories	\$360	0.1%	\$-	-	\$-	-
31	Store & Office Equipment, Office Supplies	\$522	0.1%	\$-	-	\$-	-
32	Radio, Television, Consumer Electronics, Computers	\$8,245	1.9%	\$110	1.3%	\$571	6.9%
33	Building Contractors	\$2,930	0.7%	\$-	-	\$-	-
34	Heating & Air Conditioning	\$474	0.1%	\$-	-	\$-	-
35	Electrical, Plumbing, Well Drilling, Pipes	\$32	0.0%	\$-	-	\$-	-
36	Decorating, Painting, Papering, Drapery Installation	\$130	0.0%	\$-	-	\$-	-
38	Lumber and Other Building Materials Dealers	\$3,680	0.8%	\$-	-	\$-	-
39	Hotel/Motel Accommodations & Other Lodging Places	\$90,444	20.7%	\$28,271	31.3%	\$50,100	55.4%
41	Barber Shops, Beauty Shops & Personal Appearance Services	\$854	0.2%	\$4	0.5%	\$24	2.8%
42	Book Stores	\$356	0.1%	\$-	-	\$-	-
43	Tobacco Stores & Stands	\$429	0.1%	\$-	-	\$126	29.4%
44	Florists	\$106	0.0%	\$-	-	\$-	-
48	Itinerant Vendors, Peddlers, Direct Selling Establishments	\$1,308	0.3%	\$41	3.1%	\$260	19.9%
49	Laundry, Garment, Linen & Other Cleaning Services	\$34	0.0%	\$-	-	\$-	-
51	Horse, Cattle & Pet Dealers	\$26	0.0%	\$-	-	\$-	-
55	Gifts, Cards, Novelty, Hobby, Crafts & Toy Stores	\$4,379	0.1%	\$1,547	35.3%	\$1,696	38.7%
57	Social, Fraternal, Commercial Clubs & Associations (All Dues)	\$113	0.0%	\$-	-	\$-	-
58	Industrial Machinery	\$190	0.0%	\$-	-	\$-	-
59	Admissions, Amusement & Recreation Services	\$11,095	2.5%	\$4,852	43.7%	\$3,450	31.1%
61	Rental of Tangible Personal Property	\$2,405	0.6%	\$199	8.3%	\$488	20.3%
62	Fabrication & Sales of Cabinets	\$383	0.1%	\$-	-	\$-	-
63	Manufacturing	\$5,105	1.2%	\$217	4.3%	\$823	16.1%

**State Sales Tax
Collections 2018**

Kind Code	Kind Code Description	Osceola County		Zip Code 34747		Zip Code 34746	
		Tax Collections (000s)	Total % Capture of the County	Tax Collections (000s)	% Capture of the County	Tax Collections (000s)	% Capture of the County
65	Pawn Shops	\$1,036	0.2%	\$-	-	\$-	-
66	Communication, Telephone, Radio & Television Stations	\$9,240	2.1%	\$-	-	\$-	-
67	Transportation, Railroads, Airlines, Bus, Trucking Lines	\$529	0.1%	\$-	-	\$-	-
68	Graphic Arts, Printing, Publishing, & Engraving	\$329	0.1%	\$-	-	\$-	-
69	Insurance, Banking, Savings & Loans, & Income Tax Reports	\$255	0.1%	\$-	-	\$-	-
72	Repair of Tangible Personal Property	\$1,063	0.2w%	\$-	-	\$32	-
73	Advertising	\$617	0.1%	\$-	-	\$-	-
76	Nurseries, Landscapes, Tree Experts	\$319	0.1%	\$-	-	\$-	-
77	Vending Machine Operators	\$442	0.1%	\$-	-	\$-	-
78	Importing & Exporting	\$69	0.0%	\$-	-	\$-	-
79	Medical, Dental, Surgical & Related Professional Services	\$1,049	0.2%	\$36	3.4%	\$-	-
80	Wholesale Dealers	\$8,849	2.0%	\$121	1.4%	\$78	0.9%
81	Schools, Colleges & Educational Services	\$285	0.1%	\$-	-	\$-	-
82	Lease or Rental of Commercial Real Property	\$36,233	8.3%	\$5,112	14.1%	\$5,679	15.7%
84	Utilities, Electric, Gas, Water, Sewer	\$9,428	2.2%	\$-	-	\$-	-
92	Other Professional Services	\$793	0.2%	\$520	65.6%	\$138	17.4%
93	Taxable Services (per Chapter 212, F.S.)	\$1,045	0.2%	\$-	-	\$41	3.9%
94	Veterinary Services	\$34	0.0%	\$-	-	\$-	-
99	Miscellaneous	\$18	0.0%	\$3	16.7%	\$-	-
104	¹ Other	\$2,764	0.6%	\$8,343	301.8%	\$4,458	161.3%
Total of All Kind Codes:		\$436,726	100.0%	\$83,618	19.1%	\$114,605	26.2%

Sources: Department of Revenue, Osceola County Sales Tax Collections, Year-End 2018; GAI Consultants
 Note: (1) Similar businesses are placed in the same Kind Code (104) for reporting purposes.

