



4Q 2023

REAL ESTATE REPORT

POWERED BY
RERC[®]

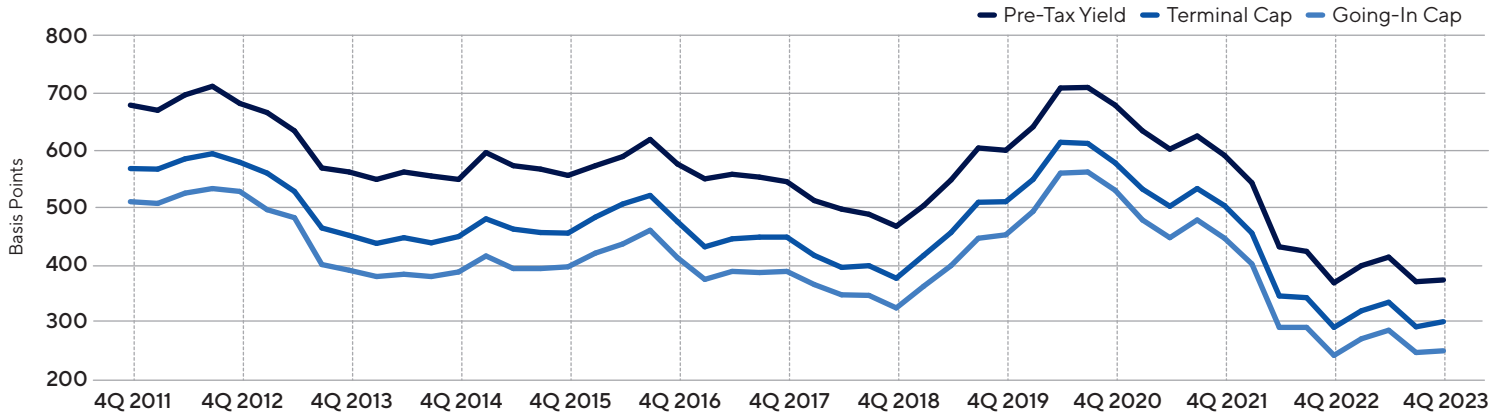
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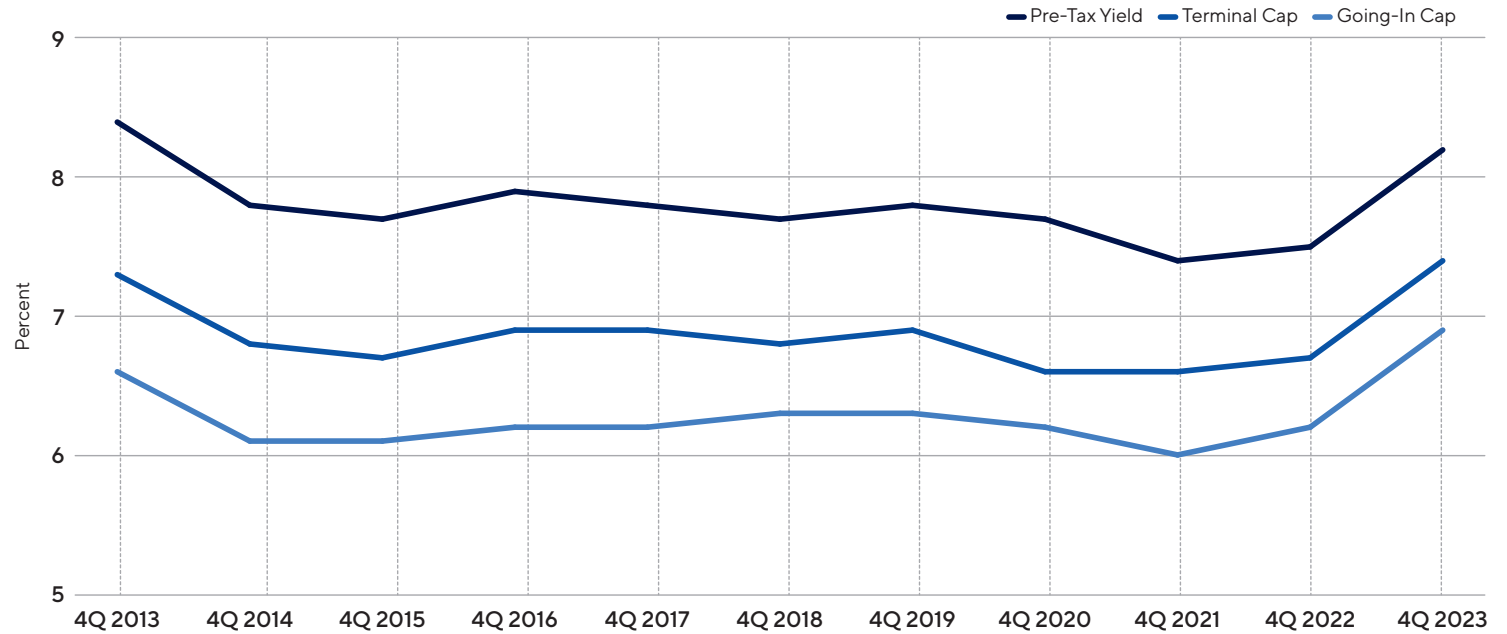
INSTITUTIONAL INVESTMENT CRITERIA

Historical Spreads Over 10-Year Treasurys



Source RERC, 4Q 2023.

Historical Required Pre-Tax Yield Rates (IRR), Going-In Cap Rates and Terminal Cap Rates



Note Rates reflect the all-property-types average.

Source RERC, 4Q 2023.



RERC Required Return Expectations by Property Type¹

	Office		Industrial			Retail			Apt	Student Housing	Hotel	Average All Types	RERC Port Index
	CBD	SUB	WHSE	R&D	FLEX	RGNL MALL	PWR CNTR	NEIGH/ COMM					
Pre-Tax Yield Rate (IRR) (%)													
Range ²	7.0-10.0	8.0-11.0	6.0-9.0	7.0-9.5	7.0-9.5	8.0-10.0	7.5-9.5	7.0-9.5	5.0-8.0	5.0-7.8	8.5-10.0	5-11.0	5-11.0
Average	8.5	9.0	7.2	7.8	8.0	8.8	8.6	8.1					
Weighted Average ³	8.7		7.2			8.5			7.0	7.4	9.5	8.2	7.7
BPS Change ⁴	50	50	50	20	40	50	30	50	30	-30	10	30	40
	50		50			50							
Going-In Cap Rate (%)													
Range ²	6.0-9.0	6.5-10.0	4.7-6.5	6.0-9.0	6.0-9.0	6.0-8.6	6.5-9.0	5.8-9.0	4.5-6.5	5.0-6.2	7.0-9.0	4.5-10.0	4.5-10.0
Average	7.3	7.8	5.8	6.9	6.9	7.7	7.5	6.9					
Weighted Average ³	7.5		5.8			7.4			5.3	6.0	8.1	6.9	6.3
BPS Change ⁴	50	50	50	30	20	50	10	50	20	0	20	30	40
	50		50			40							
Terminal Cap Rate (%)													
Range ²	6.5-10.0	7.0-10.0	5.0-6.8	6.5-9.3	6.5-9.3	6.5-9.1	7.0-9.5	6.0-9.3	5.0-7.5	6.0-7.0	7.2-9.5	5-10.0	5-10.0
Average	7.7	8.2	6.2	7.5	7.5	8.2	8.1	7.4					
Weighted Average ³	7.9		6.2			7.9			5.8	6.6	8.4	7.4	6.7
BPS Change ⁴	50	50	50	40	30	50	30	50	30	0	10	30	40
	50		50			50							
Rental Growth (%)													
Range ²	0.0-3.0	0.0-3.0	3.0-5.8	0.0-3.0	0.0-3.0	-2.5-3.0	2.0-3.0	2.0-3.0	1.7-3.2	3.0-4.2	2.8-6.5	-2.5-6.5	-2.5-6.5
Average	1.4	1.6	3.5	2.4	2.5	1.0	2.6	2.9	2.7	3.8	4.0	2.6	2.6
BPS Change ⁴	-50	-40	10	0	0	-120	10	0	-10	50	10	-10	-20
Expense Growth (%)													
Range ²	2.5-5.0	2.5-5.0	2.5-5.0	2.5-3.5	2.5-3.5	2.5-5.0	2.5-5.0	2.5-5.0	2.0-5.0	3.0-3.9	3.0-5.0	2.0-5.0	2.0-5.0
Average	3.2	3.1	3.1	3.1	3.1	3.4	3.2	3.2	3.1	3.6	3.7	3.3	3.1
BPS Change ⁴	-30	-40	-30	-40	-40	-30	-30	-20	-30	-20	-10	-20	-30

¹This survey was conducted in December 2023 and reflects expected returns for investments over the next 12 months.

²Ranges and other data reflect the central tendencies of respondents; unusually high and low responses have been eliminated.

³Weighting based upon 3Q 2023 NCREIF Portfolio market values.

⁴Change (+/-) in basis points (BPS) from quarter immediately preceding current rate.

Source RERC, 4Q 2023.

Current Quarter Investment Conditions & Capitalization Techniques

	Investment Conditions ¹				Income Approach ²	Cap Rate ³	
	4Q 2023	3Q 2023	4Q 2022	4Q 2021		Before Reserves	After Reserves
Office - CBD	2.0	2.6	2.4	4.2	DCF Model	80%	20%
Office - Suburban	2.9	2.7	2.8	4.2	DCF Model	81%	19%
Industrial - Warehouse	5.1	4.7	5.0	7.4	DCF Model	84%	16%
Industrial - R&D	4.1	4.3	4.3	5.9	DCF Model	83%	17%
Industrial - Flex	4.0	4.2	4.3	6.1	DCF Model	83%	17%
Retail - Regional Mall	3.2	3.4	3.3	3.1	DCF Model	76%	24%
Retail - Power Center	4.3	4.5	4.1	4.4	DCF Model	77%	23%
Retail - Neigh/Comm	5.0	5.2	5.0	5.6	DCF Model	74%	26%
Apartment	5.1	6.0	4.8	6.9	DCF Model	15%	85%
Hotel	4.4	4.6	5.0	5.4	DCF Model	18%	82%
Student Housing	5.0	4.3	4.9	4.8	DCF Model	20%	80%

¹ Investment Conditions rated on a scale of 1 = poor to 10 = excellent.

² Income Approach reflects the most relative method (DCF or Direct Cap), as chosen by survey respondents.

³ Percentage of respondents who apply the cap rate before or after reserves. See *RERC Scope and Methodology* for more information.

Source RERC, 4Q 2023.

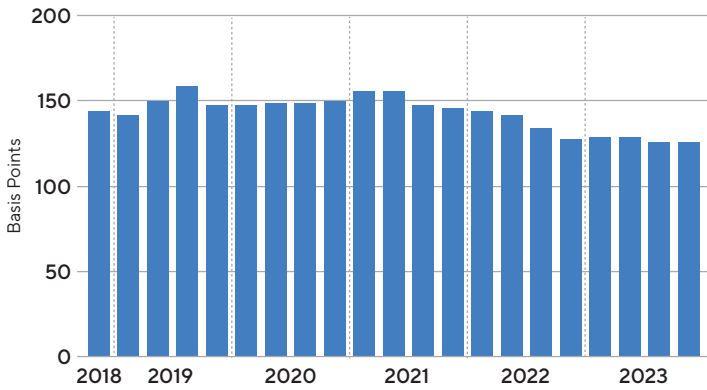
Expected Leasing Assumptions, Marketing & Holding

	Renewal Probability (%)	Time to Release (months)	Vacancy Loss ¹ (%)	Marketing Time (months)	Holding Period (years)
Office - CBD	60	11.8	11.7	10.5	9.8
Office - Suburban	60	11.3	11.9	10.0	9.4
Industrial - Warehouse	74	6.0	4.4	5.3	9.2
Industrial - R&D	70	8.2	7.3	8.0	9.3
Industrial - Flex	68	8.3	7.5	8.1	9.2
Retail - Regional Mall	60	10.8	11.3	10.9	9.7
Retail - Power Center	67	9.5	8.7	9.4	9.4
Retail - Neigh/Comm	71	8.2	7.5	7.8	9.4
Apartment	71	2.7	5.2	4.4	8.7
Student Housing	54	6.9	6.9	5.6	8.7
Hotel	N/A	N/A	N/A	6.0	8.2
All Types	65	8.4	8.2	7.8	9.2

¹ Vacancy loss reflects a typical holding period, not the current level.

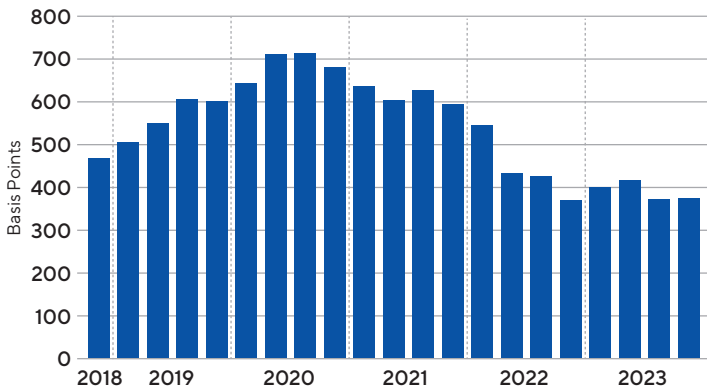
Source RERC, 4Q 2023.

