

COLUMBUS MARKET OUTLOOK 2013



CBRE

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MESSAGE FROM THE SENIOR MANAGING DIRECTOR

CBRE's Columbus office has been the city's leader in commercial real estate services since 1998. Our experience in the market and our robust platform of services has allowed us to remain ahead of our competition, our depth of expertise and unparalleled resources help our clients achieve their real estate goals.

The past three years have been challenging for the commercial real estate industry, which is why CBRE Columbus is extremely proud to have represented clients in 39 of 72 largest office lease transactions in 2012 and more each year than any other brokerage in Columbus since 2010. And the good news doesn't stop there. CBRE Columbus was also involved in 50.9% of all industrial transactions over 50,000 square feet in our market. This was, again, more than any other Columbus brokerage. In total, these transactions represented approximately 5.7 million square feet of industrial space.

We are also very fortunate that Central Ohio's economy has improved at a faster rate than other cities of our size and the future looks even brighter. CBRE's third quarter Economic Advisors Report lists Columbus among cities that are expected to be in the next wave to make the transition from economic recovery to expansion in the coming year. This is most likely due to the fact that the Columbus economy is very diverse, which has made it more resilient during times of national economic stress. We are cautiously optimistic that this expansion will occur, which can only mean good things for our clients and our community.

We are pleased to present this Market Outlook to you. It combines our best market data and analytics with insights from our experienced staff who are dedicated to sharing their expertise with you as you develop and execute new strategies to manage your real estate needs.

To our clients, colleagues and business partners we thank you for a successful 2012, and offer our best wishes for you in your 2013 endeavors.



Robert O. Click
Senior Managing Director

“We are very fortunate that Central Ohio’s economy has improved at a faster rate than other cities of our size and the future looks even brighter. CBRE’s third quarter Economic Advisors Report lists Columbus among cities that are expected to be in the next wave to make the transition from economic recovery to expansion in the coming year.”



LINES OF SERVICE



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2012 IN REVIEW

- Year over year, suburban vacancy declined 1.0% & downtown vacancy increased 1.3%.
- Metro area average asking lease rates rose \$0.46 PSF to \$17.59 PSF. Downtown rates rose \$0.27 to \$18.22 PSF; suburban rates rose \$0.52 PSF to \$17.31 PSF.*
- 201,971 SF of new construction occurred in New Albany and Downtown; 95,471 SF was fully leased at the time of completion.
- 2012 absorption had mixed results with less overall absorption than 2011, increased suburban absorption and decreased downtown absorption.

MAJOR OCCUPANCY CHANGES

- Issac Brant merged with Wiles Boyle into Issac Wiles & leased 42,000 SF at 2 Miranova Pl. The companies vacated space at 300 Spruce St and 250 E Broad St.
- PNC gave back 37,000 SF at 155 E. Broad St.
- Taft Law vacated 38,000 SF at 21 E. State St.
- The FBI vacated 25,000 SF in the Brewery District & moved to 44,926 SF in the Arena District.
- Residential Finance vacated 22,000 SF downtown & relocated to 39,000 SF at Easton
- McGraw-Hill vacated 67,672 SF at Easton, quickly backfilled by Alliance Data.

- NetJets vacated 130,000 SF in two buildings & moved to a new 140,000 SF BTS headquarters at the Airport.

OUTLOOK FOR 2013

- Much like 2012, the biggest deals in the market are likely to be renewals or relocations with some expansion. In addition mid-sized new deals will contribute to overall occupancy growth and a slow improvement in vacancy overall.
- Public sector contraction will impact leasing activity and put upward pressure on vacancy rates, especially in the downtown market.
- Although still a tenants market, expected economic improvement in 2013 will see a reduction in incentives offered by landlords in the suburban market.
- Incentives on a number of levels from various governmental entities will continue to have a strong impact on lease & purchase decision making.
- Efficiency & cost considerations mean many users both private & government may choose owned buildings versus leased space. For example, in 2014 Verizon plans to vacate 240,000 SF of leased space in Dublin & relocate to 198,000 SF available in an owned building in Hilliard.
- Large blocks of space in the Dublin & Easton submarkets will be backfilled before significant speculative construction begins in these areas.

*Rates quoted as Full Service Gross

Quick Stats

	Current	Change YoY
Total Vacancy	18.7%	▼
Lease Rates (FSG)	\$17.59	▲
2012 Net Absorption	257,318 SF	▼
Under Construction	280,000 SF	▲

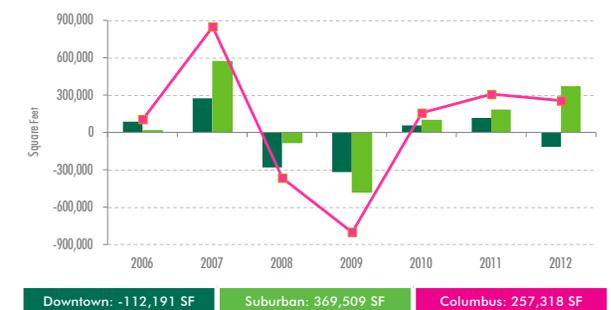
Source: CBRE Research

Vacancy Rates



Source: CBRE Research

Net Absorption



Source: CBRE Research

2012 IN REVIEW

- Columbus' resilience in 2012 continued to attract new investment in "Class A" warehouse / distribution properties.
- Sales throughout the year indicated a growth in building value for 2012.
- Vacancy declined from 13.7% in 2011 to 11.8% in 2012.
- Availability was on the decline during 2012. Leasing activity was also showing signs of decline.
- There was 1,444,053 SF of new construction during 2012, an increase over 2011's 1,390,018 SF.
- Asking net lease rates for industrial space throughout the Columbus industrial market ranged from \$1.00-\$12.50 per square foot per year net. The overall average for space between 10,000-100,000 SF was \$4.35 which is down \$0.20 per square foot from 2011. The overall average for space over 100,000 SF was \$2.92 per square foot. This rate is down \$0.10 per square foot from 2011.
- Net absorption for 2012 was 2,796,482 SF, a stunning increase from 2011's 104,022 SF.