W192 District Office Historical Quarterly Trends (2010–2014)	2010				2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Inventory								
# of Buildings	17	17	17	17	17	17	17	17
Leisure Segment	5	5	5	5	5	5	5	5
Destination Segment	9	9	9	9	9	9	9	9
Neighborhood Segment	3	3	3	3	3	3	3	3
Rentable Area Sq. Ft. (000s)	762	762	762	762	762	762	762	762
Leisure Segment	38	38	38	38	38	38	38	38
Destination Segment	690	690	690	690	690	690	690	690
Neighborhood Segment	34	34	34	34	34	34	34	34
Occupancy Sq. Ft. (000s)	634	633	634	635	655	658	658	672
Vacant Sq. Ft. (000s)	129	129	129	127	108	104	105	90
Performance								
Vacant %	16.9%	16.9%	16.9%	16.7%	14.1%	13.7%	13.7%	11.8%
Occupancy %	83.1%	83.1%	83.1%	83.3%	85.9%	86.3%	86.3%	88.2%
Leisure Segment	53.3%	53.3%	53.3%	53.3%	58.0%	58.0%	58.0%	58.0%
Destination Segment	86.5%	86.4%	86.5%	86.7%	86.8%	87.3%	87.2%	89.4%
Neighborhood Segment	49.1%	49.1%	49.1%	49.1%	98.5%	98.5%	98.5%	98.5%
Net Absorption Sq. Ft.	(62,049)	(399)	400	1,400	19,580	3,423	(500)	14,808
Gross Absorption Sq. Ft.	0	2,001	500	1,400	19,580	3,423	0	14,808
Leisure Segment	0	0	0	0	1,800	0	0	0
Destination Segment	0	2,001	500	1,400	900	3,423	0	14,808
Neighborhood Segment	0	0	0	0	16,880	0	0	0
Avg. Rental Rate	\$19.50	\$20.04	\$20.71	\$20.48	\$20.47	\$20.70	\$20.72	\$20.64
Leisure Segment	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Destination Segment	\$20.54	\$20.95	\$21.72	\$21.58	\$21.67	\$21.97	\$21.92	\$22.02
Neighborhood Segment	-	-	-	-	-	-	-	-
Availability								
Total Available %	18.7%	18.6%	18.5%	18.4%	15.9%	14.5%	15.5%	13.9%
Sublet Availability Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Leasing Activity Deals	1	0	0	0	1	1	2	6
Leasing Activity Sq. Ft.	2,001	0	0	0	1,800	1,708	3,028	18,764
Leisure Segment	0	0	0	0	1,800	0	0	0
Destination Segment	2,001	0	0	0	0	1,708	3,028	18,764
Neighborhood Segment	0	0	0	0	0	0	0	0
Sales Activity								
Sales Volume (000s)	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Actual Sale Price per Sq. Ft.	-	-	-	-	-	-	-	-
For Sale Total Listings	2	3	3	3	2	1	-	-
For Sale Total Sq. Ft.	30,616	224,079	224,079	224,079	205,493	193,463	-	-
Market Characteristics								
Market Rent per Sq. Ft.	\$24.11	\$23.34	\$22.85	\$23.14	\$23.15	\$23.14	\$22.85	\$22.51
Market Rent Growth (Y-O-Y)	(9.40%)	(9.9%)	(8.5%)	(7.0%)	(4.0%)	(0.9%)	(0.0%)	(2.7%)
Market Sale Price per Sq. Ft.	\$143.42	\$147.39	\$151.14	\$156.84	\$160.74	\$164.01	\$167.04	\$170.31
Months on Market	11	14	11	20	23	23	18	18
Market Cap Rate	9.2%	9.0%	8.8%	8.6%	8.4%	8.3%	8.2%	8.1%
Construction Activity								
Buildings Under Construction	0	0	0	0	0	0	0	0
Construction Activity Sq. Ft.	0	0	0	0	0	0	0	0
Deliveries	0	0	0	0	0	0	0	0
Demolished	0	0	0	0	0	0	0	0
Net Deliveries	0	0	0	0	0	0	0	0

Sources: CoStar Group, Inc.; GAI Consultants

2012				2013				2014			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
17	17	17	16	17	17	18	18	18	18	18	18
5	5	5	4	4	4	4	4	4	4	4	4
9	9	9	9	10	10	11	11	11	11	11	11
3	3	3	3	3	3	3	3	3	3	3	3
762	762	762	744	768	768	809	809	809	809	809	809
38	38	38	20	20	20	20	20	20	20	20	20
690	690	690	690	714	714	755	755	755	755	755	755
34	34	34	34	34	34	34	34	34	34	34	34
669	670	670	707	727	726	754	752	751	751	749	754
93	92	92	37	42	42	55	58	58	58	61	55
12.2%	12.1%	12.1%	5.0%	5.4%	5.5%	6.8%	7.1%	7.2%	7.2%	7.5%	6.8%
87.8%	87.9%	87.9%	95.0%	94.6%	94.5%	93.2%	92.9%	92.8%	92.8%	92.5%	93.2%
58.0%	58.0%	58.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	70.3%	100.0%
88.9%	89.0%	89.2%	94.7%	94.3%	94.2%	92.7%	92.4%	92.3%	92.3%	92.7%	92.7%
98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
(3,101)	571	(78)	37,596	19,640	(586)	27,800	(2,315)	(777)	300	(2,773)	5,588
5,356	571	19,801	38,796	22,396	2,022	27,800	2,700	300	300	3,215	8,144
0	0	15,900	0	0	0	0	2,700	0	0	0	5,988
5,356	571	3,901	38,796	22,396	2,022	27,300	0	300	300	3,215	2,156
0	0	0	0	0	0	500	0	0	0	0	0
\$19.48	\$22.63	\$23.32	\$23.78	\$20.50	\$21.78	\$21.76	\$21.87	\$21.90	\$22.40	\$22.41	\$20.19
\$14.00	\$24.76	\$24.76	\$24.76	\$24.76	\$24.76	\$24.76	\$24.76	\$24.76	\$24.76	\$24.76	\$14.00
\$20.50	\$20.86	\$21.82	\$22.91	\$18.35	\$20.50	\$20.20	\$20.44	\$20.45	\$21.00	\$20.82	\$21.13
-	-	-	-	-	-	-	-	-	-	-	-
13.5%	12.8%	5.6%	5.6%	6.3%	6.0%	5.8%	6.1%	6.1%	6.1%	5.1%	5.2%
0.0%	0.0%	0.0%	0.0%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.1%
1	1	3	0	1	1	0	2	0	1	1	0
18,586	2,001	38,820	0	2,396	2,022	0	2,700	0	4,200	5,988	0
0	0	0	0	0	0	0	2,700	0	0	5,988	0
0	2,001	38,820	0	2,396	2,022	0	0	0	4,200	0	0
18,586	0	0	0	0	0	0	0	0	0	0	0
\$290	\$-	\$31,838	\$18,270	\$-	\$-	\$-	\$9,551	\$17,877	\$25,700	\$-	\$-
\$16	-	\$155	\$233	-	-	-	\$139	\$142	\$155	-	-
1	2	1	1	1	1	1	-	-	-	-	-
193,463	262,029	68,566	68,566	68,566	68,566	68,566	-	-	-	-	-
\$22.89	\$22.77	\$22.98	\$22.72	\$22.70	\$22.63	\$22.86	\$22.74	\$22.61	\$22.50	\$22.79	\$23.56
(1.1%)	(1.6%)	0.60%	0.90%	(0.8%)	(0.6%)	(0.5%)	0.10%	(0.4%)	(0.6%)	(0.3%)	3.60%
\$173.31	\$174.65	\$166.24	\$163.09	\$163.14	\$164.57	\$166.05	\$157.12	\$156.77	\$155.60	\$157.66	\$158.84
21	19	24	27	27	26	29	29	30	31	34	16
8.0%	7.9%	8.1%	8.1%	8.1%	8.1%	8.1%	8.2%	8.2%	8.2%	8.1%	8.1%
0	1	1	2	1	1	0	0	0	0	0	0
0	24,000	24,000	65,000	41,000	41,000	0	0	0	0	0	0
0	0	0	0	24,000	0	41,000	0	0	0	0	0
0	0	0	(17,700)	0	0	0	0	0	0	0	0
0	0	0	(17,700)	24,000	0	41,000	0	0	0	0	0