Historical Spread Between Pre-Tax Yield Rates (IRR) & Going-In Cap Rates



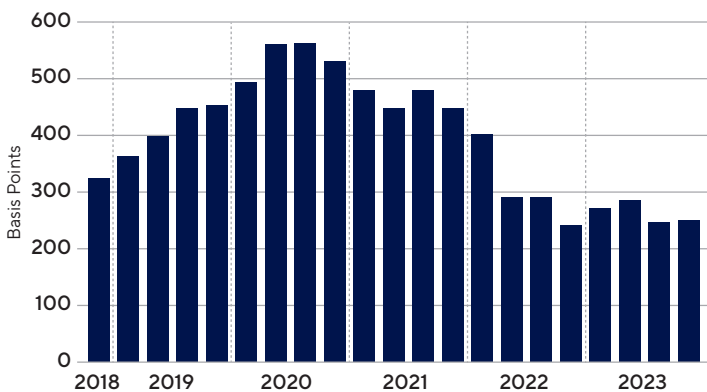
Source RERC, 4Q 2023.

Historical Spread Between Pre-Tax Yield Rates (IRR) & 10-Year Treasurys



Source RERC, 4Q 2023.

Historical Spread Between Going-In Cap Rates & 10-Year Treasurys



Source RERC, 4Q 2023.



Required Real Estate Yields Vis-À-Vis Capital Market Returns

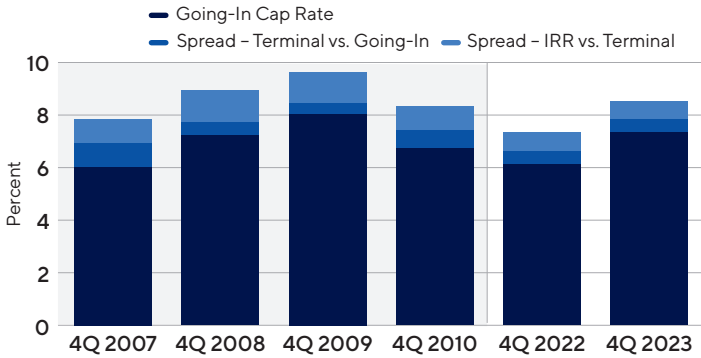
	4Q 2023	3Q 2023	4Q 2022	4Q 2021	4Q 2020	4Q 2019
Real Estate Yield (%)	8.2	7.9	7.5	7.4	7.7	7.8
Moody's Baa Corporate (%)	6.2	6.0	6.0	3.3	3.3	3.9
Moody's Aaa Corporate (%)	5.2	4.9	4.8	2.6	2.3	3.0
10-Year Treasurys (%)	4.4	4.2	3.8	1.5	0.9	1.8
Yield Spread (Percentage Points)						
Moody's Baa Corporate (%)	2.0	1.9	1.5	4.1	4.4	3.9
Moody's Aaa Corporate (%)	3.0	3.0	2.7	4.8	5.4	4.8
10-Year Treasurys (%)	3.8	3.8	3.7	5.9	6.8	6.0

Sources RERC, Federal Reserve, Moody's, 4Q 2023.



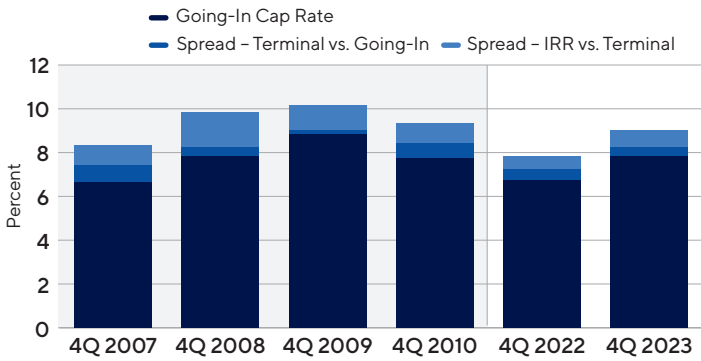
OFFICE

CBD IRR & Cap Rate Composition



The shaded area represents quarterly rates prior to, during and immediately after the Global Financial Crisis.
 Source RERC, 4Q 2023.

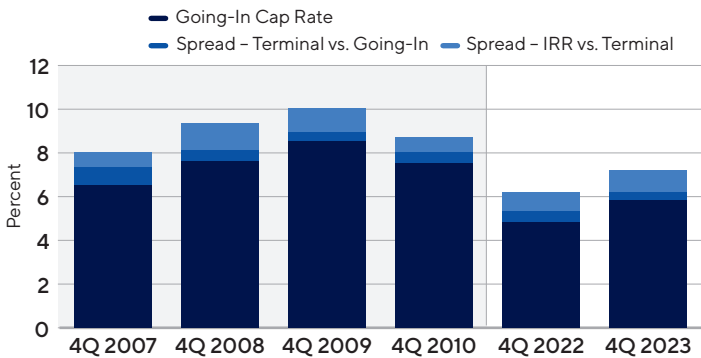
Suburban IRR & Cap Rate Composition



The shaded area represents quarterly rates prior to, during and immediately after the Global Financial Crisis.
 Source RERC, 4Q 2023.

INDUSTRIAL

Warehouse IRR & Cap Rate Composition

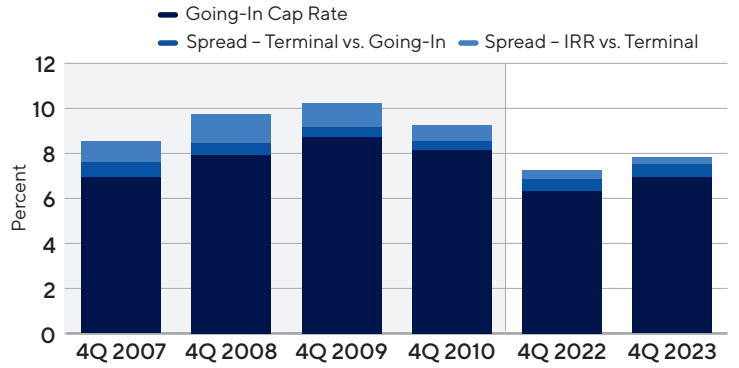


The shaded area represents quarterly rates prior to, during and immediately after the Global Financial Crisis.
 Source RERC, 4Q 2023.





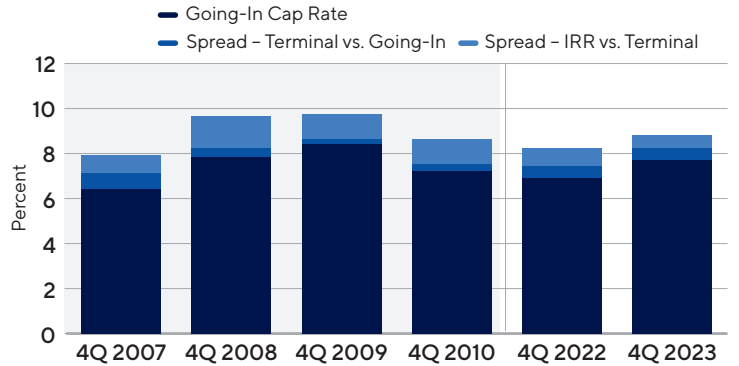
R&D IRR & Cap Rate Composition



The shaded area represents quarterly rates prior to, during and immediately after the Global Financial Crisis.
Source RERC, 4Q 2023.

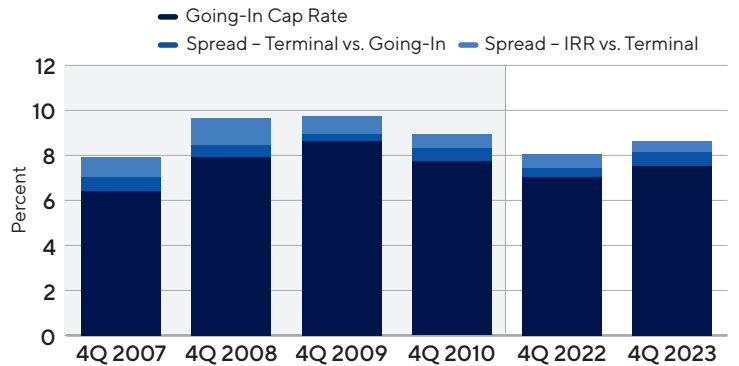
RETAIL

Regional Mall IRR & Cap Rate Composition



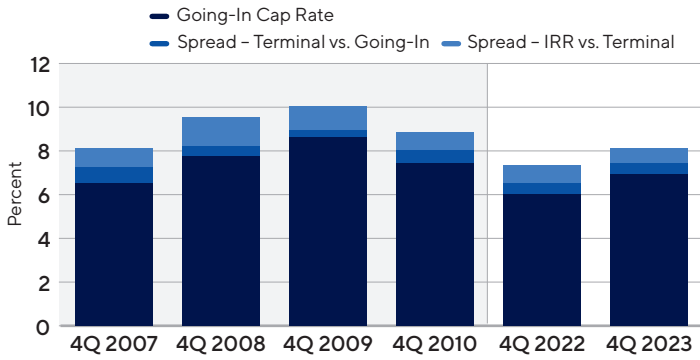
The shaded area represents quarterly rates prior to, during and immediately after the Global Financial Crisis.
Source RERC, 4Q 2023.

Power Center IRR & Cap Rate Composition



The shaded area represents quarterly rates prior to, during and immediately after the Global Financial Crisis.
Source RERC, 4Q 2023.

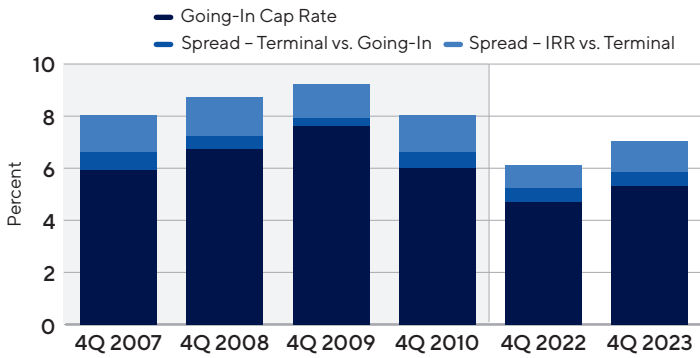
Neigh/Comm IRR & Cap Rate Composition



The shaded area represents quarterly rates prior to, during and immediately after the Global Financial Crisis.
Source RERC, 4Q 2023.

APARTMENT

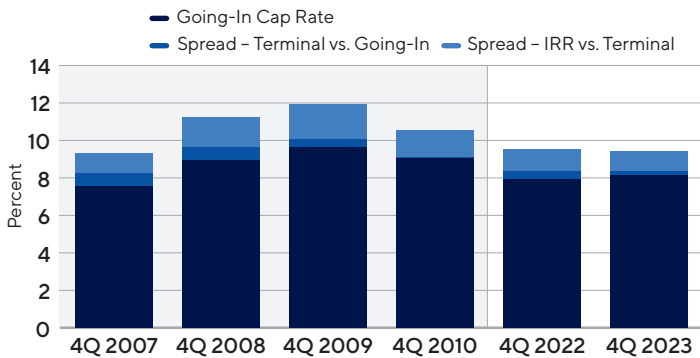
Apartment IRR & Cap Rate Composition



The shaded area represents quarterly rates prior to, during and immediately after the Global Financial Crisis.
Source RERC, 4Q 2023.

HOTEL

Hotel IRR & Cap Rate Composition



The shaded area represents quarterly rates prior to, during and immediately after the Global Financial Crisis.
Source RERC, 4Q 2023.