OUTLOOK FOR 2013

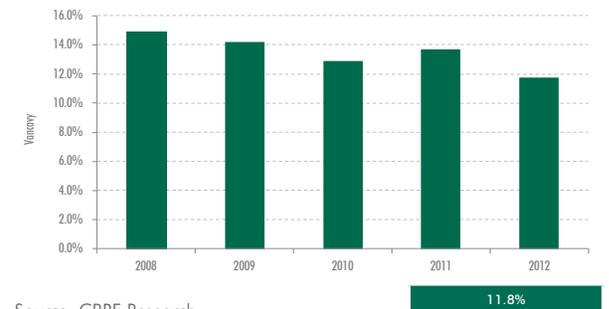
- Columbus' access to the major transportation corridors and strategic access to more than 50% of the US and Canadian consumer market will continue to attract new distribution.
- In response to a strengthening of the economy, future build-to-suit and speculative construction will be on the rise in the key industrial submarkets around Columbus.
- Demand for bulk distribution space along the I-70 corridor will encourage additional development in the existing, underdeveloped I-70 Industrial Parks located east and west of Columbus.
- Vacancy rates for industrial properties will continue to decline with the largest gains in occupancy in the Rickenbacker industrial market.
- As tax abatements expire on existing buildings, tenants are being pushed to examine their occupancy costs and consider their options to relocate into newer tax abated buildings, or manage increases in operating expenses through their existing landlords.
- The aggressive takedown of available space in 2012 will result in increased base rental rates as the economy continues to recover and the remaining vacant space is backfilled.

Quick Stats

	Current	Change YoY
Total Vacancy	11.8%	▼
Lease Rates (NNN)	\$2.60-\$3.80	▲
Net Absorption	2,796,782 SF	▲
Under Construction	603,053 SF	▼

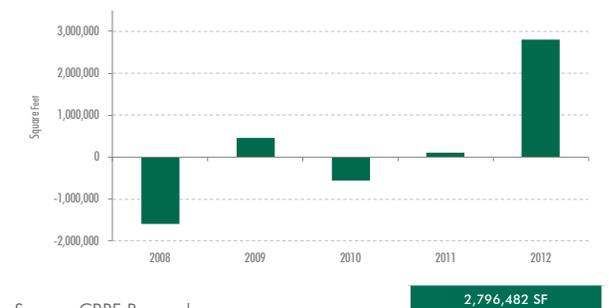
Source: CBRE Research

Vacancy Rates



Source: CBRE Research

Net Absorption



Source: CBRE Research

2012 IN REVIEW

- According to the Urban Land Institute, the future of retail belongs to town centers, main streets, and mixed-use developments. Projects such as Kingsdale, Dublin's Bridge Street corridor, Grandview Yard and the redevelopment of Old Worthington Square, are in line with this future vision, using existing developed land to create retail environments with amenities that cannot be experienced online.
- Locally, Columbus Commons, Tuttle, and Polaris may have been the last wave of large shopping center development, with Easton starting to point toward a different form of development. Commercial strip growth, first in the outer areas of Columbus city and more recently in suburbs such as Pickerington and Grove City, continue to show expansive growth. There are more than 90 million square feet of retail space in Franklin County and the adjacent six counties.
- The Columbus retail market did not experience much change in market conditions in the fourth quarter 2012. The vacancy rate went from 7.9% in the previous quarter to 7.8% in the current quarter. Net absorption was positive 145,362 square feet, and vacant sublease space decreased by 3,829 square feet. Quoted rental rates decreased from third quarter 2012 levels, ending at \$11.50

per square foot triple net per year. A total of 11 retail buildings with 71,451 square feet of retail space were delivered to the market in the quarter, with 426,751 square feet still under construction at the end of the quarter. The market is primed for new development though, as speculative construction returns to the area as Simon Property Group and Tanger plan a 350,000 square foot outlet mall at I-71 and Route 36/37 (estimated completion is third quarter 2014), and another off I-71 in Sunbury, Ohio.

- Retail development, which has followed housing growth in Columbus, has slowed during the economic recession. There have been some exceptions such as The Ohio State University Campus renovations, as well as Cabela's entrance into the Polaris area, and Easton's continued expansion.

OUTLOOK FOR 2013

- Columbus' retail environment is poised to re-emerge as the housing market continues to improve.
- With retail facing some challenges from the aging population and multi-family most likely benefiting, each will need to deal with the impact accordingly. For retail, beginning in 2013, it will be up to industry leaders, retail center owners, and developers to recognize the effects of the shift and to come up with



strategies to lessen their impact. As an economic indicator, population is a driver of not only employment but also demand for real estate.

- According to a Forbes analyst, all commercial real estate will improve marginally in 2013. New construction activity will inch upward, operating income will be a little better, and property values will level off. Later, in 2014 or 2015, operating income and prices will both rise, triggering increased construction.