West 192 District Office Historical Quarterly Trends (2015–2019)	2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Inventory								
# of Buildings	18	18	18	18	18	18	18	18
Leisure Segment	4	4	4	4	4	4	4	4
Destination Segment	11	11	11	11	11	11	11	11
Neighborhood Segment	3	3	3	3	3	3	3	3
Rentable Area Sq. Ft. (000s)	809	809	809	809	809	809	809	809
Leisure Segment	20	20	20	20	20	20	20	20
Destination Segment	755	755	755	755	755	755	755	755
Neighborhood Segment	34	34	34	34	34	34	34	34
Occupancy Sq. Ft. (000s)	757	758	759	775	742	742	744	748
Vacant Sq. Ft. (000s)	52	52	51	35	68	68	66	62
Performance								
Vacant %	6.4%	6.4%	6.3%	4.3%	8.4%	8.3%	8.1%	7.7%
Occupancy %	93.6%	93.6%	93.7%	95.7%	91.6%	91.7%	91.9%	92.3%
Leisure Segment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Destination Segment	93.1%	93.2%	93.3%	95.4%	91.0%	91.1%	91.3%	91.8%
Neighborhood Segment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Net Absorption Sq. Ft.	3,141	600	600	16,431	(33,569)	546	1,950	3,600
Gross Absorption Sq. Ft.	3,841	600	600	16,431	0	5,059	6,969	3,600
Leisure Segment	0	0	0	0	0	0	0	0
Destination Segment	3,841	600	600	16,431	0	5,059	6,969	3,600
Neighborhood Segment	0	0	0	0	0	0	0	0
Avg. Rental Rate	\$20.48	\$19.92	\$16.17	\$16.34	\$23.20	\$23.08	\$22.96	\$22.94
Leisure Segment	\$14.00	\$14.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
Destination Segment	\$21.41	\$20.81	\$19.95	\$20.43	\$24.77	\$24.65	\$24.53	\$24.61
Neighborhood Segment	-	-	-	-	-	-	-	-
Availability								
Total Available %	4.6%	4.7%	3.9%	4.6%	10.7%	11.4%	10.7%	10.1%
Sublet Availability Rate	0.1%	0.1%	0.1%	0.8%	0.6%	0.6%	0.0%	0.0%
Leasing Activity Deals	1	0	4	0	0	1	2	0
Leasing Activity Sq. Ft.	3,841	0	15,831	0	0	4,459	6,869	0
Leisure Segment	0	0	0	0	0	0	0	0
Destination Segment	3,841	0	15,831	0	0	4,459	6,869	0
Neighborhood Segment	0	0	0	0	0	0	0	0
Sales Activity								
Sales Volume (000s)	\$-	\$-	\$-	\$-	\$-	\$-	\$950	\$-
Actual Sale Price per Sq. Ft.	-	-	-	-	-	-	\$79	-
For Sale Total Listings	-	-	-	-	1	1	1	1
For Sale Total Sq. Ft.	-	-	-	-	41,000	41,000	41,000	41,000
Market Characteristics								
Market Rent per Sq. Ft.	\$24.17	\$24.65	\$25.02	\$25.51	\$25.91	\$26.07	\$26.84	\$26.67
Market Rent Growth (Y-O-Y)	6.9%	9.6%	9.8%	8.3%	7.2%	5.8%	7.3%	4.5%
Market Sale Price per Sq. Ft.	\$160.10	\$163.04	\$164.58	\$167.67	\$172.18	\$173.85	\$176.05	\$177.87
Months on Market	19	22	10	13	9	12	15	18
Market Cap Rate	8.2%	8.1%	8.1%	8.1%	8.0%	8.0%	7.9%	7.9%
Construction Activity								
Buildings Under Construction	0	0	0	0	0	0	0	0
Construction Activity Sq. Ft.	0	0	0	0	0	0	0	0
Deliveries	0	0	0	0	0	0	0	0
Demolished	0	0	0	0	0	0	0	0
Net Deliveries	0	0	0	0	0	0	0	0

Sources: CoStar Group, Inc.; GAI Consultants

2017				2018				2019		
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
18	18	18	18	18	18	18	18	18	18	18
4	4	4	4	4	4	4	4	4	4	4
11	11	11	11	11	11	11	11	11	11	11
3	3	3	3	3	3	3	3	3	3	3
809	809	809	809	809	809	809	809	809	809	809
20	20	20	20	20	20	20	20	20	20	20
755	755	755	755	755	755	755	755	755	755	755
34	34	34	34	34	34	34	34	34	34	34
748	748	742	740	755	783	785	804	806	792	801
62	62	68	70	54	26	25	6	4	17	9
7.7%	7.7%	8.4%	8.6%	6.7%	3.2%	3.0%	0.7%	0.5%	2.1%	1.1%
92.3%	92.3%	91.6%	91.4%	93.3%	96.8%	97.0%	99.3%	99.5%	97.9%	98.9%
100.0%	100.0%	92.3%	92.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
91.8%	91.8%	91.2%	91.0%	92.8%	96.6%	96.7%	99.2%	99.5%	98.7%	98.9%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	79.5%	100.0%
0	0	(5,761)	(1,901)	15,161	28,489	1,315	19,000	1,819	(13,194)	8,452
0	0	0	100	15,861	28,489	3,700	19,000	6,189	0	9,052
0	0	0	0	1,560	0	0	0	0	0	0
0	0	0	100	14,301	28,489	3,700	19,000	6,189	0	2,052
0	0	0	0	0	0	0	0	0	0	7,000
\$23.08	\$23.00	\$23.88	\$23.94	\$23.93	\$23.85	\$23.92	\$25.93	\$25.93	\$23.49	\$17.97
\$9.00	\$9.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00
\$24.77	\$24.68	\$25.13	\$25.21	\$25.22	\$26.01	\$25.93	\$25.93	\$25.93	\$25.90	\$25.90
-	-	-	-	-	-	-	-	\$15.00	\$15.00	\$15.00
9.5%	9.8%	10.3%	10.6%	8.1%	4.1%	3.0%	1.1%	0.9%	2.5%	1.8%
0.0%	0.0%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0	0	0	1	0	2	0	0	3	2	0
0	0	0	2,156	0	4,200	0	0	6,189	600	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	2,156	0	4,200	0	0	6,189	600	0
0	0	0	0	0	0	0	0	0	0	0
\$-	\$-	\$-	\$-	\$21,800	\$1,520	\$-	\$-	\$-	\$-	\$-
-	-	-	-	\$173	\$126	-	-	-	-	-
1	1	1	2	2	-	-	-	-	-	-
41,000	41,000	41,000	53,030	53,030	-	-	-	-	-	-
\$27.42	\$27.58	\$28.23	\$28.55	\$28.73	\$28.72	\$29.50	\$29.57	\$30.11	\$30.24	\$30.28
5.8%	5.8%	5.2%	7.0%	4.8%	4.1%	4.5%	3.6%	4.8%	5.3%	2.7%
\$180.90	\$182.33	\$184.77	\$185.96	\$187.62	\$190.93	\$194.32	\$195.98	\$198.02	\$199.10	\$200.16
21	24	13	16	26	7	10	6	3	4	2
7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0