Regional Investment Criteria | First-Tier¹ Investment Properties

	Office		Industrial			Retail		Apt	Student Housing	Hotel	
	CBD	SUB	WHSE	R&D	FLEX	RGNL MALL	PWR CNTR	NEIGH/ COMM			
WEST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	8.0 - 10.1	7.4 - 10.1	7.0 - 8.3	7.0 - 9.0	7.0 - 9.0	7.7 - 10.5	7.8 - 10.0	6.9 - 9.3	6.3 - 8.0	7.0 - 8.3	9.0 - 12.0
Average	9.1	9.1	7.8	8.1	8.1	9.5	8.8	8.1	7.3	7.6	10.1
Going-In Cap Rate (%)											
Range	6.5 - 8.6	7.0 - 9.0	6.0 - 7.5	6.0 - 7.5	6.0 - 7.5	7.0 - 9.0	6.8 - 9.0	5.6 - 8.0	4.8 - 6.0	4.8 - 7.0	7.0 - 10.0
Average	7.6	7.6	6.3	6.9	6.8	8.2	7.6	6.9	5.5	5.8	8.2
Terminal Cap Rate (%)											
Range	7.0 - 9.6	6.9 - 9.0	6.5 - 8.0	6.6 - 8.5	6.6 - 8.5	7.5 - 9.5	7.0 - 9.0	6.0 - 8.2	5.3 - 7.0	5.5 - 7.5	7.5 - 10.0
Average	8.0	8.1	7.1	7.5	7.5	8.7	8.0	7.3	6.2	6.4	8.7
MIDWEST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	8.8 - 10.0	8.8 - 10.0	7.0 - 9.0	8.0 - 9.5	8.0 - 9.5	9.5 - 11.0	9.0 - 9.5	8.5 - 9.0	6.8 - 8.0	7.0 - 8.0	10.0 - 10.5
Average	9.1	9.3	7.9	8.6	8.7	9.9	9.2	8.7	7.2	7.7	10.1
Going-In Cap Rate (%)											
Range	7.0 - 8.0	7.3 - 8.5	6.2 - 7.0	7.0 - 8.0	6.8 - 8.0	8.0 - 9.5	7.0 - 9.0	7.0 - 8.0	5.0 - 6.5	6.0 - 6.8	8.0 - 9.5
Average	7.6	7.7	6.6	7.4	7.3	8.6	8.0	7.4	5.8	6.4	8.5
Terminal Cap Rate (%)											
Range	7.7 - 8.5	7.9 - 9.0	6.7 - 7.8	7.5 - 9.0	7.5 - 8.5	8.5 - 9.5	8.0 - 8.8	7.5 - 8.5	5.5 - 7.0	6.5 - 7.0	8.5 - 10.0
Average	8.1	8.3	7.1	7.9	7.8	9.0	8.3	7.8	6.3	6.9	9.3
SOUTH INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	8.5 - 11.5	8.5 - 11.0	7.0 - 10.5	8.0 - 11.0	7.5 - 11.0	9.0 - 12.5	8.5 - 10.5	8.0 - 10.5	6.5 - 10.5	7.0 - 8.0	9.0 - 10.5
Average	9.1	9.2	8.0	8.6	8.5	9.9	9.1	8.9	7.4	7.6	9.7
Going-In Cap Rate (%)											
Range	6.5 - 9.0	6.5 - 9.0	4.5 - 8.0	6.8 - 8.5	6.3 - 8.5	7.0 - 10.0	6.5 - 8.0	6.0 - 8.3	4.5 - 8.0	6.0 - 6.6	8.0 - 8.5
Average	7.5	7.6	6.5	7.2	7.1	8.4	7.7	7.5	5.8	6.3	8.2
Terminal Cap Rate (%)											
Range	7.3 - 9.5	7.5 - 9.5	5.0 - 8.5	7.3 - 9.0	6.8 - 9.0	8.0 - 10.5	7.0 - 9.0	6.5 - 8.8	5.0 - 8.5	6.5 - 7.1	8.5 - 9.1
Average	8.0	8.2	7.1	7.8	7.6	9.1	8.2	7.9	6.4	6.9	8.8
EAST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	8.1 - 12.0	8.5 - 12.0	6.0 - 10.0	7.5 - 10.0	7.5 - 10.0	8.5 - 12.0	8.5 - 11.0	7.5 - 11.0	6.6 - 9.0	7.5 - 9.0	9.0 - 12.0
Average	9.5	9.5	8.0	8.7	8.7	10.4	9.5	9.3	7.7	7.9	10.3
Going-In Cap Rate (%)											
Range	6.0 - 12.0	7.5 - 9.5	5.5 - 8.3	6.0 - 9.5	6.0 - 9.5	8.0 - 10.5	7.0 - 10.5	6.5 - 10.5	4.6 - 8.0	6.0 - 11.0	7.0 - 10.0
Average	8.1	8.1	6.8	7.4	7.5	9.1	8.4	8.0	6.0	7.2	8.7
Terminal Cap Rate (%)											
Range	7.0 - 10.3	8.0 - 10.0	6.0 - 9.0	6.8 - 9.8	6.5 - 9.8	8.7 - 12.0	8.0 - 10.8	7.0 - 11.0	5.8 - 9.0	6.5 - 12.0	8.0 - 10.5
Average	8.5	8.7	7.4	8.0	8.0	9.7	8.8	8.6	6.8	7.8	9.4

¹First-tier investment properties are defined as new or newer quality construction in prime to good locations. A list of RERC-defined regions is located in the RERC Scope and Methodology section in the back of this report. Source RERC, 4Q 2023.

Regional Investment Criteria | Second-Tier¹ Investment Properties

	Office		Industrial			Retail		Apt	Student Housing	Hotel	
	CBD	SUB	WHSE	R&D	FLEX	RGNL MALL	PWR CNTR				NEIGH/ COMM
WEST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	9.5 - 12.1	9.0 - 12.1	8.5 - 12.0	9.0 - 12.0	9.0 - 10.5	10.0 - 11.8	9.4 - 14.0	9.0 - 11.0	8.0 - 9.5	9.0 - 10.0	10.0 - 12.0
Average	10.5	10.4	9.5	10.0	9.8	10.8	10.4	9.8	8.7	9.6	10.8
Going-In Cap Rate (%)											
Range	8.0 - 10.6	8.0 - 12.0	6.5 - 11.0	7.0 - 11.5	7.5 - 9.5	8.5 - 10.5	8.5 - 12.0	7.0 - 9.8	6.0 - 9.0	7.3 - 8.5	8.0 - 10.2
Average	8.9	9.0	7.8	8.6	8.3	9.5	9.3	8.4	7.0	7.9	9.4
Terminal Cap Rate (%)											
Range	8.5 - 11.6	8.5 - 10.7	7.3 - 9.4	8.0 - 10.5	8.0 - 10.5	9.5 - 11.0	8.5 - 13.0	8.0 - 10.2	6.5 - 9.2	7.5 - 8.9	9.0 - 11.0
Average	9.5	9.4	8.1	8.9	8.9	9.9	9.7	8.7	7.6	8.2	10.0
MIDWEST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	9.5 - 11.0	9.7 - 11.8	8.0 - 10.0	8.8 - 10.6	8.8 - 11.3	10.0 - 12.0	9.5 - 11.0	9.0 - 11.0	7.5 - 9.5	8.0 - 9.3	10.5 - 12.0
Average	10.2	10.5	9.0	9.7	9.8	10.8	10.1	9.8	8.4	8.7	11.3
Going-In Cap Rate (%)											
Range	8.0 - 9.3	8.3 - 10.3	6.8 - 9.0	7.3 - 9.8	7.5 - 10.8	8.5 - 10.8	8.0 - 10.0	7.8 - 9.5	6.3 - 8.3	7.0 - 8.3	8.5 - 11.0
Average	8.7	9.1	7.8	8.5	8.6	9.6	9.0	8.6	7.0	7.5	9.8
Terminal Cap Rate (%)											
Range	8.8 - 9.8	8.8 - 10.8	7.0 - 9.3	8.2 - 10.8	8.0 - 11.5	9.3 - 11.0	8.5 - 10.3	8.3 - 10.0	7.0 - 8.8	7.5 - 8.5	9.5 - 12.0
Average	9.2	9.6	8.2	9.0	9.2	9.9	9.3	8.9	7.6	7.9	10.5
SOUTH INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	9.0 - 11.3	9.3 - 11.2	7.8 - 9.3	8.8 - 10.0	7.8 - 10.0	9.3 - 12.0	8.8 - 11.1	8.3 - 11.0	6.8 - 9.5	8.0 - 8.6	10.0 - 11.5
Average	9.9	10.0	8.7	9.3	9.1	10.7	10.0	9.8	8.1	8.4	10.6
Going-In Cap Rate (%)											
Range	7.3 - 9.8	7.3 - 9.7	5.5 - 8.5	7.3 - 9.0	6.5 - 8.8	8.0 - 10.5	6.8 - 9.9	6.3 - 9.5	4.8 - 7.5	7.0 - 7.4	8.3 - 10.0
Average	8.3	8.5	7.3	8.0	7.9	9.2	8.6	8.3	6.6	7.2	9.2
Terminal Cap Rate (%)											
Range	7.8 - 10.3	7.8 - 10.2	6.0 - 9.0	7.8 - 10.0	7.0 - 9.0	8.8 - 11.2	7.3 - 11.0	6.8 - 10.5	5.3 - 8.0	7.5 - 8.0	8.8 - 10.5
Average	8.9	9.0	7.8	8.6	8.3	9.9	9.1	8.8	7.1	7.8	9.7
EAST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	9.4 - 13.0	9.5 - 12.0	7.5 - 10.5	8.5 - 11.0	8.5 - 11.0	9.5 - 13.0	9.5 - 12.5	8.5 - 12.0	6.8 - 10.0	8.0 - 10.0	10.3 - 13.0
Average	10.5	10.5	9.2	9.8	9.8	11.4	10.5	10.4	8.8	8.7	11.2
Going-In Cap Rate (%)											
Range	8.0 - 10.5	8.0 - 10.8	6.5 - 9.8	7.3 - 10.0	7.3 - 10.0	9.0 - 12.0	7.5 - 11.0	7.5 - 11.0	6.3 - 9.5	7.0 - 9.5	9.0 - 11.0
Average	9.0	9.2	7.9	8.4	8.6	10.2	9.4	9.1	7.4	7.7	9.7
Terminal Cap Rate (%)											
Range	8.8 - 12.0	8.8 - 12.0	7.0 - 10.3	7.8 - 10.5	7.8 - 10.5	9.7 - 12.3	8.8 - 11.5	8.0 - 13.0	6.8 - 11.0	7.5 - 10.0	9.8 - 11.5
Average	9.6	9.8	8.5	9.0	9.1	10.6	9.9	9.8	8.0	8.2	10.4

¹ Second-tier investment properties are defined as aging, former first-tier properties, in good to average locations. A list of RERC-defined regions is located in the RERC Scope and Methodology section in the back of this report.

Source RERC, 4Q 2023.

Regional Investment Criteria | Third-Tier¹ Investment Properties

	Office		Industrial				Retail		Apt	Student Housing	Hotel
	CBD	SUB	WHSE	R&D	FLEX	RGNL MALL	PWR CNTR	NEIGH/ COMM			
WEST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	10.0 - 14.0	10.0 - 13.6	9.0 - 11.7	9.0 - 12.0	9.5 - 12.0	11.0 - 12.8	10.0 - 12.0	9.5 - 12.0	8.5 - 11.0	8.8 - 11.0	11.0 - 13.0
Average	11.3	11.4	10.1	10.5	10.6	11.6	10.7	10.5	9.6	9.9	11.7
Going-In Cap Rate (%)											
Range	8.0 - 12.1	8.5 - 11.2	7.0 - 9.7	8.0 - 11.0	7.5 - 11.0	8.5 - 12.0	8.0 - 11.0	7.8 - 10.8	6.5 - 9.5	6.8 - 9.4	9.0 - 11.0
Average	9.6	9.7	8.4	9.1	9.1	10.1	9.3	9.0	7.5	8.2	9.5
Terminal Cap Rate (%)											
Range	8.6 - 13.1	8.7 - 12.2	8.0 - 10.9	8.5 - 11.0	8.0 - 12.0	10.0 - 12.0	9.0 - 11.5	8.3 - 11.2	7.0 - 10.5	7.3 - 9.9	9.6 - 11.5
Average	10.3	10.3	9.2	9.6	9.8	10.7	10.1	9.4	8.5	8.8	10.4
MIDWEST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	11.0 - 11.3	10.5 - 12.0	9.0 - 11.0	9.5 - 12.0	9.5 - 13.0	11.0 - 13.0	10.0 - 12.0	9.8 - 11.0	7.3 - 10.5	9.0 - 11.5	9.8 - 13.0
Average	11.1	11.2	10.0	10.5	10.4	11.9	10.9	10.7	9.2	9.9	11.8
Going-In Cap Rate (%)											
Range	9.0 - 10.4	9.5 - 10.6	8.0 - 10.0	8.4 - 11.5	9.0 - 12.5	9.5 - 12.0	8.9 - 11.0	8.5 - 10.5	7.0 - 10.0	7.5 - 11.3	8.5 - 11.5
Average	9.6	9.9	8.9	9.4	9.9	10.7	9.8	9.6	8.0	8.6	10.4
Terminal Cap Rate (%)											
Range	9.5 - 10.9	10.0 - 11.1	8.0 - 11.0	8.9 - 12.5	9.0 - 13.3	10.0 - 13.0	9.3 - 11.8	9.0 - 11.3	7.5 - 10.5	8.0 - 12.0	8.8 - 12.0
Average	10.1	10.4	9.2	9.8	10.2	11.0	10.3	10.0	8.6	9.1	11.0
SOUTH INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	9.5 - 13.3	9.5 - 13.2	8.5 - 11.0	9.0 - 11.0	9.0 - 11.0	9.8 - 13.0	9.6 - 12.1	9.4 - 12.0	7.8 - 10.5	8.3 - 9.5	10.4 - 12.5
Average	10.7	10.7	9.5	10.0	9.9	11.4	10.7	10.5	8.8	9.0	11.5
Going-In Cap Rate (%)											
Range	8.0 - 11.8	8.0 - 11.7	6.5 - 10.5	7.7 - 10.0	7.6 - 10.5	8.8 - 11.5	8.0 - 11.0	7.5 - 11.0	6.0 - 9.0	7.2 - 8.1	8.8 - 11.0
Average	9.1	9.3	8.1	8.7	8.7	9.9	9.3	9.1	7.4	7.8	10.0
Terminal Cap Rate (%)											
Range	8.5 - 12.3	8.6 - 12.2	7.0 - 10.5	8.0 - 11.0	8.0 - 10.0	9.3 - 12.2	8.5 - 12.0	8.0 - 11.5	6.5 - 9.5	7.7 - 9.0	9.3 - 11.5
Average	9.7	9.7	8.6	9.3	9.1	10.6	9.9	9.5	7.8	8.4	10.6
EAST INVESTMENT CRITERIA											
Pre-Tax Yield Rate (IRR) (%)											
Range	9.8 - 13.0	10.0 - 13.0	8.5 - 12.5	9.5 - 13.0	9.0 - 13.0	10.3 - 16.0	10.0 - 13.5	9.5 - 14.0	6.9 - 12.5	8.5 - 10.2	9.5 - 14.0
Average	11.2	11.3	10.1	10.6	10.6	12.4	11.3	11.3	9.9	9.3	11.9
Going-In Cap Rate (%)											
Range	8.8 - 12.0	9.0 - 12.5	7.0 - 11.0	8.0 - 11.8	8.0 - 12.0	9.8 - 14.0	8.0 - 12.3	8.0 - 13.0	4.8 - 11.0	7.5 - 9.0	9.0 - 12.0
Average	9.8	10.2	8.8	9.3	9.5	11.1	10.1	9.9	8.0	8.2	10.4
Terminal Cap Rate (%)											
Range	9.3 - 14.0	9.3 - 14.0	8.0 - 13.0	8.8 - 12.0	8.5 - 12.8	10.0 - 16.0	9.3 - 12.5	9.0 - 15.0	5.3 - 13.0	8.0 - 9.5	9.5 - 12.5
Average	10.4	10.6	9.6	9.8	10.0	11.7	10.6	10.6	8.6	8.7	11.1

¹Third-tier investment properties are defined as older properties with functional inadequacies and/or in marginal locations. A list of RERC-defined regions is located in the RERC Scope and Methodology section in the back of this report. Source RERC, 4Q 2023.