2012 IN REVIEW

- Class A Industrial continued to surge to the forefront of investor wish lists as over \$402M in trades occurred in 2012. Columbus' strategic location motivated private and institutional investors to seek Class A and B properties in A locations with cap rates dipping into the low 7% range. Limited new construction continued to tighten vacancies and motivate sellers to test the market.
- Suburban Office sales highlighted the recovery of investors' perceptions on Columbus. Canadian investors have selected Columbus as a primary location for portfolio growth. Over \$364 million of investment occurred in both CBD and suburban office in 2012. Location and tenant credit were drivers as private investors seek to leverage their acquisitions. Lenders were cautious to pursue opportunities that had any combination of tenant risk components. Class A and B assets in good locations attracted new investors to Columbus as unemployment continues to decline at a greater pace than other secondary markets.
- Retail investment grew considerably in 2012 as it relates to prior years. Over \$115M of sales booked in 2012 with anchored shopping centers topping the hit list. Lenders continue to be cautious on locations that do not

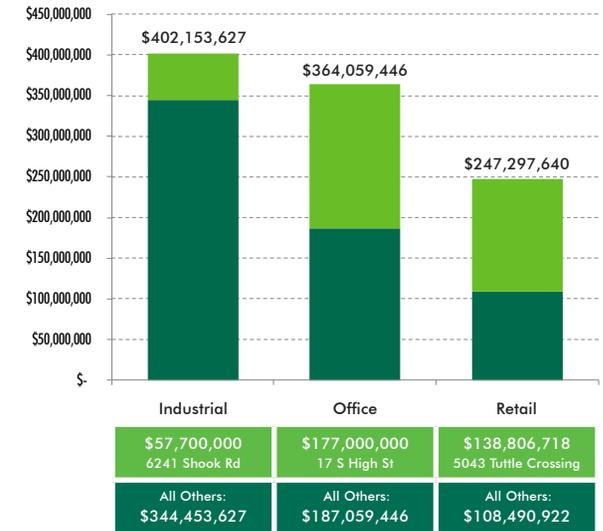
meet demographic qualifications and specific centers lacking in location status and tenant credit.

- Office cap rates ranged from the low 7% for single tenant long term leased properties to the mid 9% range on properties exceeding 70% leased. The cap rates were applied to in-place rents only as investors are cautious in valuing vacancy as of yet.

OUTLOOK FOR 2013

- Suburban Office sales will continue to surge in spite of recent tax burdens placed on long term gains. Private investors that have weathered the downturn as owners, and stabilized their properties, are testing the market in increased numbers. The lack of any significant new construction has tightened up vacancies in competitive properties, pushing occupancy into the mid 80% target range for owners. CBRE anticipates office sales will exceed \$400M in 2013 while rental rates breach into a growth area late in 2013 early 2014.
- Logistics will continue to drive Industrial interest in Columbus' Southeast and Southwest submarkets. Similar to office, the lack of any significant new construction will further tighten vacancies and stabilize rental rates. Rental rates will see some growth as there are few sizeable competitive spaces in A locations. Cap rates in 2013 will level off in the class

2012 Investment Sale Volume



Source: Real Capital Analytics

A properties, while Class B opportunities will provide greater yield to investors.

- Anchored strip centers will continue to lead the interest of retail investors in Central Ohio. Grocery anchored centers present an ever increasing stability and safe haven for retail focused investors with cap rates likely to average closer to lower 7% ranges. Power Centers in prime locations will go as their big box anchors sales performance dictates.

2012 IN REVIEW

- Fundamentals in the Columbus multi-housing market are strong throughout all segments. Owners of stabilized, well run, and sufficiently capitalized properties are faring very well. Vacancy rates in the Class A and B sectors are under 4% with rent growth ranging from 4%-6%. Occupancies in the Class C submarket have increased into the low 90% range with minimal rent growth.
- Transaction activity in 2012 was extremely vibrant. The combination of strong fundamentals, favorable debt markets, plus impending changes to capital gains tax rates in 2013, led to a significant increase in sales volume and consideration from the previous three years. Roughly 7,665 units transferred with an average sale price per unit of \$49,192. The cap rate environment for stabilized properties, following national trends, compressed with the most aggressive rates at 6.00%. There were very few distressed sales compared to the past 24 months.
- Multi-Family permit activity was very low. The number of permits issued does not give an accurate estimate of development activity because a number of properties are being developed as "Extended Stay" facilities with commercial zoning.



"Columbus has become a two tiered marketplace. Well located, sufficiently capitalized properties are performing very well with high occupancies and strong rental growth."

Ed Joseph
Vice President

OUTLOOK FOR 2013

- Given the strong fundamentals in the Class A sector combined with aggressive cap rates, sales in 2013 will occur predominantly in the high end asset class.
- Overall vacancy rates will increase marginally to a level ranging from 93%-95% depending on asset class and location.
- The Columbus multi-family sales market will not be as active in 2013 as it was in 2012. Sellers were incentivized to consummate their transactions by year end 2012 because of the impact of increased capital gains taxes. It will be mid-2013 before owners make firm decisions to place their properties on the market.
- The national economy will have minimal effect on the Columbus multi-family market. Franklin County population growth is project-

ed to be roughly 1.1% in 2013. Job growth in 2012 was 2.0% with a projected 2013 growth level of 1.4%, which equates to a net increase of 18,200 jobs.

- Market fundamentals are strong, but there are a significant amount of new units being added to the marketplace. Rough estimates are 5,000-6,000 units are currently being developed or in the planning stage. These new developments are varied both in location and class.
- Cap rates have compressed down to very aggressive levels. The interest rate environment combined with strong market fundamentals assures that cap rates will remain aggressive in the short term.

2012 IN REVIEW

- Competition from the primary markets has resulted in a shifting of focus to the Columbus market.
- Hotel buyers are following Columbus metrics, recognizing stability and modest growth as positive.
- Sellers are experiencing performance improvements nearing peak levels before the crash. Pricing improvements have reduced the bid/ask gap.