W192 District Retail Historical Quarterly Trends (2010–2014)	2010				2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Inventory								
# of Buildings	244	244	245	245	245	245	245	245
Leisure Segment	62	62	63	63	63	63	63	63
Destination Segment	114	114	114	114	114	114	114	114
Neighborhood Segment	68	68	68	68	68	68	68	68
Rentable Area Sq. Ft. (000s)	4,458	4,458	4,463	4,463	4,463	4,463	4,463	4,463
Leisure Segment	901	901	906	906	906	906	906	906
Destination Segment	2,056	2,056	2,056	2,056	2,056	2,056	2,056	2,056
Neighborhood Segment	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501
Occupancy Sq. Ft. (000s)	4,112	4,159	4,168	4,170	4,138	4,141	4,145	4,185
Vacant Sq. Ft. (000s)	346	299	295	294	325	323	318	278
Performance								
Occupancy %	92.2%	93.3%	93.4%	93.4%	92.7%	92.8%	92.9%	93.8%
Leisure Segment	95.6%	95.7%	96.3%	97.6%	97.6%	97.6%	97.6%	97.8%
Destination Segment	93.4%	94.4%	94.9%	94.4%	93.0%	93.2%	93.2%	94.9%
Neighborhood Segment	88.6%	90.2%	89.5%	89.5%	89.3%	89.3%	89.6%	89.9%
Vacancy %					7.8%	6.7%	6.6%	6.6%
Net Absorption Sq. Ft.	(12,815)	37,745	8,958	(1,818)	(30,273)	2,595	4,587	40,279
Gross Absorption Sq. Ft.	6,598	59,820	31,041	35,882	11,800	5,605	22,927	41,779
Leisure Segment	1,040	1,400	17,209	12,463	0	500	0	2,300
Destination Segment	5,558	26,107	10,600	17,809	4,500	5,105	12,592	35,273
Neighborhood Segment	0	32,313	3,232	5,610	7,300	0	10,335	4,206
Avg. Rental Rate	\$21.10	\$21.45	\$18.82	\$18.65	\$17.00	\$16.91	\$19.72	\$18.62
Leisure Segment	\$25.23	\$25.23	\$25.12	\$30.46	\$30.46	\$28.59	\$28.59	\$31.68
Destination Segment	\$20.93	\$21.37	\$21.21	\$20.54	\$18.26	\$18.31	\$18.78	\$18.14
Neighborhood Segment	\$19.09	\$19.29	\$13.93	\$14.16	\$13.86	\$13.58	\$18.69	\$16.66
Availability								
Total Available %	8.0%	6.9%	7.8%	7.9%	8.5%	8.4%	8.9%	8.9%
Sublet Availability Rate	0.3%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Leasing Activity Deals	8	2	6	9	5	6	8	7
Leasing Activity Sq. Ft.	24,938	13,760	27,041	16,063	10,930	32,216	26,546	21,785
Leisure Segment	1,994	10,260	20,520	6,463	0	0	4,100	0
Destination Segment	13,701	3,500	2,009	3,000	8,430	12,392	15,043	11,810
Neighborhood Segment	9,243	0	4,512	6,600	2,500	19,824	7,403	9,975
Sales Activity								
Sales Volume (000s)	\$-	\$2,937	\$5,600	\$-	\$2,697	\$3,300	\$2,310	\$4,297
Actual Sale Price per Sq. Ft.	-	\$76.01	\$386.47	-	\$95.56	\$139.48	\$130.17	\$70.76
For Sale Total Listings	13	10	10	12	13	13	11	11
For Sale Total Sq. Ft.	129,746	72,665	75,995	103,435	94,705	95,559	81,809	83,610
Market Characteristics								
Market Rent per Sq. Ft.	\$20.68	\$20.20	\$20.00	\$19.77	\$19.58	\$19.48	\$19.23	\$19.14
Market Rent Growth (Y-O-Y)	(6.0%)	(8.0%)	(7.0%)	(6.0%)	(5.0%)	(4.0%)	(4.0%)	(3.0%)
Market Sale Price per Sq. Ft.	\$125.52	\$124.54	\$129.05	\$128.68	\$128.93	\$130.32	\$131.32	\$133.09
Months on Market	8	11	13	15	11	14	14	14
Market Cap Rate	8.6%	8.6%	8.4%	8.4%	8.4%	8.3%	8.3%	8.2%
Construction Activity								
Buildings Under Construction	1	1	0	0	0	0	0	0
Construction Activity Sq. Ft.	4,949	4,949	0	0	0	0	0	0
Deliveries	0	0	4,949	0	0	0	0	0
Demolished	0	0	0	0	0	0	0	0
Net Deliveries	0	0	4,949	0	0	0	0	0