METROPOLITAN INVESTMENT CRITERIA



Atlanta | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	8.4	9.1	9.2	7.1	7.5	7.7	7.8	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	8.7	9.2	9.3	7.5	7.6	7.8	8.3	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	6.9	8.0	7.9	6.2	6.5	6.6	6.4	7.1	7.2	2.2	1.6	2.5	2.2
R&D	8.6	8.6	8.5	7.9	7.2	7.2	8.4	7.8	7.8	1.2	0.6	1.7	1.5
Flex	8.7	8.5	8.5	7.9	7.1	7.2	8.3	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	9.2	9.9	9.9	8.2	8.4	8.6	8.8	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	8.6	9.1	9.2	8.0	7.7	7.9	8.2	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	7.9	8.9	8.8	7.0	7.5	7.5	7.4	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	7.0	7.4	7.4	6.4	5.8	5.8	6.8	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	9.1	9.7	10.1	7.8	8.2	8.4	8.8	8.8	9.1	-0.2	3.2	0.0	2.5
Average	8.3	8.8	8.9	7.4	7.4	7.5	7.9	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Austin | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	8.4	9.1	9.2	6.8	7.5	7.7	7.3	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	8.7	9.2	9.3	7.2	7.6	7.8	7.7	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	8.6	8.0	7.9	7.0	6.5	6.6	7.5	7.1	7.2	2.2	1.6	2.5	2.2
R&D	9.2	8.6	8.5	7.1	7.2	7.2	7.6	7.8	7.8	1.2	0.6	1.7	1.5
Flex	8.6	8.5	8.5	7.1	7.1	7.2	7.5	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	9.2	9.9	9.9	7.5	8.4	8.6	8.0	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	8.4	9.1	9.2	7.3	7.7	7.9	7.7	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	8.0	8.9	8.8	6.7	7.5	7.5	7.0	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	7.5	7.4	7.4	5.7	5.8	5.8	6.3	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	9.3	9.7	10.1	7.5	8.2	8.4	8.0	8.8	9.1	-0.2	3.2	0.0	2.5
Average	8.5	8.8	8.9	6.9	7.4	7.5	7.4	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Baltimore | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	8.4	9.5	9.2	7.4	8.1	7.7	8.0	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	8.7	9.5	9.3	7.8	8.1	7.8	8.4	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	8.5	8.0	7.9	6.8	6.8	6.6	7.4	7.4	7.2	2.2	1.9	2.5	2.2
R&D	9.1	8.7	8.5	7.5	7.4	7.2	8.2	8.0	7.8	1.2	0.6	1.7	1.0
Flex	8.5	8.7	8.5	7.2	7.5	7.2	7.9	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	9.4	10.4	9.9	7.9	9.1	8.6	8.7	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	8.9	9.5	9.2	7.4	8.4	7.9	8.0	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	8.3	9.3	8.8	7.1	8.0	7.5	7.7	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	7.4	7.7	7.4	5.8	6.0	5.8	6.4	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	10.1	10.3	10.1	8.5	8.7	8.4	8.9	9.4	9.1	-0.2	0.9	0.0	1.2
Average	8.7	9.2	8.9	7.3	7.8	7.5	7.9	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Boston | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	8.9	9.5	9.2	7.1	8.1	7.7	7.4	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	9.1	9.5	9.3	7.2	8.1	7.8	8.1	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	8.4	8.0	7.9	6.4	6.8	6.6	7.7	7.4	7.2	2.2	1.9	2.5	2.2
R&D	9.2	8.7	8.5	6.7	7.4	7.2	7.7	8.0	7.8	1.2	0.6	1.7	1.0
Flex	9.1	8.7	8.5	7.0	7.5	7.2	7.8	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	9.6	10.4	9.9	8.4	9.1	8.6	8.9	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	9.8	9.5	9.2	8.1	8.4	7.9	9.0	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	8.4	9.3	8.8	7.3	8.0	7.5	7.9	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	6.9	7.7	7.4	5.4	6.0	5.8	5.8	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	9.4	10.3	10.1	7.6	8.7	8.4	7.9	9.4	9.1	-0.2	0.9	0.0	1.2
Average	8.8	9.2	8.9	7.1	7.8	7.5	7.8	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Charlotte | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	8.7	9.5	9.2	8.0	8.1	7.7	8.5	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	8.6	9.5	9.3	8.2	8.1	7.8	8.5	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	7.0	8.0	7.9	6.3	6.8	6.6	6.7	7.4	7.2	2.2	1.9	2.5	2.2
R&D	9.3	8.7	8.5	8.8	7.4	7.2	9.2	8.0	7.8	1.2	0.6	1.7	1.0
Flex	9.3	8.7	8.5	8.8	7.5	7.2	9.2	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	8.9	10.4	9.9	7.7	9.1	8.6	8.2	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	9.3	9.5	9.2	7.9	8.4	7.9	8.5	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	9.3	9.3	8.8	8.1	8.0	7.5	8.7	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	7.3	7.7	7.4	6.2	6.0	5.8	6.5	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	9.7	10.3	10.1	7.8	8.7	8.4	8.7	9.4	9.1	-0.2	0.9	0.0	1.2
Average	8.7	9.2	8.9	7.7	7.8	7.5	8.2	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Chicago | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	National Value	Midwest Value	National Rent	Midwest Rent
CBD	8.6	9.1	9.2	7.2	7.6	7.7	7.6	8.1	8.2	-2.8	-2.1	-1.1	-1.4
Suburban	10.8	9.3	9.3	8.3	7.7	7.8	8.7	8.3	8.3	-1.0	0.6	-0.3	0.5
Warehouse	8.1	7.9	7.9	6.9	6.6	6.6	7.4	7.1	7.2	2.2	2.3	2.5	2.4
R&D	9.0	8.6	8.5	7.5	7.4	7.2	8.3	7.9	7.8	1.2	1.8	1.7	2.3
Flex	9.1	8.7	8.5	7.5	7.3	7.2	8.0	7.8	7.7	1.4	2.2	1.8	2.3
Regional Mall	10.4	9.9	9.9	8.7	8.6	8.6	9.3	9.0	9.1	-2.6	-1.5	-1.3	-1.1
Power Center	10.5	9.2	9.2	8.6	8.0	7.9	9.5	8.3	8.3	-0.2	0.4	0.4	0.7
Neigh/Comm	9.0	8.7	8.8	7.4	7.4	7.5	7.8	7.8	7.9	0.9	2.3	1.2	2.1
Apartment	7.9	7.2	7.4	6.0	5.8	5.8	6.5	6.3	6.4	1.1	2.5	1.8	2.9
Hotel	10.3	10.1	10.1	8.3	8.5	8.4	8.9	9.3	9.1	-0.2	1.9	0.0	2.8
Average	9.3	8.9	8.9	7.6	7.5	7.5	8.2	8.0	8.0	0.0	1.0	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Cincinnati | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	National Value	Midwest Value	National Rent	Midwest Rent
CBD	8.8	9.1	9.2	7.6	7.6	7.7	7.8	8.1	8.2	-2.8	-2.1	-1.1	-1.4
Suburban	9.6	9.3	9.3	8.3	7.7	7.8	8.9	8.3	8.3	-1.0	0.6	-0.3	0.5
Warehouse	8.7	7.9	7.9	6.7	6.6	6.6	7.0	7.1	7.2	2.2	2.3	2.5	2.4
R&D	9.1	8.6	8.5	7.8	7.4	7.2	7.9	7.9	7.8	1.2	1.8	1.7	2.3
Flex	9.2	8.7	8.5	7.8	7.3	7.2	7.9	7.8	7.7	1.4	2.2	1.8	2.3
Regional Mall	10.3	9.9	9.9	9.2	8.6	8.6	9.7	9.0	9.1	-2.6	-1.5	-1.3	-1.1
Power Center	9.4	9.2	9.2	8.1	8.0	7.9	8.8	8.3	8.3	-0.2	0.4	0.4	0.7
Neigh/Comm	9.6	8.7	8.8	8.0	7.4	7.5	8.1	7.8	7.9	0.9	2.3	1.2	2.1
Apartment	8.0	7.2	7.4	6.4	5.8	5.8	6.9	6.3	6.4	1.1	2.5	1.8	2.9
Hotel	10.3	10.1	10.1	8.7	8.5	8.4	9.2	9.3	9.1	-0.2	1.9	0.0	2.8
Average	9.3	8.9	8.9	7.8	7.5	7.5	8.2	8.0	8.0	0.0	1.0	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Cleveland | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	National Value	Midwest Value	National Rent	Midwest Rent
CBD	9.0	9.1	9.2	8.2	7.6	7.7	8.4	8.1	8.2	-2.8	-2.1	-1.1	-1.4
Suburban	10.5	9.3	9.3	8.7	7.7	7.8	8.9	8.3	8.3	-1.0	0.6	-0.3	0.5
Warehouse	8.4	7.9	7.9	7.2	6.6	6.6	7.8	7.1	7.2	2.2	2.3	2.5	2.4
R&D	9.8	8.6	8.5	8.6	7.4	7.2	9.1	7.9	7.8	1.2	1.8	1.7	2.3
Flex	9.5	8.7	8.5	8.4	7.3	7.2	9.0	7.8	7.7	1.4	2.2	1.8	2.3
Regional Mall	9.6	9.9	9.9	8.9	8.6	8.6	9.1	9.0	9.1	-2.6	-1.5	-1.3	-1.1
Power Center	9.4	9.2	9.2	8.3	8.0	7.9	8.5	8.3	8.3	-0.2	0.4	0.4	0.7
Neigh/Comm	8.6	8.7	8.8	8.1	7.4	7.5	8.4	7.8	7.9	0.9	2.3	1.2	2.1
Apartment	8.4	7.2	7.4	6.8	5.8	5.8	7.6	6.3	6.4	1.1	2.5	1.8	2.9
Hotel	9.3	10.1	10.1	8.5	8.5	8.4	8.8	9.3	9.1	-0.2	1.9	0.0	2.8
Average	9.2	8.9	8.9	8.1	7.5	7.5	8.5	8.0	8.0	0.0	1.0	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Columbus | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	National Value	Midwest Value	National Rent	Midwest Rent
CBD	9.1	9.1	9.2	7.8	7.6	7.7	8.2	8.1	8.2	-2.8	-2.1	-1.1	-1.4
Suburban	9.9	9.3	9.3	8.5	7.7	7.8	8.9	8.3	8.3	-1.0	0.6	-0.3	0.5
Warehouse	7.5	7.9	7.9	6.4	6.6	6.6	7.0	7.1	7.2	2.2	2.3	2.5	2.4
R&D	8.9	8.6	8.5	7.6	7.4	7.2	8.1	7.9	7.8	1.2	1.8	1.7	2.3
Flex	8.8	8.7	8.5	7.9	7.3	7.2	8.3	7.8	7.7	1.4	2.2	1.8	2.3
Regional Mall	11.1	9.9	9.9	9.9	8.6	8.6	10.5	9.0	9.1	-2.6	-1.5	-1.3	-1.1
Power Center	9.3	9.2	9.2	8.5	8.0	7.9	9.1	8.3	8.3	-0.2	0.4	0.4	0.7
Neigh/Comm	9.0	8.7	8.8	7.8	7.4	7.5	8.1	7.8	7.9	0.9	2.3	1.2	2.1
Apartment	7.9	7.2	7.4	6.4	5.8	5.8	7.0	6.3	6.4	1.1	2.5	1.8	2.9
Hotel	10.6	10.1	10.1	9.6	8.5	8.4	10.0	9.3	9.1	-0.2	1.9	0.0	2.8
Average	9.2	8.9	8.9	8.0	7.5	7.5	8.5	8.0	8.0	0.0	1.0	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Dallas | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	9.6	9.1	9.2	8.3	7.5	7.7	9.1	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	9.8	9.2	9.3	8.2	7.6	7.8	8.5	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	8.2	8.0	7.9	6.9	6.5	6.6	7.1	7.1	7.2	2.2	1.6	2.5	2.2
R&D	9.5	8.6	8.5	7.6	7.2	7.2	8.5	7.8	7.8	1.2	0.6	1.7	1.5
Flex	9.5	8.5	8.5	7.7	7.1	7.2	8.4	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	9.5	9.9	9.9	8.6	8.4	8.6	8.8	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	9.3	9.1	9.2	8.0	7.7	7.9	8.4	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	7.4	8.9	8.8	6.7	7.5	7.5	6.8	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	7.6	7.4	7.4	6.1	5.8	5.8	6.2	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	9.6	9.7	10.1	7.8	8.2	8.4	8.2	8.8	9.1	-0.2	3.2	0.0	2.5
Average	9.0	8.8	8.9	7.5	7.4	7.5	8.0	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Denver | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	8.8	9.1	9.2	7.0	7.6	7.7	7.9	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	9.7	9.1	9.3	7.1	7.6	7.8	8.6	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	7.1	7.8	7.9	5.8	6.3	6.6	6.5	7.1	7.2	2.2	3.1	2.5	3.3
R&D	8.7	8.1	8.5	7.1	6.9	7.2	8.3	7.5	7.8	1.2	1.7	1.7	2.1
Flex	8.6	8.1	8.5	7.1	6.8	7.2	8.1	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	9.2	9.5	9.9	7.7	8.2	8.6	8.6	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	8.9	8.8	9.2	7.6	7.6	7.9	8.4	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	8.3	8.1	8.8	7.0	6.9	7.5	7.5	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.4	7.3	7.4	5.2	5.5	5.8	6.0	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	10.5	10.1	10.1	8.1	8.2	8.4	9.4	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	8.7	8.6	8.9	6.9	7.2	7.5	7.9	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Detroit | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	National Value	Midwest Value	National Rent	Midwest Rent
CBD	11.0	9.1	9.2	9.5	7.6	7.7	10.6	8.1	8.2	-2.8	-2.1	-1.1	-1.4
Suburban	10.7	9.3	9.3	9.8	7.7	7.8	10.3	8.3	8.3	-1.0	0.6	-0.3	0.5
Warehouse	9.5	7.9	7.9	8.4	6.6	6.6	9.0	7.1	7.2	2.2	2.3	2.5	2.4
R&D	9.4	8.6	8.5	8.6	7.4	7.2	9.0	7.9	7.8	1.2	1.8	1.7	2.3
Flex	9.2	8.7	8.5	8.2	7.3	7.2	9.0	7.8	7.7	1.4	2.2	1.8	2.3
Regional Mall	10.6	9.9	9.9	9.8	8.6	8.6	10.3	9.0	9.1	-2.6	-1.5	-1.3	-1.1
Power Center	10.7	9.2	9.2	9.7	8.0	7.9	10.2	8.3	8.3	-0.2	0.4	0.4	0.7
Neigh/Comm	10.7	8.7	8.8	9.2	7.4	7.5	9.8	7.8	7.9	0.9	2.3	1.2	2.1
Apartment	8.6	7.2	7.4	6.9	5.8	5.8	7.7	6.3	6.4	1.1	2.5	1.8	2.9
Hotel	9.9	10.1	10.1	8.6	8.5	8.4	8.8	9.3	9.1	-0.2	1.9	0.0	2.8
Average	10.0	8.9	8.9	8.8	7.5	7.5	9.4	8.0	8.0	0.0	1.0	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