OUTLOOK FOR 2013

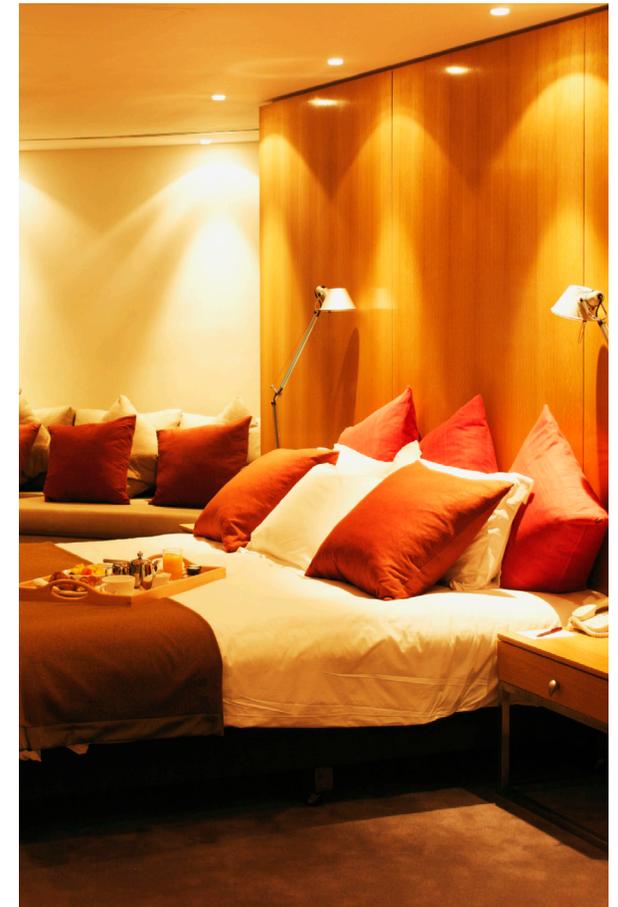
- Due to the performance growth of specific properties, sales of hotels will continue with strengthening pricing metrics.
- RevPAR growth in 2013 will continue above the national average. The rate will be largely

responsible, although demand should grow modestly.

- Columbus is an attractive secondary market that is gaining popularity among acquisition managers.
- Attracted by the growth over the past few years, many owner/operators are considering the Ohio markets. Central city or emerging locations with barriers will be hot markets in 2013.
- Assets in dynamic markets that are well branded and functional will be sought.
- A continuing of lender tolerance for lodging assets as well as improving underwriting terms should result in increased activity over the next 12 months.
- Cap rates will head down slightly. The market

expects revenue and net operating income increases, driving rates down. However, spikes are unlikely, working to stabilize rates.

- Columbus and the Ohio markets are emerging as strong contenders for investment capital.



“Ohio is improving more rapidly than the nation as a whole. This is due to a strengthening in energy, auto and distribution. Columbus sees an even greater benefit from the State Capitol and The Ohio State University.”

Eric Belfrage
Vice President



John Hall
Senior Vice President



David Hartsook
First Vice President



Michael Copella
Vice President

2012 IN REVIEW

- Strategic land acquisition was heightened by the major health systems for future outpatient facilities and hospitals.
- Construction saw an unprecedented expansion by each of the major health systems at their current facilities.
- Acquisition of private practices continued, including specialists.
- Consolidation increased among both private practices and health systems.
- Private practices and health systems invested more into signage, location and build out to heighten the patient experience.
- 2012 saw an increase in health systems part-

nering with local communities, like OSU's Healthy New Albany.

- A lack of large blocks of medical space created more build to suit opportunities.
- There was rabid investor demand for high occupancy, long term leased Class A medical office buildings.

OUTLOOK FOR 2013

- As in 2012, a lack of large blocks of medical space will create more build to suit opportunities and will limit the growth of some occupiers.
- 2013 will see heavy competition by developers for build to suit opportunities.
- There will be a continued consolidation and

new mergers among health systems and private practices.

- With continued development of more outpatient facilities, some occupiers will seek more retail type locations.
- Private equity/venture capital will look to bring services to underserved but well insured markets.
- Health systems will look to partner with local communities for Extended Health Care.
- There will continue to be high investor demand though 2013.

COLUMBUS REGION BECOMES NATIONAL HUB FOR DATA CENTERS

- The Columbus Region has become a national hub for data centers. In recent years, Citigroup, Chase, Nationwide Insurance, Discover Card, PCM, Motorists Insurance, Abercrombie & Fitch and TJX have selected the Columbus Region for their enterprise data centers.
- Natural disasters have become commonplace the past two years in many parts of the United States. Many companies are looking to the Columbus Region as a safe place for their data center operations.
 - » No Earthquakes
 - » No Hurricanes
 - » No Tornadoes
 - » No Flooding
 - » No Wildfires
- Recognizing a need not currently being met in the Columbus Region, Compass Datacenters is developing the first wholesale colocation data center in the 3,000 acre New Albany Business Park. Costs are about half the lease expense of retail colocation data centers.
- The area's strong IT workforce also plays a factor in company decisions to locate their data centers in the Columbus Region. In 2012, IBM announced that they were establishing their Global Client Center for