Sources: CoStar Group, Inc.; GAI Consultants

2012				2013				2014			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
245	244	245	247	249	251	251	251	252	252	252	252
63	63	63	64	64	66	66	66	67	67	67	67
114	114	114	114	116	116	116	116	116	116	116	116
68	67	68	69	69	69	69	69	69	69	69	69
4,463	4,429	4,432	4,458	4,468	4,707	4,707	4,707	4,713	4,713	4,713	4,713
906	906	906	914	914	1,153	1,153	1,153	1,159	1,159	1,159	1,159
2,056	2,056	2,056	2,056	2,066	2,066	2,066	2,066	2,066	2,066	2,066	2,066
1,501	1,466	1,470	1,487	1,487	1,487	1,487	1,487	1,487	1,487	1,487	1,487
4,170	4,142	4,126	4,197	4,233	4,435	4,404	4,410	4,413	4,427	4,414	4,412
294	287	306	261	235	272	302	296	300	286	299	300
93.4%	93.5%	93.1%	94.2%	94.7%	94.2%	93.6%	93.7%	93.6%	93.9%	93.7%	93.6%
97.1%	97.1%	96.9%	96.7%	97.6%	97.3%	95.1%	95.1%	95.4%	96.3%	96.4%	96.4%
95.3%	93.5%	93.0%	93.3%	94.2%	92.6%	92.0%	92.9%	93.2%	93.3%	92.6%	92.3%
88.6%	91.3%	90.9%	93.8%	93.7%	94.0%	94.5%	93.7%	92.9%	93.0%	93.0%	93.3%
7.3%	7.2%	7.1%	6.2%	6.6%	6.5%	6.9%	5.8%	5.3%	5.8%	6.4%	6.3%
(15,874)	(27,955)	(15,768)	71,425	35,611	202,017	(30,486)	5,829	2,498	14,091	(14,069)	(1,650)
45,745	9,939	17,371	98,047	41,813	269,320	16,945	52,983	39,120	20,023	17,984	9,350
14,350	0	1,248	8,616	7,900	239,137	0	1,200	8,345	10,891	1,248	100
12,200	0	4,413	12,234	32,313	21,200	2,300	34,425	16,860	4,400	15,410	5,600
19,195	9,939	11,710	77,197	1,600	8,983	14,645	17,358	13,915	4,732	1,326	3,650
\$15.91	\$15.20	\$14.90	\$15.79	\$16.38	\$15.41	\$16.23	\$16.37	\$16.66	\$17.12	\$17.34	\$16.84
\$31.68	\$31.04	\$27.69	\$27.84	\$27.76	\$27.78	\$26.37	\$26.50	\$26.50	\$27.12	\$27.12	\$27.06
\$17.05	\$15.70	\$15.81	\$15.62	\$15.55	\$15.33	\$16.79	\$17.32	\$17.71	\$18.34	\$18.71	\$17.90
\$12.45	\$11.11	\$10.58	\$11.74	\$12.53	\$11.74	\$11.92	\$11.57	\$12.05	\$12.23	\$12.05	\$12.05
7.6%	8.6%	9.4%	7.6%	7.0%	8.2%	8.7%	7.8%	8.0%	7.2%	7.5%	7.8%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	4	12	10	8	11	3	8	7	8	4	9
17,952	12,954	89,832	111,784	40,223	36,330	10,733	27,142	13,907	29,100	5,923	24,593
0	1,200	3,248	8,100	24,000	0	0	1,200	0	10,891	1,248	2,001
11,755	9,815	24,266	94,488	8,223	6,600	5,233	8,655	5,360	12,900	3,310	15,090
6,197	1,939	62,318	9,196	8,000	29,730	5,500	17,287	8,547	5,309	1,365	7,502
\$23,724	\$4,681	\$1,917	\$7,211	\$775	\$-	\$1,913	\$-	\$8,000	\$353	\$-	\$3,310
\$137.86	\$73.65	\$652.04	\$27.56	\$298.42	-	-	-	\$74.67	\$78.22	-	\$214.42
11	11	14	16	13	15	15	15	18	15	15	17
113,436	103,507	130,428	260,077	213,141	222,241	222,569	321,194	339,698	221,266	221,266	232,572
\$18.89	\$18.87	\$18.76	\$18.79	\$18.80	\$18.80	\$18.85	\$18.81	\$19.30	\$19.49	\$19.65	\$19.63
(4.0%)	(3.0%)	(2.0%)	(2.0%)	(1.0%)	0.0%	0.0%	0.0%	3.0%	4.0%	4.0%	4.0%
\$136.69	\$138.78	\$139.59	\$141.10	\$141.45	\$140.82	\$141.59	\$141.79	\$145.19	\$148.85	\$153.32	\$159.69
18	19	14	19	19	21	18	16	15	19	21	18
8.1%	8.0%	8.0%	8.0%	7.9%	8.0%	7.9%	8.0%	7.9%	7.8%	7.7%	7.6%
1	3	5	4	2	0	1	1	0	0	0	1
2,940	28,982	132,510	248,718	238,550	0	5,963	5,963	0	0	0	2,750
0	0	2,940	26,042	10,168	238,550	0	0	5,963	0	0	0
0	(34,319)	0	0	0	0	0	0	0	0	0	0
0	(34,319)	2,940	26,042	10,168	238,550	0	0	5,963	0	0	0