East Bay/Oakland | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	10.3	9.1	9.2	8.8	7.6	7.7	9.8	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	10.3	9.1	9.3	9.2	7.6	7.8	9.6	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	8.5	7.8	7.9	7.5	6.3	6.6	8.0	7.1	7.2	2.2	3.1	2.5	3.3
R&D	9.5	8.1	8.5	8.4	6.9	7.2	9.0	7.5	7.8	1.2	1.7	1.7	2.1
Flex	9.3	8.1	8.5	8.4	6.8	7.2	9.0	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	9.0	9.5	9.9	8.1	8.2	8.6	8.7	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	9.4	8.8	9.2	8.4	7.6	7.9	8.9	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	9.1	8.1	8.8	7.7	6.9	7.5	8.3	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	8.4	7.3	7.4	6.6	5.5	5.8	7.7	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	10.2	10.1	10.1	8.5	8.2	8.4	8.9	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	9.4	8.6	8.9	8.1	7.2	7.5	8.7	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Fort Lauderdale | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	8.6	9.1	9.2	6.8	7.5	7.7	7.1	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	9.5	9.2	9.3	7.4	7.6	7.8	7.7	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	7.8	8.0	7.9	6.1	6.5	6.6	6.5	7.1	7.2	2.2	1.6	2.5	2.2
R&D	9.4	8.6	8.5	7.2	7.2	7.2	7.6	7.8	7.8	1.2	0.6	1.7	1.5
Flex	8.2	8.5	8.5	6.9	7.1	7.2	7.5	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	8.5	9.9	9.9	7.9	8.4	8.6	8.0	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	8.7	9.1	9.2	7.1	7.7	7.9	7.6	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	8.5	8.9	8.8	6.9	7.5	7.5	7.2	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	6.9	7.4	7.4	5.1	5.8	5.8	5.5	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	9.0	9.7	10.1	7.4	8.2	8.4	8.0	8.8	9.1	-0.2	3.2	0.0	2.5
Average	8.5	8.8	8.9	6.8	7.4	7.5	7.2	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Hartford | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	9.2	9.5	9.2	7.2	8.1	7.7	8.2	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	9.4	9.5	9.3	8.2	8.1	7.8	8.7	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	7.4	8.0	7.9	6.3	6.8	6.6	6.9	7.4	7.2	2.2	1.9	2.5	2.2
R&D	9.0	8.7	8.5	7.7	7.4	7.2	8.3	8.0	7.8	1.2	0.6	1.7	1.0
Flex	9.1	8.7	8.5	7.5	7.5	7.2	8.3	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	10.1	10.4	9.9	8.5	9.1	8.6	9.3	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	9.2	9.5	9.2	8.0	8.4	7.9	8.6	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	9.0	9.3	8.8	7.5	8.0	7.5	7.9	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	7.2	7.7	7.4	5.4	6.0	5.8	6.1	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	10.2	10.3	10.1	8.7	8.7	8.4	9.0	9.4	9.1	-0.2	0.9	0.0	1.2
Average	8.9	9.2	8.9	7.5	7.8	7.5	8.1	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Houston | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	8.3	9.1	9.2	6.8	7.5	7.7	7.3	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	9.1	9.2	9.3	7.3	7.6	7.8	7.8	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	7.4	8.0	7.9	6.0	6.5	6.6	6.5	7.1	7.2	2.2	1.6	2.5	2.2
R&D	8.8	8.6	8.5	7.3	7.2	7.2	7.9	7.8	7.8	1.2	0.6	1.7	1.5
Flex	8.2	8.5	8.5	7.1	7.1	7.2	7.4	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	8.9	9.9	9.9	7.8	8.4	8.6	8.3	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	8.3	9.1	9.2	7.2	7.7	7.9	7.6	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	7.9	8.9	8.8	6.7	7.5	7.5	7.1	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	6.8	7.4	7.4	5.6	5.8	5.8	5.9	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	11.2	9.7	10.1	9.3	8.2	8.4	9.6	8.8	9.1	-0.2	3.2	0.0	2.5
Average	8.4	8.8	8.9	7.1	7.4	7.5	7.5	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Indianapolis | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	National Value	Midwest Value	National Rent	Midwest Rent
CBD	8.7	9.1	9.2	7.8	7.6	7.7	8.4	8.1	8.2	-2.8	-2.1	-1.1	-1.4
Suburban	9.0	9.3	9.3	8.4	7.7	7.8	8.7	8.3	8.3	-1.0	0.6	-0.3	0.5
Warehouse	7.3	7.9	7.9	6.7	6.6	6.6	7.0	7.1	7.2	2.2	2.3	2.5	2.4
R&D	8.3	8.6	8.5	7.9	7.4	7.2	8.2	7.9	7.8	1.2	1.8	1.7	2.3
Flex	8.4	8.7	8.5	7.9	7.3	7.2	8.1	7.8	7.7	1.4	2.2	1.8	2.3
Regional Mall	9.6	9.9	9.9	9.1	8.6	8.6	9.4	9.0	9.1	-2.6	-1.5	-1.3	-1.1
Power Center	8.6	9.2	9.2	7.7	8.0	7.9	8.3	8.3	8.3	-0.2	0.4	0.4	0.7
Neigh/Comm	8.8	8.7	8.8	8.4	7.4	7.5	8.6	7.8	7.9	0.9	2.3	1.2	2.1
Apartment	7.1	7.2	7.4	6.5	5.8	5.8	6.9	6.3	6.4	1.1	2.5	1.8	2.9
Hotel	10.1	10.1	10.1	8.9	8.5	8.4	9.3	9.3	9.1	-0.2	1.9	0.0	2.8
Average	8.5	8.9	8.9	7.9	7.5	7.5	8.2	8.0	8.0	0.0	1.0	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Inland Empire | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	8.0	9.1	9.2	7.7	7.6	7.7	7.9	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	8.4	9.1	9.3	8.0	7.6	7.8	8.2	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	6.9	7.8	7.9	6.4	6.3	6.6	6.7	7.1	7.2	2.2	3.1	2.5	3.3
R&D	7.4	8.1	8.5	6.8	6.9	7.2	7.1	7.5	7.8	1.2	1.7	1.7	2.1
Flex	7.5	8.1	8.5	7.0	6.8	7.2	7.1	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	8.8	9.5	9.9	8.4	8.2	8.6	8.6	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	8.4	8.8	9.2	7.9	7.6	7.9	8.2	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	8.1	8.1	8.8	7.6	6.9	7.5	7.9	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.5	7.3	7.4	6.3	5.5	5.8	6.8	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	9.4	10.1	10.1	8.8	8.2	8.4	9.0	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	8.0	8.6	8.9	7.4	7.2	7.5	7.7	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Kansas City | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	National Value	Midwest Value	National Rent	Midwest Rent
CBD	9.9	9.1	9.2	8.2	7.6	7.7	8.8	8.1	8.2	-2.8	-2.1	-1.1	-1.4
Suburban	10.3	9.3	9.3	8.2	7.7	7.8	8.7	8.3	8.3	-1.0	0.6	-0.3	0.5
Warehouse	9.3	7.9	7.9	6.9	6.6	6.6	7.4	7.1	7.2	2.2	2.3	2.5	2.4
R&D	9.7	8.6	8.5	7.8	7.4	7.2	8.3	7.9	7.8	1.2	1.8	1.7	2.3
Flex	9.6	8.7	8.5	7.8	7.3	7.2	8.3	7.8	7.7	1.4	2.2	1.8	2.3
Regional Mall	11.4	9.9	9.9	10.5	8.6	8.6	10.8	9.0	9.1	-2.6	-1.5	-1.3	-1.1
Power Center	9.4	9.2	9.2	8.4	8.0	7.9	8.7	8.3	8.3	-0.2	0.4	0.4	0.7
Neigh/Comm	9.0	8.7	8.8	7.7	7.4	7.5	8.2	7.8	7.9	0.9	2.3	1.2	2.1
Apartment	8.2	7.2	7.4	6.0	5.8	5.8	6.5	6.3	6.4	1.1	2.5	1.8	2.9
Hotel	10.6	10.1	10.1	8.9	8.5	8.4	9.3	9.3	9.1	-0.2	1.9	0.0	2.8
Average	9.7	8.9	8.9	8.0	7.5	7.5	8.5	8.0	8.0	0.0	1.0	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Las Vegas | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	10.1	9.1	9.2	8.7	7.6	7.7	9.3	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	10.3	9.1	9.3	8.8	7.6	7.8	9.1	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	8.8	7.8	7.9	6.6	6.3	6.6	7.1	7.1	7.2	2.2	3.1	2.5	3.3
R&D	9.7	8.1	8.5	7.7	6.9	7.2	8.0	7.5	7.8	1.2	1.7	1.7	2.1
Flex	10.4	8.1	8.5	7.9	6.8	7.2	8.4	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	9.0	9.5	9.9	7.9	8.2	8.6	8.2	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	9.4	8.8	9.2	7.6	7.6	7.9	8.1	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	8.7	8.1	8.8	7.1	6.9	7.5	7.6	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.4	7.3	7.4	5.9	5.5	5.8	6.7	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	9.2	10.1	10.1	8.4	8.2	8.4	8.7	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	9.3	8.6	8.9	7.6	7.2	7.5	8.1	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Los Angeles | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	8.2	9.1	9.2	6.4	7.6	7.7	7.0	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	8.0	9.1	9.3	6.2	7.6	7.8	6.7	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	6.9	7.8	7.9	5.5	6.3	6.6	6.4	7.1	7.2	2.2	3.1	2.5	3.3
R&D	7.6	8.1	8.5	5.8	6.9	7.2	6.3	7.5	7.8	1.2	1.7	1.7	2.1
Flex	7.3	8.1	8.5	5.8	6.8	7.2	6.4	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	8.6	9.5	9.9	7.1	8.2	8.6	7.7	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	8.5	8.8	9.2	7.0	7.6	7.9	7.8	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	7.5	8.1	8.8	6.0	6.9	7.5	6.7	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.0	7.3	7.4	5.2	5.5	5.8	5.7	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	10.0	10.1	10.1	8.1	8.2	8.4	9.0	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	7.9	8.6	8.9	6.3	7.2	7.5	6.9	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Memphis | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	10.4	9.1	9.2	9.2	7.5	7.7	10.2	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	10.6	9.2	9.3	9.1	7.6	7.8	9.5	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	8.4	8.0	7.9	7.2	6.5	6.6	7.8	7.1	7.2	2.2	1.6	2.5	2.2
R&D	10.3	8.6	8.5	8.7	7.2	7.2	9.2	7.8	7.8	1.2	0.6	1.7	1.5
Flex	9.3	8.5	8.5	8.6	7.1	7.2	9.0	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	9.8	9.9	9.9	9.2	8.4	8.6	9.6	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	9.3	9.1	9.2	8.8	7.7	7.9	9.2	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	9.3	8.9	8.8	8.7	7.5	7.5	9.1	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	8.3	7.4	7.4	6.7	5.8	5.8	7.4	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	10.2	9.7	10.1	8.2	8.2	8.4	9.3	8.8	9.1	-0.2	3.2	0.0	2.5
Average	9.5	8.8	8.9	8.4	7.4	7.5	9.0	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Miami | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	8.3	9.1	9.2	6.5	7.5	7.7	7.5	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	8.8	9.2	9.3	7.2	7.6	7.8	8.1	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	7.4	8.0	7.9	5.6	6.5	6.6	6.3	7.1	7.2	2.2	1.6	2.5	2.2
R&D	8.5	8.6	8.5	6.7	7.2	7.2	7.8	7.8	7.8	1.2	0.6	1.7	1.5
Flex	8.0	8.5	8.5	6.4	7.1	7.2	7.4	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	8.3	9.9	9.9	6.9	8.4	8.6	7.7	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	8.4	9.1	9.2	6.8	7.7	7.9	7.5	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	7.6	8.9	8.8	6.4	7.5	7.5	7.0	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	7.1	7.4	7.4	4.9	5.8	5.8	5.6	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	8.8	9.7	10.1	6.7	8.2	8.4	8.1	8.8	9.1	-0.2	3.2	0.0	2.5
Average	8.1	8.8	8.9	6.4	7.4	7.5	7.3	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Minneapolis | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	National Value	Midwest Value	National Rent	Midwest Rent
CBD	8.8	9.1	9.2	7.3	7.6	7.7	7.7	8.1	8.2	-2.8	-2.1	-1.1	-1.4
Suburban	8.5	9.3	9.3	7.4	7.7	7.8	7.8	8.3	8.3	-1.0	0.6	-0.3	0.5
Warehouse	7.6	7.9	7.9	6.4	6.6	6.6	7.1	7.1	7.2	2.2	2.3	2.5	2.4
R&D	8.1	8.6	8.5	7.2	7.4	7.2	7.7	7.9	7.8	1.2	1.8	1.7	2.3
Flex	8.3	8.7	8.5	7.2	7.3	7.2	7.8	7.8	7.7	1.4	2.2	1.8	2.3
Regional Mall	8.7	9.9	9.9	7.7	8.6	8.6	8.1	9.0	9.1	-2.6	-1.5	-1.3	-1.1
Power Center	8.4	9.2	9.2	7.7	8.0	7.9	8.0	8.3	8.3	-0.2	0.4	0.4	0.7
Neigh/Comm	8.0	8.7	8.8	6.7	7.4	7.5	7.2	7.8	7.9	0.9	2.3	1.2	2.1
Apartment	7.8	7.2	7.4	6.0	5.8	5.8	6.7	6.3	6.4	1.1	2.5	1.8	2.9
Hotel	9.6	10.1	10.1	8.1	8.5	8.4	8.5	9.3	9.1	-0.2	1.9	0.0	2.8
Average	8.3	8.9	8.9	7.1	7.5	7.5	7.6	8.0	8.0	0.0	1.0	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Nashville | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	8.6	9.1	9.2	7.0	7.5	7.7	7.6	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	8.3	9.2	9.3	7.1	7.6	7.8	7.5	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	7.9	8.0	7.9	6.7	6.5	6.6	7.3	7.1	7.2	2.2	1.6	2.5	2.2
R&D	7.9	8.6	8.5	7.0	7.2	7.2	7.7	7.8	7.8	1.2	0.6	1.7	1.5
Flex	8.1	8.5	8.5	7.1	7.1	7.2	7.9	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	8.7	9.9	9.9	7.6	8.4	8.6	8.1	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	8.4	9.1	9.2	7.8	7.7	7.9	8.0	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	8.0	8.9	8.8	6.7	7.5	7.5	7.1	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	7.6	7.4	7.4	5.3	5.8	5.8	6.4	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	9.7	9.7	10.1	8.2	8.2	8.4	8.6	8.8	9.1	-0.2	3.2	0.0	2.5
Average	8.3	8.8	8.9	7.0	7.4	7.5	7.6	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