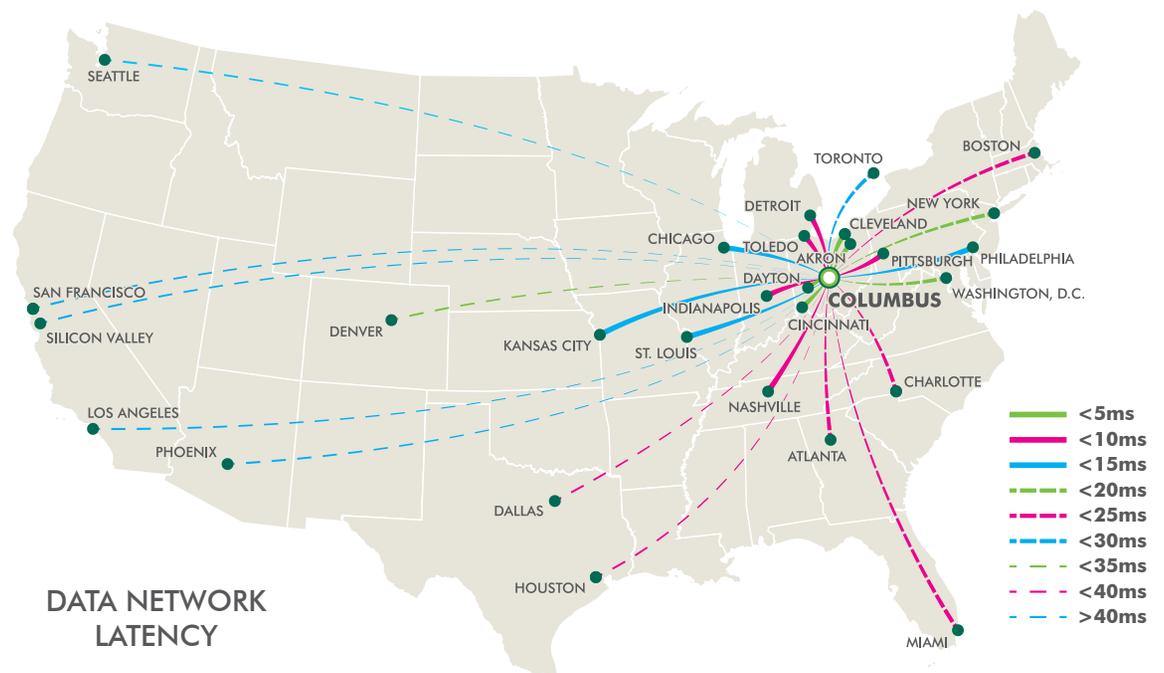
Advance Analytics (Big Data) in Columbus, OH. The Ohio State University is also creating graduate and undergraduate programs in data analytics which should ensure a pipeline of IT talent for years to come.

- Additionally, the Columbus Region has the infrastructure, shovel-ready sites, competitive power costs, low data network latency, and a favorable tax climate. These are all key factors that will further position the Columbus Region as the corporate choice for data center projects.



Doug Godard,
MCR, LEED® AP
Senior Vice President

Doug Godard is one of the 500 professionals in the CBRE Critical Environment Practice comprised of engineers, project managers, facility managers, and transaction consultants. CBRE CEP assists clients with their data center facility needs throughout the United States and globally.



**DATA NETWORK
LATENCY**



REGIONAL
OUTLOOK

CBRE

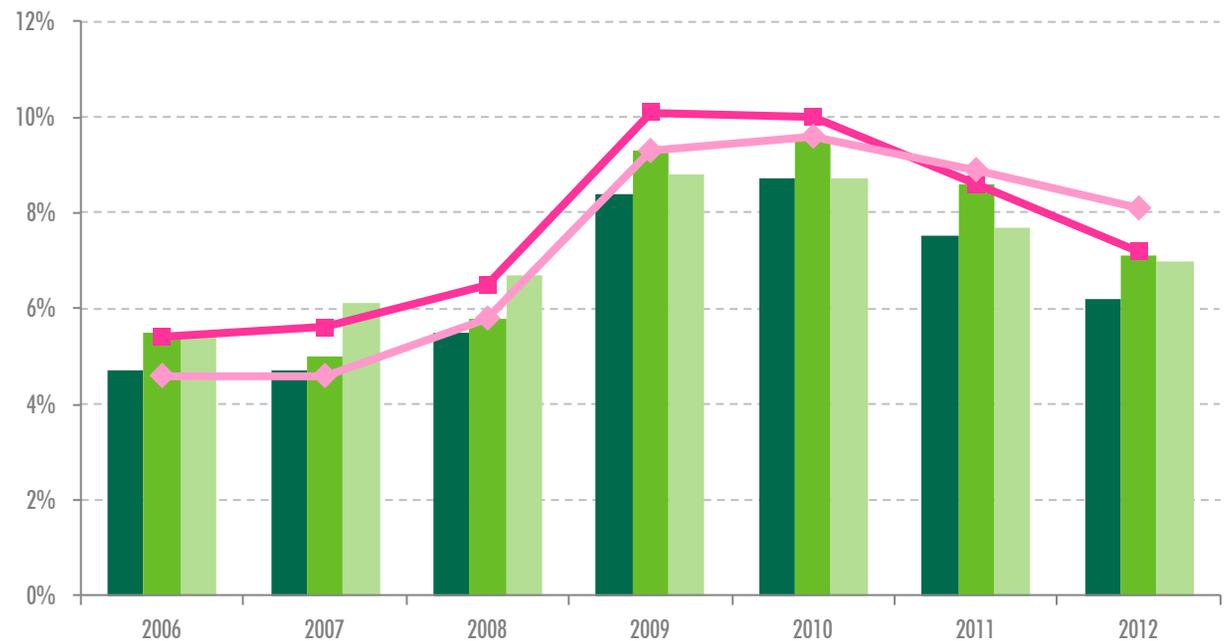
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FROM RECOVERY TO EXPANSION