W192 District Retail Historical Quarterly Trends (2015–2019)	2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Inventory								
# of Buildings	252	253	253	255	255	256	256	258
Leisure Segment	67	67	67	67	67	67	67	68
Destination Segment	116	117	117	119	119	120	120	121
Neighborhood Segment	69	69	69	69	69	69	69	69
Rentable Area Sq. Ft. (000s)	4,713	4,715	4,715	4,723	4,723	4,728	4,728	4,747
Leisure Segment	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,166
Destination Segment	2,066	2,069	2,069	2,076	2,076	2,082	2,082	2,093
Neighborhood Segment	1,487	1,487	1,487	1,487	1,487	1,487	1,487	1,487
Occupancy Sq. Ft. (000s)	4,450	4,464	4,468	4,474	4,505	4,550	4,561	4,570
Vacant Sq. Ft. (000s)	263	251	247	249	218	178	167	177
Performance								
Occupancy %	94.4%	94.7%	94.8%	94.7%	95.4%	96.2%	96.5%	96.3%
Leisure Segment	96.7%	96.7%	96.8%	97.6%	97.4%	97.0%	97.4%	96.8%
Destination Segment	93.8%	94.8%	95.0%	95.0%	94.9%	95.9%	95.7%	95.7%
Neighborhood Segment	93.6%	92.9%	92.7%	92.2%	94.6%	96.2%	97.0%	96.6%
Vacancy %	6.4%	6.1%	6.3%	6.4%	5.6%	5.3%	5.2%	5.3%
Net Absorption Sq. Ft.	37,429	14,828	4,233	5,889	29,923	45,075	11,678	8,433
Gross Absorption Sq. Ft.	41,229	45,753	22,887	24,898	54,085	55,458	44,250	27,252
Leisure Segment	5,455	2,750	15,227	9,043	3,740	0	5,363	3,700
Destination Segment	29,322	26,937	6,083	6,875	10,832	30,467	13,995	19,842
Neighborhood Segment	6,452	16,066	1,577	8,980	39,513	24,991	24,892	3,710
Avg. Rental Rate	\$17.57	\$17.53	\$17.53	\$18.44	\$17.69	\$18.55	\$18.59	\$23.10
Leisure Segment	\$27.00	\$26.76	\$27.30	\$26.32	\$26.20	\$24.59	\$24.69	\$32.68
Destination Segment	\$18.00	\$18.06	\$17.69	\$22.34	\$19.68	\$18.92	\$19.05	\$18.41
Neighborhood Segment	\$12.05	\$11.88	\$11.71	\$11.88	\$12.49	\$12.92	\$12.81	\$13.96
Availability								
Total Available %	6.9%	7.1%	7.0%	7.3%	8.0%	5.9%	4.8%	5.9%
Sublet Availability Rate	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Leasing Activity Deals	13	15	11	19	11	11	10	12
Leasing Activity Sq. Ft.	36,469	34,631	19,978	56,936	28,089	39,995	28,429	56,754
Leisure Segment	2,400	4,250	9,570	2,700	2,465	2,448	3,249	28,184
Destination Segment	27,817	17,924	1,940	14,607	12,820	9,759	19,700	19,300
Neighborhood Segment	6,252	12,457	8,468	39,629	12,804	27,788	5,480	9,270
Sales Activity								
Sales Volume (000s)	\$6,819	\$6,618	\$512	\$19,368	\$28,301	\$30,835	\$5,500	\$-
Actual Sale Price per Sq. Ft.	\$75.91	\$134.45	\$28.13	\$251.71	\$133.34	\$169.76	\$289.81	-
For Sale Total Listings	21	20	20	23	26	18	17	20
For Sale Total Sq. Ft.	272,662	278,344	266,915	388,167	268,134	121,881	233,446	275,036
Market Characteristics								
Market Rent per Sq. Ft.	\$19.72	\$19.89	\$20.10	\$20.18	\$20.38	\$20.48	\$20.53	\$20.69
Market Rent Growth (Y-O-Y)	2.2%	2.0%	2.3%	2.8%	3.3%	3.0%	2.2%	2.5%
Market Sale Price per Sq. Ft.	\$161.87	\$165.70	\$167.75	\$169.38	\$171.56	\$172.26	\$174.05	\$175.90
Months on Market	20	16	19	16	17	13	14	17
Market Cap Rate	7.6%	7.4%	7.4%	7.4%	7.3%	7.3%	7.3%	7.3%
Construction Activity								
Buildings Under Construction	2	3	3	1	2	5	6	13
Construction Activity Sq. Ft.	8,245	12,770	12,770	5,495	13,061	41,639	191,639	317,613
Deliveries	0	2,750	0	7,275	0	5,495	0	19,038
Demolished	0	0	0	0	0	0	0	0
Net Deliveries	0	2,750	0	7,275	0	5,495	0	19,038

Sources: CoStar Group, Inc.; GAI Consultants

2017				2018				2019		
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
260	260	263	264	265	264	266	275	276	277	277
69	69	70	71	72	73	75	84	85	85	85
122	122	123	123	123	121	121	121	121	122	122
69	69	70	70	70	70	70	70	70	70	70
4,754	4,754	4,935	5,019	5,023	5,006	5,023	5,159	5,200	5,223	5,215
1,171	1,171	1,187	1,271	1,275	1,285	1,302	1,438	1,479	1,479	1,479
2,095	2,095	2,110	2,110	2,110	2,084	2,084	2,084	2,084	2,107	2,099
1,487	1,487	1,637	1,637	1,637	1,637	1,637	1,637	1,637	1,637	1,637
4,594	4,596	4,772	4,831	4,814	4,816	4,821	4,957	5,037	5,023	5,053
159	158	163	188	209	190	202	202	163	200	162
96.6%	96.7%	96.7%	96.3%	95.8%	96.2%	96.0%	96.1%	96.9%	96.2%	96.7%
97.6%	97.2%	97.8%	97.9%	98.3%	98.4%	98.2%	96.2%	98.0%	95.4%	95.2%
95.7%	95.2%	94.7%	94.5%	93.6%	94.1%	93.9%	96.7%	95.5%	95.5%	97.6%
97.2%	98.4%	98.5%	97.3%	96.8%	97.2%	96.8%	95.2%	97.6%	97.7%	97.5%
4.6%	3.8%	3.5%	3.7%	3.4%	3.3%	3.3%	3.7%	4.2%	3.8%	3.3%
24,551	1,654	176,200	58,798	(17,459)	8,468	5,107	129,990	79,888	(14,322)	30,456
29,519	37,311	195,860	100,240	20,875	41,241	33,818	192,292	79,444	63,355	63,144
15,396	2,863	27,920	86,680	8,725	17,000	19,531	105,047	27,869	8,150	3,384
4,783	12,445	15,200	13,460	9,850	12,245	10,247	82,518	4,600	44,225	43,415
9,340	22,003	152,740	100	2,300	11,996	4,040	4,727	46,975	10,980	16,345
\$20.17	\$19.07	\$20.24	\$15.64	\$14.01	\$15.78	\$15.87	\$18.99	\$19.31	\$16.70	\$16.91
\$24.21	\$24.02	\$25.81	\$20.04	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$10.55	\$10.25
\$19.95	\$18.71	\$19.38	\$19.26	\$15.95	\$20.54	\$20.34	\$20.47	\$20.97	\$22.66	\$21.00
\$15.76	\$13.95	\$16.61	\$12.39	\$11.64	\$11.91	\$12.17	\$16.52	\$17.24	\$19.09	\$19.48
5.3%	4.8%	4.6%	5.4%	6.3%	6.2%	6.4%	5.6%	5.7%	7.1%	5.1%
0.1%	0.1%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
10	19	9	11	15	11	10	11	11	9	9
36,317	40,770	96,005	26,533	93,044	52,672	36,603	34,141	27,067	15,061	44,426
1,248	4,203	84,205	18,333	64,529	31,010	9,708	15,778	11,767	3,655	3,384
11,938	22,145	9,200	6,600	24,105	15,162	22,053	15,163	1,400	7,730	13,720
23,131	14,422	2,600	1,600	4,410	6,500	4,842	3,200	13,900	3,676	27,322
\$7,970	\$8,100	\$11,122	\$29,500	\$11,509	\$4,800	\$4,748	\$750	\$4,805	\$10,625	\$9,490
\$153.81	\$225.92	\$210.34	\$669.01	\$88.67	\$169.28	\$779.96	\$167.08	\$192.05	\$167.49	\$157.56
15	13	11	13	13	14	12	11	8	13	10
150,028	218,863	168,043	203,433	105,516	143,205	115,330	125,350	115,694	160,272	124,043
\$20.96	\$20.99	\$21.22	\$21.47	\$21.81	\$22.26	\$22.59	\$22.56	\$23.05	\$23.31	\$23.42
2.9%	2.5%	3.3%	3.8%	4.0%	6.1%	6.5%	5.1%	5.7%	4.7%	3.7%
\$177.75	\$178.59	\$180.31	\$182.41	\$183.60	\$188.02	\$188.46	\$188.07	\$191.60	\$190.21	\$193.41
11	12	11	9	9	8	7	10	8	8	8
7.3%	7.3%	7.3%	7.3%	7.3%	7.2%	7.3%	7.3%	7.3%	7.3%	7.3%
14	14	12	12	11	12	10	5	4	3	2
450,668	450,668	273,738	199,533	195,533	193,582	176,556	106,071	65,550	42,550	26,900
6,671	0	180,930	84,205	4,000	10,000	17,026	136,035	40,521	23,000	15,650
0	0	0	0	0	(26,534)	0	0	0	0	(23,422)
6,671	0	180,930	84,205	4,000	(16,534)	17,026	136,035	40,521	23,000	(7,772)