New York | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	8.9	9.5	9.2	6.7	8.1	7.7	7.5	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	9.8	9.5	9.3	7.5	8.1	7.8	7.9	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	9.3	8.0	7.9	7.0	6.8	6.6	7.8	7.4	7.2	2.2	1.9	2.5	2.2
R&D	8.5	8.7	8.5	6.2	7.4	7.2	6.8	8.0	7.8	1.2	0.6	1.7	1.0
Flex	8.9	8.7	8.5	6.6	7.5	7.2	7.0	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	10.3	10.4	9.9	8.9	9.1	8.6	9.1	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	9.2	9.5	9.2	7.2	8.4	7.9	7.6	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	9.2	9.3	8.8	7.0	8.0	7.5	7.6	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	8.2	7.7	7.4	5.8	6.0	5.8	6.5	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	10.2	10.3	10.1	8.0	8.7	8.4	8.9	9.4	9.1	-0.2	0.9	0.0	1.2
Average	9.2	9.2	8.9	7.0	7.8	7.5	7.6	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Norfolk | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	10.6	9.5	9.2	8.4	8.1	7.7	9.1	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	11.5	9.5	9.3	8.9	8.1	7.8	9.2	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	10.3	8.0	7.9	8.1	6.8	6.6	8.7	7.4	7.2	2.2	1.9	2.5	2.2
R&D	8.6	8.7	8.5	6.3	7.4	7.2	6.8	8.0	7.8	1.2	0.6	1.7	1.0
Flex	9.7	8.7	8.5	7.3	7.5	7.2	7.8	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	10.5	10.4	9.9	9.0	9.1	8.6	9.2	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	10.0	9.5	9.2	8.2	8.4	7.9	8.5	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	10.5	9.3	8.8	8.2	8.0	7.5	8.9	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	8.6	7.7	7.4	6.4	6.0	5.8	7.3	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	10.3	10.3	10.1	8.1	8.7	8.4	8.6	9.4	9.1	-0.2	0.9	0.0	1.2
Average	10.0	9.2	8.9	7.8	7.8	7.5	8.4	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Northern New Jersey | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	9.9	9.5	9.2	7.7	8.1	7.7	8.5	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	9.6	9.5	9.3	7.5	8.1	7.8	8.1	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	7.5	8.0	7.9	5.3	6.8	6.6	7.1	7.4	7.2	2.2	1.9	2.5	2.2
R&D	8.0	8.7	8.5	5.7	7.4	7.2	7.3	8.0	7.8	1.2	0.6	1.7	1.0
Flex	8.0	8.7	8.5	6.5	7.5	7.2	7.3	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	9.6	10.4	9.9	7.6	9.1	8.6	8.5	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	9.2	9.5	9.2	7.0	8.4	7.9	7.8	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	9.1	9.3	8.8	7.0	8.0	7.5	7.4	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	7.5	7.7	7.4	6.3	6.0	5.8	7.0	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	10.0	10.3	10.1	7.7	8.7	8.4	8.6	9.4	9.1	-0.2	0.9	0.0	1.2
Average	8.8	9.2	8.9	6.8	7.8	7.5	7.7	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Orange County | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	8.7	9.1	9.2	6.6	7.6	7.7	7.5	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	9.3	9.1	9.3	7.4	7.6	7.8	8.2	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	8.1	7.8	7.9	6.3	6.3	6.6	7.3	7.1	7.2	2.2	3.1	2.5	3.3
R&D	7.5	8.1	8.5	5.8	6.9	7.2	6.6	7.5	7.8	1.2	1.7	1.7	2.1
Flex	7.7	8.1	8.5	5.9	6.8	7.2	6.7	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	8.3	9.5	9.9	7.0	8.2	8.6	7.6	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	8.4	8.8	9.2	7.2	7.6	7.9	7.9	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	8.5	8.1	8.8	7.2	6.9	7.5	7.8	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	6.9	7.3	7.4	5.0	5.5	5.8	5.9	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	9.5	10.1	10.1	8.2	8.2	8.4	8.7	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	8.2	8.6	8.9	6.6	7.2	7.5	7.4	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Orlando | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	9.9	9.1	9.2	8.6	7.5	7.7	9.2	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	9.9	9.2	9.3	8.9	7.6	7.8	9.2	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	8.2	8.0	7.9	7.1	6.5	6.6	7.3	7.1	7.2	2.2	1.6	2.5	2.2
R&D	8.6	8.6	8.5	7.6	7.2	7.2	8.1	7.8	7.8	1.2	0.6	1.7	1.5
Flex	9.0	8.5	8.5	7.8	7.1	7.2	8.3	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	8.5	9.9	9.9	7.5	8.4	8.6	8.0	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	8.3	9.1	9.2	7.4	7.7	7.9	7.7	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	7.7	8.9	8.8	6.8	7.5	7.5	7.2	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	7.5	7.4	7.4	6.0	5.8	5.8	6.8	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	9.5	9.7	10.1	7.9	8.2	8.4	8.4	8.8	9.1	-0.2	3.2	0.0	2.5
Average	8.7	8.8	8.9	7.5	7.4	7.5	8.0	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Palm Beach | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	10.3	9.1	9.2	9.1	7.5	7.7	9.7	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	10.7	9.2	9.3	9.5	7.6	7.8	9.8	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	8.7	8.0	7.9	7.5	6.5	6.6	7.7	7.1	7.2	2.2	1.6	2.5	2.2
R&D	8.9	8.6	8.5	7.6	7.2	7.2	8.0	7.8	7.8	1.2	0.6	1.7	1.5
Flex	9.2	8.5	8.5	8.0	7.1	7.2	8.4	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	9.0	9.9	9.9	8.1	8.4	8.6	8.7	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	8.8	9.1	9.2	8.0	7.7	7.9	8.2	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	8.7	8.9	8.8	7.8	7.5	7.5	8.1	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	7.6	7.4	7.4	6.0	5.8	5.8	6.7	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	10.9	9.7	10.1	9.5	8.2	8.4	9.9	8.8	9.1	-0.2	3.2	0.0	2.5
Average	9.2	8.8	8.9	8.1	7.4	7.5	8.5	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Philadelphia | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	8.9	9.5	9.2	7.4	8.1	7.7	8.0	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	8.6	9.5	9.3	7.4	8.1	7.8	8.0	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	8.0	8.0	7.9	6.4	6.8	6.6	7.1	7.4	7.2	2.2	1.9	2.5	2.2
R&D	8.8	8.7	8.5	7.6	7.4	7.2	8.3	8.0	7.8	1.2	0.6	1.7	1.0
Flex	8.7	8.7	8.5	7.5	7.5	7.2	8.1	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	9.7	10.4	9.9	8.7	9.1	8.6	9.4	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	9.2	9.5	9.2	8.3	8.4	7.9	8.9	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	9.0	9.3	8.8	7.9	8.0	7.5	8.5	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	7.6	7.7	7.4	6.1	6.0	5.8	7.0	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	9.6	10.3	10.1	8.2	8.7	8.4	8.8	9.4	9.1	-0.2	0.9	0.0	1.2
Average	8.8	9.2	8.9	7.5	7.8	7.5	8.2	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Phoenix | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	9.1	9.1	9.2	7.6	7.6	7.7	8.2	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	9.0	9.1	9.3	7.7	7.6	7.8	8.2	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	7.2	7.8	7.9	5.8	6.3	6.6	6.4	7.1	7.2	2.2	3.1	2.5	3.3
R&D	8.9	8.1	8.5	7.7	6.9	7.2	8.3	7.5	7.8	1.2	1.7	1.7	2.1
Flex	8.6	8.1	8.5	7.4	6.8	7.2	8.1	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	10.1	9.5	9.9	9.0	8.2	8.6	9.7	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	8.9	8.8	9.2	8.0	7.6	7.9	8.7	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	9.1	8.1	8.8	7.9	6.9	7.5	8.5	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.5	7.3	7.4	5.6	5.5	5.8	6.4	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	9.1	10.1	10.1	7.6	8.2	8.4	8.4	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	8.7	8.6	8.9	7.4	7.2	7.5	8.0	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Pittsburgh | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	9.6	9.5	9.2	8.4	8.1	7.7	9.4	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	10.1	9.5	9.3	8.6	8.1	7.8	9.4	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	8.9	8.0	7.9	8.0	6.8	6.6	8.2	7.4	7.2	2.2	1.9	2.5	2.2
R&D	9.0	8.7	8.5	7.7	7.4	7.2	8.6	8.0	7.8	1.2	0.6	1.7	1.0
Flex	9.2	8.7	8.5	7.9	7.5	7.2	8.3	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	10.1	10.4	9.9	9.0	9.1	8.6	9.9	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	9.8	9.5	9.2	8.7	8.4	7.9	9.2	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	9.1	9.3	8.8	8.1	8.0	7.5	8.4	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	8.5	7.7	7.4	6.8	6.0	5.8	7.6	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	11.4	10.3	10.1	8.4	8.7	8.4	9.4	9.4	9.1	-0.2	0.9	0.0	1.2
Average	9.5	9.2	8.9	8.1	7.8	7.5	8.8	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Portland | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	8.9	9.1	9.2	7.3	7.6	7.7	7.9	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	9.5	9.1	9.3	7.4	7.6	7.8	7.9	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	8.3	7.8	7.9	6.7	6.3	6.6	7.2	7.1	7.2	2.2	3.1	2.5	3.3
R&D	9.0	8.1	8.5	7.2	6.9	7.2	7.8	7.5	7.8	1.2	1.7	1.7	2.1
Flex	8.2	8.1	8.5	6.6	6.8	7.2	7.0	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	9.2	9.5	9.9	7.7	8.2	8.6	8.2	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	9.2	8.8	9.2	7.5	7.6	7.9	8.1	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	8.3	8.1	8.8	6.4	6.9	7.5	7.0	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	8.6	7.3	7.4	6.4	5.5	5.8	6.7	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	10.8	10.1	10.1	8.5	8.2	8.4	9.1	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	9.0	8.6	8.9	7.1	7.2	7.5	7.6	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Raleigh/Durham | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	9.0	9.5	9.2	7.9	8.1	7.7	8.6	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	9.4	9.5	9.3	8.2	8.1	7.8	8.6	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	7.5	8.0	7.9	6.2	6.8	6.6	6.7	7.4	7.2	2.2	1.9	2.5	2.2
R&D	7.9	8.7	8.5	7.1	7.4	7.2	7.5	8.0	7.8	1.2	0.6	1.7	1.0
Flex	8.0	8.7	8.5	6.9	7.5	7.2	7.5	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	9.3	10.4	9.9	8.4	9.1	8.6	9.0	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	9.4	9.5	9.2	8.5	8.4	7.9	8.9	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	8.3	9.3	8.8	7.2	8.0	7.5	7.8	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	8.4	7.7	7.4	6.2	6.0	5.8	7.1	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	9.7	10.3	10.1	8.4	8.7	8.4	9.0	9.4	9.1	-0.2	0.9	0.0	1.2
Average	8.6	9.2	8.9	7.5	7.8	7.5	8.0	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Richmond | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	10.3	9.5	9.2	7.7	8.1	7.7	9.0	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	10.2	9.5	9.3	8.5	8.1	7.8	9.3	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	8.5	8.0	7.9	7.0	6.8	6.6	7.9	7.4	7.2	2.2	1.9	2.5	2.2
R&D	9.2	8.7	8.5	8.1	7.4	7.2	8.5	8.0	7.8	1.2	0.6	1.7	1.0
Flex	9.0	8.7	8.5	7.9	7.5	7.2	8.2	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	11.1	10.4	9.9	8.7	9.1	8.6	9.5	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	10.0	9.5	9.2	9.0	8.4	7.9	9.7	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	9.6	9.3	8.8	7.8	8.0	7.5	8.3	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	7.9	7.7	7.4	6.0	6.0	5.8	6.5	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	9.3	10.3	10.1	7.8	8.7	8.4	8.6	9.4	9.1	-0.2	0.9	0.0	1.2
Average	9.5	9.2	8.9	7.8	7.8	7.5	8.5	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Sacramento | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	10.5	9.1	9.2	9.1	7.6	7.7	9.9	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	10.5	9.1	9.3	8.7	7.6	7.8	9.3	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	8.3	7.8	7.9	6.0	6.3	6.6	6.8	7.1	7.2	2.2	3.1	2.5	3.3
R&D	9.3	8.1	8.5	7.1	6.9	7.2	7.9	7.5	7.8	1.2	1.7	1.7	2.1
Flex	9.2	8.1	8.5	7.3	6.8	7.2	7.7	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	10.4	9.5	9.9	8.7	8.2	8.6	9.8	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	9.7	8.8	9.2	8.9	7.6	7.9	9.2	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	9.4	8.1	8.8	7.1	6.9	7.5	8.1	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.9	7.3	7.4	5.9	5.5	5.8	6.4	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	10.6	10.1	10.1	8.4	8.2	8.4	9.1	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	9.5	8.6	8.9	7.7	7.2	7.5	8.4	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Salt Lake City | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	8.8	9.1	9.2	7.4	7.6	7.7	8.0	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	9.0	9.1	9.3	7.3	7.6	7.8	7.9	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	8.2	7.8	7.9	6.7	6.3	6.6	7.1	7.1	7.2	2.2	3.1	2.5	3.3
R&D	8.4	8.1	8.5	7.5	6.9	7.2	8.0	7.5	7.8	1.2	1.7	1.7	2.1
Flex	8.7	8.1	8.5	7.2	6.8	7.2	7.6	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	9.3	9.5	9.9	7.9	8.2	8.6	8.4	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	8.9	8.8	9.2	7.6	7.6	7.9	7.9	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	8.3	8.1	8.8	6.8	6.9	7.5	7.4	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.8	7.3	7.4	5.9	5.5	5.8	6.5	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	10.0	10.1	10.1	8.4	8.2	8.4	8.9	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	8.7	8.6	8.9	7.2	7.2	7.5	7.7	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