- Columbus has the lowest unemployment rate of Ohio's major metro areas. During 2012, Columbus became the only Midwest city to have more jobs than they lost during the Great Recession.
- Columbus is expected to be among the cities making the transition from economic recovery to expansion in 2013. Columbus is one of nine cities CBRE-EA is viewing with growing interest as it is expected to make a full recovery within the next year and join the ranks of expanding metro areas.
- Columbus maintains one of the most competitive corporate tax climates in the Midwest, attracting companies like JPMorgan Chase, Nationwide Insurance, Limited Brands, Cardinal Health, Abercrombie & Fitch Co., State Farm Insurance, Time Warner Cable, Verizon Wireless and Aetna.
- More than 54 college and university campuses call the Columbus Region their home, with more than 147,000 students enrolled annually.
- Columbus is one of the fastest growing metropolitan areas in the Midwest with a median age of 35.2 and an annual workforce growth rate of 1.3%.
- Nearly 100% of the Columbus metro population is able to access broadband internet with >3 mbps download speed.



Unemployment



Columbus: 6.2%

Cincinnati: 7.1%

Cleveland: 7.0%

Ohio: 7.2%

U.S.: 8.1%

Source: Ohio Department of Job and Family Services

STRENGTHENING FOR JOB GROWTH

- Ohio's unemployment rate has dropped sharply compared to the national rate, falling 2.8 points against 1.5 points nationally since 2010.
- Ohio continued to create jobs throughout 2012, ranking 5th in the country and 1st in the Midwest.
- The Ohio Development Services Agency demonstrated its commitment to hold companies accountable for the promises they made in return for state incentives.
- After two difficult years for Ohio, 2012 saw the state budget not only in balance, but with a significant surplus.
- Non-Medicaid spending from the General Revenue Fund was reduced by 5.8%. State operating and administrative expenditures decreased by 2.4%. State agencies have reduced staff levels by 7.6% without harm to the delivery of services.
- 2012 saw the state invest nearly \$13 million into a ten-fold increase in Ohio's broadband bandwidth to a nation-leading 100 Gigabits per second.
- Major reform of Ohio's outdated banking and finance tax system was introduced. Taxes for a majority of the state's community banks

were reduced while a significant loophole was closed that was being exploited by a few large banks.

- Workers' compensation costs in Ohio have continued to be reduced so businesses can invest more in growth. Ohio now ranks 17th in terms of premium costs.
- A newly developed model curricula for students in all K-12 schools was introduced. Teachers and administrators had improved tools to include career awareness and development in their classrooms.

ENERGY IMPACT

- Approximately \$238 million has been reinvested by Ohio's natural gas and crude oil industry on new development and exploration.
- Ohio's natural gas and crude oil operators continued to distribute royalties to local landowners, schools, businesses and communities, boosting local economies.
- Almost 4,500 jobs are directly supported with 13,000 indirectly supported by Ohio's natural gas and crude oil industry.
- The state of Ohio saved significant money by buying locally-produced natural gas and crude oil.

Quick Stats - Columbus

	Office	Industrial
Total Vacancy	18.7%	10.0%
Lease Rates*	\$17.59	\$2.60-\$3.80
2012 Net Absorption	257,318 SF	2,796,782 SF
Under Construction	280,000 SF	603,053 SF

Source: CBRE Research

Quick Stats - Cleveland

	Office	Industrial
Total Vacancy	19.9%	7.0%
Lease Rates*	\$17.00	\$4.52
2012 Net Absorption	527,049 SF	2,121,458 SF
Under Construction	450,000 SF	62,000 SF

Source: CBRE Research

Quick Stats - Cincinnati

	Office	Industrial
Total Vacancy	23.5%	8.5%
Lease Rates*	\$19.48	\$3.86
2012 Net Absorption	-210,812 SF	1,849,026 SF
Under Construction	598,697 SF	790,000 SF

Source: CBRE Research

*Office rates are FSG, Industrial rates are NNN

CAUTIOUS OPTIMISM

- The policy discourse in Washington D.C. will determine the final path of economic growth and will remain fluid in the first half of 2013.
- With a more comprehensive resolution to the budget and debt ceiling talks, the economy could gain greater traction during the second half of 2013.
- 2013 will be a transition year. By 2014, the U.S. economy should again be in a relatively healthy position.

A SAFE HAVEN AMID VOLATILITY

- U.S. commercial real estate has remained resilient despite the lackluster pace of real economic growth and lagging labor dynamics. This has provided compelling risk-adjusted returns to investors.
- A distinction with previous downturns is that investors remained committed to property as part of their portfolios.
- The upswing during the last cycle was mostly characterized by overbuying and overleveraging, rather than overbuilding. The measured pace of the new supply helped with the healing process of real estate markets and the improved performance measures.
- Real estate markets across major metropolitan areas are highly liquid, with high volumes

of transaction activity. This gives some degree of comfort to investors that want to invest only with advance knowledge of an exit strategy.

- The current low interest rate environment will continue to attract capital to the real state sector.

U.S. PROPERTY MARKET FUNDAMENTALS

- Class A office space continues to attract occupiers seeking to upgrade their space.
- Office absorption will be concentrated in markets dominated by the high tech and energy industries, followed by the healthcare sector.
- Job growth should gain momentum in late 2013. However, unemployment is not expected to decline significantly until 2015.

IMPLICATIONS FOR INVESTORS

- Uncertainty over the U.S. political environment in 2013 has replaced the euro crisis as the dominant concern of property investors. Growth in 2013 is not expected to be much stronger than the 2% pace of 2012. With risk-aversion high globally, there has been a real shift to the U.S. market. Low bond yields have further attracted investors to real estate. Restrained supply will continue to drive improving fundamentals across all property sectors in 2013.