W129 District Office Historical Annual Trends	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD*
Inventory										
# of Buildings	17	17	16	18	18	18	18	18	18	18
Leisure Segment	5	5	4	4	4	4	4	4	4	4
Destination Segment	9	9	9	11	11	11	11	11	11	11
Neighborhood Segment	3	3	3	3	3	3	3	3	3	3
Rentable Area Sq. Ft. (000s)	762	762	744	809	809	809	809	809	809	809
Leisure Segment	38	38	20	20	20	20	20	20	20	20
Destination Segment	690	690	690	755	755	755	755	755	755	755
Neighborhood Segment	34	34	34	34	34	34	34	34	34	34
Occupancy Sq. Ft. (000s)	635	672	707	752	754	775	748	740	804	800
Vacant Sq. Ft. (000s)	127	90	37	58	55	35	62	70	6	10
Performance										
Occupancy %	83.3%	88.2%	95.0%	92.9%	93.2%	95.7%	92.3%	91.4%	99.3%	98.8%
Leisure Segment	53.3%	58.0%	100.0%	100.0%	100.0%	100.0%	100.0%	92.3%	100.0%	100.0%
Destination Segment	86.7%	89.4%	94.7%	92.4%	92.7%	95.4%	91.8%	91.0%	99.2%	98.7%
Neighborhood Segment	49.1%	98.5%	98.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Vacancy %	16.7%	11.8%	5.0%	7.1%	6.8%	4.3%	7.7%	8.6%	0.7%	1.2%
Net Absorption Sq. Ft.	(60,648)	37,311	34,988	44,539	2,338	20,772	(27,473)	(7,662)	63,965	(4,213)
Gross Absorption Sq. Ft.	3,901	37,811	64,524	54,918	11,959	21,472	15,628	100	97,050	15,241
Leisure Segment	0	1,800	15,900	2,700	5,988	0	0	0	1,560	0
Destination Segment	3,901	19,131	48,624	51,718	5,971	21,472	15,628	100	95,490	8,241
Neighborhood Segment	0	16,880	0	500	0	0	0	0	0	7,000
Avg. Rental Rate	\$20.48	\$20.64	\$23.78	\$21.87	\$20.19	\$16.34	\$22.94	\$23.94	\$25.93	\$16.09
Leisure Segment	\$14.00	\$14.00	\$24.76	\$24.76	\$14.00	\$9.00	\$9.00	\$13.00	-	-
Destination Segment	\$21.58	\$22.02	\$22.91	\$20.44	\$21.13	\$20.43	\$24.61	\$25.21	\$25.93	\$22.00
Neighborhood Segment	-	-	-	-	-	-	-	-	-	\$15.00
Availability										
Total Availability %	18.4%	13.9%	5.6%	6.1%	5.2%	4.6%	10.1%	10.6%	1.1%	3.0%
Sublet Availability Rate	0.0%	0.0%	0.0%	0.3%	0.1%	0.8%	0.0%	0.2%	0.0%	0.0%
Leasing Activity Deals	1	10	5	4	2	5	3	1	2	5
Leasing Activity Sq. Ft.	2,001	25,300	59,407	7,118	10,188	19,672	11,328	2,156	4,200	6,789
Leisure Segment	0	1,800	0	2,700	5,988	0	0	0	0	0
Destination Segment	2,001	23,500	40,821	4,418	4,200	19,672	11,328	2,156	4,200	6,789
Neighborhood Segment	0	0	15,586	0	0	0	0	0	0	0
Sales Activity										
Sales Volume (000s)	-	-	\$50,398	\$9,551	\$43,577	-	\$950	-	\$23,320	-
Actual Sale Price per Sq. Ft.	-	-	\$167	\$139	\$149	-	\$79	-	\$169	-
For Sale Total Listings	3	-	1	-	-	-	1	2	-	-
For Sale Total Sq. Ft.	224,079	-	68,566	-	-	-	41,000	53,030	-	-
Market Characteristics										
Market Rent per Sq. Ft.	\$23.14	\$22.51	\$22.72	\$22.74	\$23.56	\$25.51	\$26.67	\$28.55	\$29.57	\$30.42
Market Rent Growth (Y-O-Y)	(7.0%)	(2.7%)	0.9%	0.1%	3.6%	8.3%	4.5%	7.0%	3.6%	3.0%
Market Sale Price per Sq. Ft.	\$156.84	\$170.31	\$163.09	\$157.12	\$158.84	\$167.67	\$177.87	\$185.96	\$195.98	\$201.02
Months on Market	11.6	21.9	22.2	28.9	31.3	11.4	13.3	20.3	9.4	3.4
Market Cap Rate	8.6%	8.1%	8.1%	8.2%	8.1%	8.1%	7.9%	7.9%	7.9%	7.9%
Construction Activity										
Buildings Under Construction	0	0	2	0	0	0	0	0	0	1
Construction Activity Sq. Ft.	0	0	65,000	0	0	0	0	0	0	9,000
Deliveries	-	-	-	65,000	-	-	-	-	-	-
Demolished	-	-	(17,700)	-	-	-	-	-	-	-
Net Deliveries	-	-	(17,700)	65,000	-	-	-	-	-	-