San Antonio | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	9.2	9.1	9.2	8.1	7.5	7.7	8.9	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	9.1	9.2	9.3	7.7	7.6	7.8	8.5	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	7.0	8.0	7.9	6.4	6.5	6.6	6.7	7.1	7.2	2.2	1.6	2.5	2.2
R&D	8.4	8.6	8.5	7.6	7.2	7.2	8.1	7.8	7.8	1.2	0.6	1.7	1.5
Flex	8.2	8.5	8.5	7.5	7.1	7.2	7.9	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	9.2	9.9	9.9	7.5	8.4	8.6	8.7	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	8.4	9.1	9.2	7.5	7.7	7.9	8.3	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	8.2	8.9	8.8	7.5	7.5	7.5	7.9	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	7.6	7.4	7.4	5.9	5.8	5.8	6.6	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	9.8	9.7	10.1	8.4	8.2	8.4	8.8	8.8	9.1	-0.2	3.2	0.0	2.5
Average	8.5	8.8	8.9	7.4	7.4	7.5	8.0	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

San Diego | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	8.9	9.1	9.2	7.7	7.6	7.7	8.4	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	9.3	9.1	9.3	7.7	7.6	7.8	8.7	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	8.0	7.8	7.9	6.3	6.3	6.6	7.1	7.1	7.2	2.2	3.1	2.5	3.3
R&D	8.7	8.1	8.5	6.7	6.9	7.2	7.5	7.5	7.8	1.2	1.7	1.7	2.1
Flex	9.0	8.1	8.5	7.1	6.8	7.2	8.0	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	9.6	9.5	9.9	7.8	8.2	8.6	9.3	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	10.3	8.8	9.2	8.6	7.6	7.9	9.0	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	8.5	8.1	8.8	6.6	6.9	7.5	7.9	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.5	7.3	7.4	5.8	5.5	5.8	6.5	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	10.3	10.1	10.1	8.4	8.2	8.4	9.3	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	9.0	8.6	8.9	7.2	7.2	7.5	8.1	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

San Francisco | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	8.7	9.1	9.2	7.4	7.6	7.7	8.3	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	8.9	9.1	9.3	7.1	7.6	7.8	8.0	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	9.6	7.8	7.9	7.4	6.3	6.6	8.4	7.1	7.2	2.2	3.1	2.5	3.3
R&D	9.3	8.1	8.5	7.1	6.9	7.2	8.2	7.5	7.8	1.2	1.7	1.7	2.1
Flex	9.4	8.1	8.5	7.7	6.8	7.2	8.4	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	9.4	9.5	9.9	7.6	8.2	8.6	9.0	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	9.8	8.8	9.2	8.3	7.6	7.9	8.7	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	8.5	8.1	8.8	6.6	6.9	7.5	7.9	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.2	7.3	7.4	5.3	5.5	5.8	6.1	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	10.1	10.1	10.1	8.2	8.2	8.4	9.0	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	9.0	8.6	8.9	7.2	7.2	7.5	8.2	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

San Jose | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	9.7	9.1	9.2	8.1	7.6	7.7	8.8	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	9.8	9.1	9.3	8.3	7.6	7.8	8.8	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	8.9	7.8	7.9	7.2	6.3	6.6	7.6	7.1	7.2	2.2	3.1	2.5	3.3
R&D	9.3	8.1	8.5	7.4	6.9	7.2	8.1	7.5	7.8	1.2	1.7	1.7	2.1
Flex	8.7	8.1	8.5	7.1	6.8	7.2	7.6	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	9.2	9.5	9.9	8.0	8.2	8.6	8.5	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	9.5	8.8	9.2	7.8	7.6	7.9	8.6	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	8.6	8.1	8.8	7.6	6.9	7.5	8.2	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	8.0	7.3	7.4	6.2	5.5	5.8	6.7	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	9.2	10.1	10.1	8.5	8.2	8.4	9.0	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	9.0	8.6	8.9	7.6	7.2	7.5	8.1	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Seattle | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	RERC Estimate ²	West Region	U.S.	National Value	West Value	National Rent	West Rent
CBD	8.6	9.1	9.2	6.9	7.6	7.7	7.5	8.0	8.2	-2.8	-3.6	-1.1	-1.8
Suburban	9.2	9.1	9.3	7.7	7.6	7.8	8.1	8.1	8.3	-1.0	-1.6	-0.3	-0.9
Warehouse	7.7	7.8	7.9	5.9	6.3	6.6	6.3	7.1	7.2	2.2	3.1	2.5	3.3
R&D	8.6	8.1	8.5	7.1	6.9	7.2	7.8	7.5	7.8	1.2	1.7	1.7	2.1
Flex	8.3	8.1	8.5	6.9	6.8	7.2	7.5	7.5	7.7	1.4	1.9	1.8	2.2
Regional Mall	8.6	9.5	9.9	7.3	8.2	8.6	7.9	8.7	9.1	-2.6	-3.8	-1.3	-1.6
Power Center	9.1	8.8	9.2	7.4	7.6	7.9	7.9	8.0	8.3	-0.2	1.3	0.4	1.6
Neigh/Comm	7.6	8.1	8.8	6.4	6.9	7.5	7.3	7.3	7.9	0.9	0.9	1.2	1.4
Apartment	7.8	7.3	7.4	5.8	5.5	5.8	6.3	6.2	6.4	1.1	0.8	1.8	1.3
Hotel	10.3	10.1	10.1	8.1	8.2	8.4	8.5	8.7	9.1	-0.2	-6.8	0.0	-6.5
Average	8.5	8.6	8.9	6.9	7.2	7.5	7.5	7.7	8.0	0.0	-0.6	0.7	0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

St. Louis | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	RERC Estimate ²	Midwest Region	U.S.	National Value	Midwest Value	National Rent	Midwest Rent
CBD	10.5	9.1	9.2	8.5	7.6	7.7	9.3	8.1	8.2	-2.8	-2.1	-1.1	-1.4
Suburban	10.5	9.3	9.3	8.6	7.7	7.8	9.2	8.3	8.3	-1.0	0.6	-0.3	0.5
Warehouse	9.1	7.9	7.9	7.0	6.6	6.6	7.8	7.1	7.2	2.2	2.3	2.5	2.4
R&D	9.1	8.6	8.5	7.1	7.4	7.2	7.9	7.9	7.8	1.2	1.8	1.7	2.3
Flex	9.7	8.7	8.5	8.3	7.3	7.2	8.9	7.8	7.7	1.4	2.2	1.8	2.3
Regional Mall	10.4	9.9	9.9	8.7	8.6	8.6	9.7	9.0	9.1	-2.6	-1.5	-1.3	-1.1
Power Center	10.3	9.2	9.2	8.5	8.0	7.9	9.4	8.3	8.3	-0.2	0.4	0.4	0.7
Neigh/Comm	9.0	8.7	8.8	7.5	7.4	7.5	8.7	7.8	7.9	0.9	2.3	1.2	2.1
Apartment	8.2	7.2	7.4	6.5	5.8	5.8	7.0	6.3	6.4	1.1	2.5	1.8	2.9
Hotel	10.5	10.1	10.1	8.4	8.5	8.4	9.2	9.3	9.1	-0.2	1.9	0.0	2.8
Average	9.7	8.9	8.9	7.9	7.5	7.5	8.7	8.0	8.0	0.0	1.0	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Tampa | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	RERC Estimate ²	South Region	U.S.	National Value	South Value	National Rent	South Rent
CBD	8.5	9.1	9.2	7.1	7.5	7.7	8.0	8.0	8.2	-2.8	-2.1	-1.1	0.8
Suburban	9.0	9.2	9.3	7.4	7.6	7.8	8.0	8.2	8.3	-1.0	-0.7	-0.3	1.1
Warehouse	8.9	8.0	7.9	6.8	6.5	6.6	8.0	7.1	7.2	2.2	1.6	2.5	2.2
R&D	9.0	8.6	8.5	8.0	7.2	7.2	8.8	7.8	7.8	1.2	0.6	1.7	1.5
Flex	8.9	8.5	8.5	7.8	7.1	7.2	8.6	7.6	7.7	1.4	0.9	1.8	1.6
Regional Mall	9.3	9.9	9.9	8.0	8.4	8.6	8.8	9.1	9.1	-2.6	-2.0	-1.3	-0.2
Power Center	7.9	9.1	9.2	7.4	7.7	7.9	7.7	8.2	8.3	-0.2	-0.5	0.4	0.7
Neigh/Comm	8.3	8.9	8.8	7.0	7.5	7.5	7.6	7.9	7.9	0.9	0.7	1.2	1.7
Apartment	8.0	7.4	7.4	5.8	5.8	5.8	6.7	6.4	6.4	1.1	0.5	1.8	1.6
Hotel	9.3	9.7	10.1	8.4	8.2	8.4	9.1	8.8	9.1	-0.2	3.2	0.0	2.5
Average	8.7	8.8	8.9	7.3	7.4	7.5	8.1	7.9	8.0	0.0	0.2	0.7	1.4