Quick Stats - U.S. Office

	Current	Change YoY
Total Vacancy	15.4%	▼
Lease Rates (FSG)	\$26.22	▲
2012 Net Absorption	28.4 MSF	▲

Source: CBRE Research

Quick Stats - U.S. Industrial

	Current	Change YoY
Total Availability	12.8%	▼
Lease Rates (NNN)	\$5.56 PSF	▲
2012 Net Absorption	128.9 MSF	▲

Source: CBRE Research

- Demand will increase for healthcare-related real estate. High levels of vacant space in Class B retail centers and suburban office make them prime candidates for meeting the immediate demand for space. The ground-up development of new medical office and clinics should also become a further viable opportunity to meet the increased demand for healthcare services.



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COMPANY INFORMATION

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GLOBAL OFFICE LOCATIONS 300+ OFFICES IN 50 COUNTRIES



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Amie Lenhart.....	430 5032
Terry Mathews.....	430 5050
Scott Moore.....	430 5011
Kelly Shultz.....	249 2083
Bill Whipple.....	430 5080
Julie Witt.....	757 5899

HOTELS

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Brooke Benedict.....	430 5086

INDUSTRIAL BROKERAGE

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Michael Mullady.....	430 5030

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Todd Greiner.....	430 5013
John Hall.....	430 5081
Don Matsanoff.....	430 5000
Brad McMahon.....	430 5052
Laura Miller.....	430 5082
Dan O'Rourke.....	430 5046
Philip Pelok.....	430 5014
Michael Shirey.....	430 5059
Kirk Smith.....	430 5047
Greg Thomas.....	430 5057

PROJECT MANAGEMENT

Mark Wright.....	430 5072
Jeff Higgins.....	430 5090
John Parish.....	430 5033
Chris Smith.....	430 5093
Nancy Vangen.....	430 5092

RESEARCH

Dan Askew.....	430 5098
Christine Zember.....	430 5042

RETAIL BROKERAGE

Mary Bresnahan.....	430 5055
Brenda Newman.....	430 5039

TECH SERVICES

Cindy Arcand.....	430 5078
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VALUATION

Scott Beck.....	781 5158
John Dehner.....	781 5156
Kevin Malpass.....	781 5121
Chris Matousek.....	781 5161
Greg Rutkowski.....	781 5155
Mason Shelby.....	781 5159
Christian Smith.....	781 5160
Ed Szczypinski.....	430 5061

*Please note all numbers begin with +1 614 area code

CBRE

COMPANY TIMELINE

- 1773** REI Limited is founded.
- 1906** Colbert Coldwell founds Tucker, Lynch & Coldwell in San Francisco.
- 1914** Benjamin Arthur Banker joins Coldwell's firm as a full partner.
- 1922** The opening of the Coldwell Banker office in downtown Los Angeles marks the beginning of the company's geographic expansion.
- 1936** The firm changes its name to Coldwell, Banker & Co.
- 1940s** Southern California offices institute seven- to eight-week training program.
- 1952** Coldwell, Banker & Co. opens an office in Phoenix, marking its first move outside California.
- 1961** Coldwell Banker begins organizing by specialty, adding managers for retail and industrial to the conventional geographic-based leadership team.
- 1968** Coldwell Banker offers public stock for the first time.
- 1970** Coldwell Banker opens offices in Dallas ('70), Chicago ('75), and Washington, D.C. ('76).
- 1980** Coldwell Banker opens its first office in New York City.
- 1982** Sears, Roebuck & Co. acquires Coldwell Banker Commercial and Residential.
- 1986** Coldwell Banker Commercial acquires Torto Wheaton Research.
- 1989** Employees invest their own money and with others, acquire the commercial side of Coldwell Banker's business.
- 1991** The company changes its name to CB Commercial.
- 1995** CB Commercial acquires Westmark Realty Advisors. The company expands its investment management capabilities now known as CB Richard Ellis Investors.
- 1996** CB Commercial completes an initial public offering. The company acquires LJ Melody & Co. and becomes a major originator and service of U.S. commercial mortgages. That business service is known as CBRE | Melody.
- 1997** CB Commercial acquires Koll Real Estate Services and becomes a leader in property and facilities management.
- 1998** CB Commercial acquires REI Ltd. and subsequently changes its name to CB Richard Ellis. The company also acquires Hillier Parker in the United Kingdom.
- 1999** CB Richard Ellis operates in more than 250 local markets. CBRE forms a partnership with Ikoma, establishing CBRE presence in Japan.
- 2001** Management Buy-Out takes the company private.
- 2003** CB Richard Ellis acquires Insignia. Becomes the industry's leading service provider. Reunites Richard Ellis global brand name.
- 2004** CB Richard Ellis launches initial public offering on the New York Stock Exchange under the ticker symbol "CBG." Revenue surpasses \$2.0 billion.
- 2005** CB Richard Ellis enters the Fortune 1000 list at number 676 and is added to Russell 1000 Index.
- 2006** Global sales and leasing volume exceeds \$150 billion. CB Richard Ellis celebrates its 100th anniversary. CB Richard Ellis named to S&P 500 Index. CB Richard Ellis acquires Trammell Crow Company. Combined entity post revenue of \$5.0 billion.
- 2008** CB Richard Ellis becomes the first commercial real estate company in the Fortune 500.
- 2011** CB Richard Ellis acquires real estate investment management business in Europe and Asia and global real estate securities business from ING Group N.V. CB Richard Ellis changes corporate name to CBRE Group, Inc.
- 2012** CBRE is first real estate services firm ranked among top five outsourcing firms across all industries by the International Association of Outsourcing Professionals

ASSET SERVICES

Our Asset Services group transforms assets into opportunities through customized, value-added solutions that deliver measurable results in property management, leasing, tenant relations, project and construction management, technical services, sustainable business practices, risk management, business continuity planning, purchasing and financial reporting.