Sources: CoStar Group, Inc.; GAI Consultants Note: YTD* January–November 2019 Values

W129 District Retail Historical Annual Trends	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD*
Inventory										
# of Buildings	245	245	247	251	252	255	258	264	275	278
Leisure Segment	63	63	64	66	67	67	68	71	84	86
Destination Segment	114	114	114	116	116	119	121	123	121	121
Neighborhood Segment	68	68	69	69	69	69	69	70	70	70
Rentable Area Sq. Ft. (000s)	4,463	4,463	4,458	4,707	4,713	4,723	4,747	5,019	5,159	5,228
Leisure Segment	906	906	914	1,153	1,159	1,159	1,166	1,271	1,438	1,492
Destination Segment	2,056	2,056	2,056	2,066	2,066	2,076	2,093	2,110	2,084	2,099
Neighborhood Segment	1,501	1,501	1,487	1,487	1,487	1,487	1,487	1,637	1,637	1,637
Occupancy Sq. Ft. (000s)	4,170	4,185	4,197	4,410	4,412	4,474	4,570	4,831	4,957	5,077
Vacant Sq. Ft. (000s)	294	278	261	296	300	249	177	188	202	152
Performance										
Occupancy %	93.4%	93.8%	94.2%	93.7%	93.6%	94.7%	96.3%	96.3%	96.1%	97.1%
Leisure Segment	97.6%	97.8%	96.7%	95.1%	96.4%	97.6%	96.8%	97.9%	96.2%	95.2%
Destination Segment	94.4%	94.9%	93.3%	92.9%	92.3%	95.0%	95.7%	94.5%	96.7%	97.5%
Neighborhood Segment	89.5%	89.9%	93.8%	93.7%	93.3%	92.2%	96.6%	97.3%	95.2%	98.3%
Vacancy %	6.6%	6.2%	5.8%	6.3%	6.4%	5.3%	3.7%	3.7%	3.9%	2.9%
Net Absorption Sq. Ft.	44,550	15,862	11,828	212,971	2,196	61,629	95,859	261,203	126,106	119,362
Gross Absorption Sq. Ft.	133,341	82,111	171,102	381,061	86,477	134,767	181,045	362,930	288,226	238,002
Leisure Segment	32,112	2,800	24,214	248,237	20,584	32,475	12,803	132,859	150,303	53,771
Destination Segment	60,074	57,470	28,847	90,238	42,270	69,217	75,136	45,888	114,860	92,240
Neighborhood Segment	41,155	21,841	118,041	42,586	23,623	33,075	93,106	184,183	23,063	91,991
Avg. Rental Rate	\$18.65	\$18.62	\$15.79	\$16.37	\$16.84	\$18.44	\$23.10	\$15.64	\$18.99	\$15.68
Leisure Segment	\$30.46	\$31.68	\$27.76	\$26.50	\$27.00	\$26.20	\$32.68	\$20.04	\$18.00	\$10.25
Destination Segment	\$20.54	\$18.14	\$15.62	\$17.32	\$17.90	\$22.34	\$18.41	\$19.26	\$20.47	\$21.00
Neighborhood Segment	\$14.16	\$16.66	\$11.74	\$11.57	\$12.05	\$11.88	\$13.96	\$12.39	\$16.52	\$21.40
Availability										
Total Availability %	7.9%	8.9%	7.6%	7.8%	7.8%	7.3%	5.9%	5.4%	5.6%	5.6%
Sublet Availability Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%
Leasing Activity Deals	25	26	31	30	28	58	44	49	47	34
Leasing Activity Sq. Ft.	81,802	91,477	232,522	114,428	73,523	148,014	153,267	199,625	216,460	93,973
Leisure Segment	39,237	4,100	12,548	25,200	14,140	18,920	36,346	107,989	121,025	20,274
Destination Segment	22,210	47,675	140,324	28,711	36,660	62,288	61,579	49,883	76,483	24,550
Neighborhood Segment	20,355	39,702	79,650	60,517	22,723	66,806	55,342	41,753	18,952	49,149
Sales Activity										
Sales Volume (000s)	\$8,537	\$12,604	\$37,533	\$2,688	\$11,845	\$3,317	\$64,636	\$56,692	\$21,808	\$33,770
Actual Sale Price per Sq. Ft.	\$161	\$97	\$75	\$298	\$92	\$142	\$157	\$307	\$129	\$167
For Sale Total Listings	12	11	16	15	17	23	20	13	11	10
For Sale Total Sq. Ft.	103,435	83,610	260,077	321,194	232,572	388,167	275,036	203,433	125,350	85,965
Market Characteristics										
Market Rent per Sq. Ft.	\$19.77	\$19.14	\$18.79	\$18.81	\$19.63	\$20.18	\$20.69	\$21.47	\$22.56	\$23.58
Market Rent Growth (Y-O-Y)	(5.7%)	(3.2%)	(1.8%)	0.1%	4.4%	2.8%	2.5%	3.8%	5.1%	4.4%
Market Sale Price per Sq. Ft.	\$128.68	\$133.09	\$141.10	\$141.79	\$159.69	\$169.38	\$175.90	\$182.41	\$188.07	\$201.79
Months on Market	13	14	18	18	18	18	16	11	8	8
Market Cap Rate	8.4%	8.2%	8.0%	8.0%	7.6%	7.4%	7.3%	7.3%	7.3%	7.1%
Construction Activity										
Buildings Under Construction	0	0	4	1	1	1	13	12	5	3
Construction Activity Sq. Ft.	0	0	248,718	5,963	2,750	5,495	317,613	199,533	106,071	35,700
Deliveries	4,949	-	28,982	248,718	5,963	10,025	24,533	271,806	167,061	92,071
Demolished	-	-	(34,319)	-	-	-	-	-	(26,534)	(23,422)
Net Deliveries	4,949	-	(5,337)	248,718	5,963	10,025	24,533	271,806	140,527	68,649

Sources: CoStar Group, Inc.; GAI Consultants Note: YTD* January–November 2019 Values

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