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

Washington, D.C. | First-Tier¹ Investment Properties

	Pre-Tax Yield (IRR) (%)			Going-In Cap Rate (%)			Terminal Cap Rate (%)			Anticipated 1-Year Growth Rate			
	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	RERC Estimate ²	East Region	U.S.	National Value	East Value	National Rent	East Rent
CBD	9.3	9.5	9.2	7.7	8.1	7.7	8.6	8.5	8.2	-2.8	-3.2	-1.1	-1.9
Suburban	9.6	9.5	9.3	7.9	8.1	7.8	8.4	8.7	8.3	-1.0	-2.4	-0.3	-2.0
Warehouse	8.9	8.0	7.9	7.3	6.8	6.6	7.7	7.4	7.2	2.2	1.9	2.5	2.2
R&D	9.1	8.7	8.5	8.3	7.4	7.2	8.6	8.0	7.8	1.2	0.6	1.7	1.0
Flex	8.8	8.7	8.5	7.5	7.5	7.2	8.1	8.0	7.7	1.4	0.6	1.8	1.1
Regional Mall	9.1	10.4	9.9	8.0	9.1	8.6	8.7	9.7	9.1	-2.6	-2.9	-1.3	-2.3
Power Center	9.1	9.5	9.2	7.6	8.4	7.9	7.9	8.8	8.3	-0.2	-1.9	0.4	-1.4
Neigh/Comm	8.1	9.3	8.8	6.8	8.0	7.5	7.2	8.6	7.9	0.9	-0.4	1.2	-0.3
Apartment	7.8	7.7	7.4	5.6	6.0	5.8	6.3	6.8	6.4	1.1	0.6	1.8	1.4
Hotel	10.2	10.3	10.1	8.4	8.7	8.4	8.8	9.4	9.1	-0.2	0.9	0.0	1.2
Average	9.0	9.2	8.9	7.5	7.8	7.5	8.0	8.4	8.0	0.0	-0.6	0.7	-0.1

¹First-tier investment properties are defined as the best quality assets in prime to good locations. ² Historical metro rates re-benchmarked as of May 2022. Source RERC, 4Q 2023.

INSTITUTIONAL SURVEY RESPONDENTS¹

Aegon USA
 AEW
 Altus
 Appraisal Services, Inc.
 Atlantic Realty Advisors
 Auburndale Realty Co.
 Barings
 BGO
 Boston Capital real Estate Partners
 CalSTRS
 CT Appraisals
 DWS Group
 Equus Capital Partners
 Gary Brown & Associates, Inc.
 Heitman
 HVS
 Leatherman Real Estate Services
 MacKenzie S. Bottum & Assoc. Inc
 MetLife Investment Management
 National Real Estate Advisors
 National Valuation Consultants Inc.
 Natixis
 New York Life Investors
 NPV Advisors
 Partners Real Estate

Phillips Edison & Company
 Principal Asset Management
 Principal Real Estate Investors
 PwC LLP
 Real Property Dynamics
 SitusAMC
 State Teachers Retirement System of Ohio
 Street, Guinn Appraisers
 Stropp Appraisal
 Transwestern
 Tropical Realty Appraisal Services
 ULLICO
 US Realty Consultants, Inc.
 Valbridge Prop Advisors
 Valbridge Property Advisors
 Valuation Consulting Group, LLC
 Veritas Realty Advisors
 VMG Health
 Waterton
 Yovino-Young, Incorporated

¹This is a partial list of the companies that participated in our institutional survey. The firms listed agreed to be identified and do not represent our entire list of survey respondents.



REGIONAL INVESTMENT SURVEY RESPONDENTS²

Gary Barker
Valbridge
Cleveland, OH

Ryan L. Bauer
Diversified Real Estate Services
Minneapolis, MN

Scott Belke, MIA
Belke Appraisal & Consulting Services, Inc.
Kansas City, MO

Bush Benton
Stegall, Benton & Melancon, LLC
Metairie, LA

Bob Blincow
Principal Real Estate Investors
Des Moines, IA

Daniel Boris, MAI, CCIM, SRA
The Appraisal Group
Maple Grove, MN

Paul Borysow
Borysow Appraisal
Riverside, IL

MacKenzie Bottum
MacKenzie S. Bottum & Assoc. Inc
Dallas, TX

Jeffrey W. Briggs
BDO USA
Dallas, TX

Gary Brown
Gary Brown & Associates, Inc.
Houston, TX

Gary Brown
Partners Real Estate
Houston, TX

Denny Churette
cherette group
Grand Haven, MI

William Cole
Calusa Appraisal, LLC
Fort Myers, FL

G. Joseph Corlett
Mountain States Appraisal, LLC
Boise, ID

Edward DeLaurier, CRE, CCIM, FRICS, MAI
Atlantic Realty Advisors
Jacksonville, FL

Dale Donerkiel
DMD Properties Inc
San Fernando, CA

Vathana Duong
Colliers International
San Francisco, CA

Bradley Eldridge
Douglas County Appraiser's Office
Lawrence, KS

Petter Eriksmoen
Appraisal Services, Inc.
Fargo, ND

John Fisher
O'Connor & Associates
Houston, TX

Kara Fishman
Kara Fishman
Willimantic, CT

Franklin Flato
Flato Realty Advisors, LLC
San Antonio, TX

Brett Gerig, CRE
Waterton
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This is a partial list of the professionals who participated in our regional survey. The individuals listed agreed to be identified and do not represent our entire list of survey respondents.

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RERC SCOPE AND METHODOLOGY



REPORT METHODOLOGY

The RERC Real Estate Investment Survey summarizes the required rates of return (ex-ante), property selection criteria and investment outlook of a representative sample of large institutional investors and regional respondents throughout the United States. We survey both regional and institutional investors across the nation quarterly, inquiring about investment criteria in their local marketplace and trends across the country. The results are collected, averaged and then included in our quarterly report.

Published quarterly, the data provide timely insight into yields, return criteria and risk adjustments that institutional investors rely on when making acquisitions. The survey data are used by investors, developers, appraisers and financial institutions to monitor changing market conditions and to estimate financial performance.

Findings reflect ex-ante required returns, or expectations, of investors contemplating acquisitions. Thus, the RERC survey acts as a barometer of current market perceptions and confidence among the nation's top professionals.

Readers should also recognize that underwriting assumptions and practices, as well as underlying definitions of key terms, will vary slightly among survey respondents. Therefore, the greatest benefit to an investor who is interpreting survey results over time is a recognition of the trends of various measuring devices and contemplation of the relationship of one measuring device to another. It is equally important to keep in mind that the investment survey reports required returns, not actual or historical performance. Performance data are available from other sources.

RERC DEFINITIONS

Basis Point (bp): A unit of measure describing the percentage point change in rates or values. The basis point spread is the difference

between the yield (as defined) and an alternative investment with a comparable life (e.g., 10-Year Treasurys).

Down Time: The average number of months to re-lease a space.

Going-In (Overall) Capitalization Rate: The first-year net operating income (NOI) divided by price or value.

Note: Going-in (overall) capitalization rate is the first-year NOI divided by price or value. To clarify and allow the reader to use our cap rates properly relative to the direct cap method, please refer to the RERC Investment Conditions and Current Quarter Capitalization Techniques table that indicates the reserve treatment (NOI before or after reserves) for each property type. To use RERC's data correctly, the user of our information should: (1) view the RERC cap rates within the context reported for reserves; (2) determine if the cap rate will be applied on NOI before or after reserves; (3) evaluate and adjust the cap rate as needed to make it consistent with the extraction and application of the rate for the user's situation.

Holding Period: Average time that a property type is held for investment.

Institutional Real Estate: High-quality CRE (minimum value of \$5 million per property) that is generally owned or financed at least in part by tax-exempt investors on behalf of beneficiaries in a fiduciary environment (e.g., public and corporate pension funds, endowments and foundations, life insurance companies, commercial banks, real estate investment trusts, sovereign wealth funds).

Marketing Time: The period between the offering of a property for sale and securing a bona fide buyer.

Metropolitan Investment Criteria: RERC metro rates are estimated and developed based on proprietary models that include, but are not exclusive to, commercial real estate fundamentals (e.g., population growth, sales volume, market liquidity) and observed rates in

the market for various property classes and regions on a national basis. RERC uses its valuation experience and knowledge to audit and examine the estimated rates developed from our models. Employing objective or quantitative models that are subject to expert knowledge provides well-supported rates for 47 metros and all property types.

Net Operating Income (NOI): The current income of a property, net of all operating expenses, but before any reserves, debt service, capital expenditures, tenant improvements and leasing commissions. The NOI is similar to the financial term EBITDA.

Pre-Tax Yield Rate (IRR, Discount Rate): The rate of interest that discounts the pre-income-tax cash flows received on an unleveraged investment back to a present value that is exactly equal to the amount of the original equity investment. It is in effect a time-weighted average return on equity and, as used here, is synonymous with the term yield.

Renewal Probability: The expected probability (as a percentage) that an existing tenant will renew its lease after the expiration date.

Reserves: Amount allocated for periodic replacement of long-lived building components during a property's economic life.

RERC Estimate vs. Survey Rates: In addition to the survey responses (i.e., survey rates) that RERC receives and analyzes each quarter, RERC also developed a proprietary model that incorporates unemployment, vacancy rates and other financial and space market data. This modeled information, combined with the data received from the survey responses, is the RERC Estimate.

RERC Portfolio Index (RPI): RERC's required return utilizing a weighted average based on the NCREIF Property Index.

Sales Cost: The deduction, as a percentage of the reversion, that is made for the anticipated cost of selling a property at the end of the holding period.

Terminal (Residual) Capitalization Rate: The rate used to estimate resale or reversion value at the end of the holding period. Typically, it is the NOI in the year following the last year of the holding period that is capitalized. This rate is similar to the going-in capitalization rate, but is applied at the end of the holding investment period.

Vacancy Loss: Percentage of total revenue uncollected due to space that remains vacant over a typical holding period.

RERC DEFINED REGIONS AND PROPERTY CLASSIFICATIONS

West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming.

Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin.

South: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi,

Oklahoma, Tennessee, Texas.

East: Connecticut, Delaware, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, Washington, D.C., West Virginia.

Tier 1 Properties: New or newer quality construction in prime to good locations.

Tier 2 Properties: Aging, former first-tier properties, in good to average locations.

Tier 3 Properties: Older properties with functional inadequacies and/or in marginal locations.

Institutional Investment-grade Property: A property is considered to be institutional investment-grade if it attracts the attention of large institutional capital sources, such as pension plans, insurance companies, private equity firms or real estate investment trusts. These properties generally have top amenities, creditworthy tenants, higher rent, low vacancy rates and are well located in the market. Based on the risk and return tolerance level of an institution, Class A, and certain assets in Class B, could all be considered institutional investment-grade assets.

Regional Investment-grade Property: A property is considered to be regional investment-grade if it attracts the attention of national and regional capital sources seeking an income-producing property and could consist of large or small buyers. These properties generally have good amenities, creditworthy tenants, an income stream in place and have good locations for that market. Regional investment-grade properties are generally stable over time relative to their income.

Note of Caution: The institutional and regional rates obtained in this report are for investment-grade properties and are not directly applicable to non-investment-grade properties (i.e., a property that does not generate income and is highly speculative and risky in nature). Since the market for real estate changes constantly, the precise threshold for what constitutes an investment-grade or non-investment-grade property is not constant. There are no precise formulas for placing the property into a certain segment, and the criteria for investment-grade is influenced by many factors present in the real estate environment at the time of observation.

It is imperative to exercise caution when interpreting required rates of return. RERC's institutional and regional return data show a normal range of expected returns from many categories of investment-grade properties. Obviously, properties with greater investment risk will be in the high range of the scale.

We also note that investors generally strive to achieve a diversified portfolio; this motivation partially explains the variation in pre-tax yield requirements. Ranges and other data reflect the central tendencies of respondents; unusually high and low responses have been eliminated.

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