BROKERAGE SERVICES

CBRE provides a complete spectrum of commercial real estate brokerage services for tenants/occupiers, property owners and narrowly focused vertical industries in the office, industrial and retail sectors. Our clients make informed real estate decisions underwritten by industry-leading proprietary market research, and analytical and consulting services. The Brokerage division draws frequently and seamlessly from other CBRE services to address clients' needs anywhere in the world.

CAPITAL MARKETS

Our Capital Markets group integrates the company's investment sales and debt and equity finance businesses into a single, complementary global service offering. CBRE is the worldwide leader in the acquisition and disposition of income-producing properties for third-party owners, and our mortgage banking group is a leader in debt and equity finance for all property types.

DEVELOPMENT & INVESTMENT SERVICES

Our wholly owned, independently operated subsidiary, Trammell Crow Company, serves users of and investors in, office, industrial, retail, health-care, student housing, on-airport distribution, multi-family residential and mixed-use projects. For users of real estate, the firm offers build-to-suit, buy-to-suit and redevelopment opportunities. For investor clients it offers the opportunity to participate in strategic joint ventures, co-mingled opportunity funds, and targeted individual capital programs. Having developed or acquired over \$50 billion of projects, Trammell Crow Company has considerable experience building value for its clients.

FACILITIES MANAGEMENT

Managing more than one billion square feet for corporate, institutional, not-for-profit and government space users around the world, the Facilities Management group delivers the highest level of customer service and value, enabling clients to focus on their core business. By partnering with our clients, our approach to facilities management goes well beyond traditional service models. Our people apply our knowledge, technology, procurement leverage and processes to customize service delivery to any client's culture, and create a competitive advantage for the client.

GLOBAL CLIENT STRATEGIES

Our Global Client Strategies organization drives superior business performance for our clients by maximizing value from their real estate assets and management practices. The group delivers consulting solutions that combine business intelligence with organizational strategies, portfolio optimization, expense management strategies, and labor analysis. We also serve our clients by driving innovation, researching emerging trends, and sharing leading practices.

GLOBAL CORPORATE SERVICES

Our Global Corporate Services group delivers customized, innovative workplace solutions in multiple markets worldwide. Strategically positioned to answer the real estate needs of our corporate, healthcare, government and institutional clients, this group combines expertise in portfolio management, transaction services, facilities and project management. We offer consulting with industry-specific expertise, and global service delivery to provide clients with long-term, quality account management that drives measurable results.

HEALTHCARE SERVICES

Our Healthcare group professionals provide a comprehensive range of real estate and facilities management services to healthcare providers. Our specialized staff focuses on hospital and medical office development, clinical facilities

management (inclusive of energy management), medical office building leasing and management, brokerage services and monetization of non-core real estate assets.

INVESTMENT MANAGEMENT

CBRE Investors is a wholly owned, but independently operated, real estate investment management firm with more than \$35 billion of assets under management. Its mission is to provide real estate investors with exceptional performance globally. Investment funds and programs are diversified by strategy, region, and/or relative risk/return, and are executed by dedicated investment management teams focused on a specific geography and style of investing.

INDUSTRIAL SERVICES

The Industrial Services group addresses the needs of owners and occupiers at every stage of the supply chain, with a special emphasis on ports, intermodals and air cargo. These professionals also work closely with research and development, manufacturing, assembly and warehouse and distribution, as well as land acquisition and disposition. These services are founded on a deep understanding of the assignment and/or project, and our strong belief in specialization, including professionals focused specifically on logistics, life sciences, food solutions and special properties, as well as our global occupier practice.

PROJECT MANAGEMENT

As one of the world's largest providers of professional real estate project management services, we offer a full menu of solutions to address the challenges that real estate occupiers and investors face across the globe. Our solutions include project management, outsourcing strategies, program management services, interior build-outs, project management for critical environments, moves/adds/changes, capital improvements and building renovations, and tenant improvements.

OFFICE SERVICES

Office Services represents the largest segment of CBRE's transaction activity. We have more professionals specializing in the office sector than any other firm. Our professionals specialize in either occupier/tenant or owner/investors needs. CBRE professionals, unsurpassed in their local market knowledge, are supported by leading econometric forecasting and proprietary market research tools, to ensure our clients make strategic and informed decisions.

RESEARCH AND INVESTMENT STRATEGY

We provide commercial real estate forecasting and investment strategy services. These services cover markets around the globe in all quadrants of the real estate market, including public, private, debt and equity. We provide unrivaled, insightful analysis and opinions, based on a highly academic approach and access to the largest

database of deal specific information. Our highly rigorous and reliable forecasting models, proven record of accomplishment and sophisticated analytical expertise have earned us international recognition.

RETAIL SERVICES

The Retail Services group offers solutions to the unique needs of a diverse group of retailers and retail property owners, buyers and sellers. Our expertise includes both urban and suburban real estate, and all types of retail centers. Our integrated retail real estate services include strategic planning, retailer site acquisition, disposition, investment sales, leasing, finance, asset services, mall and urban expertise.

VALUATION & ADVISORY SERVICES

The Valuation & Advisory Services group provides independent, accurate, reliable and timely valuations critical to the success of every real estate transaction or financing. This is accomplished through the accumulation and dissemination of comprehensive data on commercial real estate throughout the world.

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